

Sands Capital Alternatives, LLC

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This brochure provides information about the qualifications and business practices of Sands Capital Alternatives, LLC ("*Sands Capital Alternatives*"). If you have any questions about the contents of this brochure, please contact us at (703) 562-4000. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the "*SEC*") or by any state securities authority.

Sands Capital Alternatives is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Sands Capital Alternatives is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Sands Capital Alternatives is 155517.

Item 2. MATERIAL CHANGES

This Brochure dated July 28, 2026, serves as an other-than-annual update and contains the following material changes since our last annual update on March 30, 2026.

Item 12- Brokerage Practices was updated to provide additional disclosure regarding participation in public offerings.

Certain non-material changes were also made to this Brochure. We encourage you to read the Brochure in its entirety. All defined terms in this Item 2 are subsequently defined in this Brochure.

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Item 4. ADVISORY BUSINESS

Sands Capital Alternatives is an independent investment management firm that was formed in October 2010. Sands Capital Management, LP is the principal owner of Sands Capital Alternatives and, in turn, is principally owned, directly and indirectly, by the companies and trusts identified in Schedule B of Part 1. Sands Capital Alternatives and Sands Capital Management, LP are ultimately controlled by Frank M. Sands.

Sands Capital Alternatives provides investment advisory services to private funds (the "*Funds")* and separately managed accounts ("*SMAs*" and, together with the Funds, the "*Clients*"). The Funds are exempt from registration under the U.S. Investment Company Act of 1940, as amended (the "*1940 Act*"), and their securities are not registered under the U.S. Securities Act of 1933, as amended (the "*Securities Act*"). Sands Capital Alternatives provides investment advisory services with respect to investment strategies that invest in publicly traded and/or privately held companies. Sands Capital Alternatives' investment strategies and methods of analysis are described in *Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss*. Sands Capital Alternatives sources investment opportunities, and advises with respect to the acquisition, management, monitoring and disposition of investments, for each Client.

Sands Capital Alternatives' investment strategies target investments across geographies and industries, including life sciences, technology, and consumer, and across multiple stages of development, from early-stage venture capital to late-stage growth equity, to publicly-traded companies. Depending on the investment strategy, investments may be made in U.S. and non-U.S. companies through private placements, public offerings, and/or secondary public market transactions. From time to time, employees of Sands Capital Alternatives or its affiliates will serve on the boards of directors of portfolio companies or otherwise act to influence control over management of portfolio companies. Sands Capital Alternatives, from time to time, engages persons unaffiliated with Sands Capital Alternatives to represent the relevant Fund on portfolio companies' boards of directors. Some of the Funds have the authority to also invest in investment funds managed by unaffiliated third parties that principally target venture capital and/or growth equity investments. Sands Capital Alternatives' investment advisory services are performed in accordance with the advisory agreement or side-letter agreement with, and/or the organizational documents of, each Client ("*Client Documentation*") and, in the case of Funds, are subject to the direction and control of the general partner of each Fund, as applicable.

Any investment restrictions, including with respect to types of securities, industries, or diversification, are set forth in the Client Documentation. Once invested in a Fund, investors cannot change or impose new investment restrictions on a Fund. Sands Capital Alternatives may agree to amend the investment advisory agreements with SMA Clients to change or impose new investment restrictions with respect to the SMAs.

Sands Capital Alternatives constructs and maintains model portfolios for each investment strategy that principally targets investments in publicly traded securities. Clients invested in such

strategies are generally invested in the same portfolio businesses and at approximately the same weights as the applicable strategy model unless the Client Documentation prohibits or restricts an investment.

Each general partner of a Fund is subject to the U.S. Investment Advisers Act of 1940, as amended (the "*Advisers Act*"), pursuant to the registration of Sands Capital Alternatives in accordance with SEC guidance. This Brochure also describes the business practices of the general partners of the Funds, which operate as a single advisory business together with Sands Capital Alternatives.

Investors in a Fund generally have no right to redeem their interests in the Fund prior to the expiration of its term and can obtain liquidity only upon the termination of the Fund or a partial disposition of the Fund's investments. SMA Clients are permitted to periodically add to or redeem their interests in their SMAs, subject to the terms set forth in the Client Documentation.

Sands Capital Alternatives had assets under management of approximately $5,405.4 million as of December 31, 2025.

Sands Capital Alternatives is affiliated with other investment advisers that also operate under the name Sands Capital ("*Advisory Affiliates*"). Under personnel-sharing and other arrangements, certain Advisory Affiliates' employees act on behalf of Sands Capital Alternatives for purposes of providing services with respect to the Clients, which services may include back office, trading, and administrative services. Certain Advisory Affiliates' employees are also officers of Sands Capital Alternatives.

Sands Capital Alternatives believes that harnessing the collective capabilities of Sands Capital Alternatives and the Advisory Affiliates benefits the Clients. These joint teams use expanded and shared capabilities, including the sharing of research and other information by investment staff members relating to economic perspectives, market analysis and securities research.

Whistleblowing

No provision in any agreement between Sands Capital Alternatives and any third party, including the Clients, restricts any party from communicating with or recovering a monetary award from any governmental authorities or other regulatory agencies, or from making disclosures that are protected under the whistleblower provisions of federal law or regulation.

Item 5. FEES AND COMPENSATION

Sands Capital Alternatives or its affiliates generally receive Management Fees (as defined below), and/or incentive allocation or similar performance-based remuneration from Clients. A Fund and/or its portfolio companies, have in the past and may in the future also make other payments to Sands Capital Alternatives or its affiliates for services provided to the Fund and/or the portfolio companies, which, in certain circumstances, consistent with the Client Documentation, would reduce

the Management Fees payable to Sands Capital Alternatives. Additionally, consistent with the Client Documentation, the Fund typically bears certain out-of-pocket expenses incurred by Sands Capital Alternatives in connection with the services provided to the Fund and/or the portfolio companies. Further details about certain common fees and expenses are set forth below.

Management Fees

Funds

Investors in a Fund typically are directly or indirectly subject to an investment management fee (the "*Management Fee*") payable by the Fund to Sands Capital Alternatives as the investment manager of the Fund equal to a percentage of the capital commitments to or the capital invested by such Fund. The precise amount of, and manner and calculation of, the Management Fee are established by Sands Capital Alternatives and are set forth in the Client Documentation provided to an investor prior to investment in a Fund. The Management Fee is typically not open to negotiation. Additionally, Management Fee rates currently and may in the future differ from one Fund to another, and certain Funds grant investors the ability to choose among different Management Fee rate options that correspond to different incentive allocation percentages. Certain Funds, from time to time, also grant investors participating in the initial closings of such Funds lower Management Fee rates. Further, Sands Capital Alternatives may waive the Management Fee for certain investors (if consistent with the Client Documentation). Currently Sands Capital Alternatives does not waive the Management Fee except as described below. Generally, the Management Fee is payable until the final proceeds from capital investments are distributed or until Sands Capital Alternatives' relationship with the Fund is terminated for other reasons as described in the Client Documentation. The Management Fee may be lowered or offset by certain fees received by Sands Capital Alternatives or its affiliates, as described in more detail below. The Management Fee structures described herein may be modified from time to time. Upon termination of an advisory agreement, Management Fees that have been prepaid are generally returned on a prorated basis.

Generally, Sands Capital Alternatives' affiliates, employees of Sands Capital Alternatives or its affiliates, and other "friends and family" of Sands Capital Alternatives (together, "*Adviser Investors*") who invest in a Fund will not be subject to a Management Fee or will receive a reduction in Management Fees. However, Adviser Investors (or Sands Capital Alternatives or its affiliates on their behalf) will bear their *pro rata* share of certain Fund expenses. In addition, and in accordance with the Client Documentation, as applicable, Sands Capital Alternatives has entered into and anticipates entering into letter agreements or other similar agreements (collectively, "*Side Letters*") with one or more investors that provide such investors with additional and/or different rights (including with respect to Management Fees) than provided in the Client Documentation.

The Management Fee paid by a Fund will generally be reduced by a percentage of: (1) the amount of fees paid by such Fund to persons acting as a placement agent in connection with the offer and sale of interests in such Fund, (2) the fees incurred by Sands Capital Alternatives in connection with the organization of such Fund that exceed a limit specified in such Fund's Client Documentation,

and/or (3) certain Other Fees (as defined below) received by Sands Capital Alternatives or its affiliates. The amount and manner of such reduction, if any, is set forth in the applicable Client Documentation. To the extent a reduction relates to more than one Fund, Sands Capital Alternatives will allocate the reduction fairly among the Funds, at its discretion. To the extent a reduction relates to a portfolio company held by more than one Fund, Sands Capital Alternatives shall allocate the resulting Management Fee reduction among the applicable Funds in proportion to their respective interest (or prospective interest) in the portfolio company(ies) to which the reduction relates. As some Funds, co-investment vehicles, or investors may not pay Management Fees, any such reduction will not benefit such Funds, vehicles, or investors. Generally, the portion of Other Fees allocable to capital invested by a Fund, co-investment vehicle or third-party investor that does not pay Management Fees will be retained by Sands Capital Alternatives and such amounts will not offset any Management Fee.

In addition, Sands Capital Alternatives may waive or reduce all or a portion of the Management Fee paid by a Fund in full or partial satisfaction of any obligation of Sands Capital Alternatives, its affiliates, and/or their employees to invest in or alongside such Fund, which could result in acceleration of investor capital contributions. Waived or reduced Management Fees may not be subject to various offsets or the reductions described above. Fund investors may not receive the full benefit of reductions or offsets in Management Fees due to certain factors. These factors include waived or reduced Management Fees and the timing of compensation subject to offsets. For example, during periods when Sands Capital Alternatives no longer receives Management Fees and receives compensation that would otherwise be subject to offset, Sands Capital Alternatives may be entitled to retain such compensation without remitting any such amounts to the applicable Fund or its investors, depending on certain elections that may be made by Fund investors.

Generally, the Client Documentation provides that a Fund's Management Fees will be calculated and charged on a basis that generally is not tied to the Fund's then-current net asset value. As further specified in the Client Documentation, from the effective date of the relevant Fund until the end of the Fund's Commitment Period (as defined in the Client Documentation), Management Fees generally will be charged based on a formula tied to the amount of the relevant Fund's aggregate committed capital. After the end of the Commitment Period, Management Fees generally will be charged based on a formula tied to the amount of the relevant Fund's aggregate capital contributions made to investments held by the Fund that have not been realized or fully and permanently written off. Investments that are fully and permanently written off are those that are subject to Section 165(g) of the Internal Revenue Code of 1986 (as amended) (the "*Code*") and such determination is made in the sole discretion of the Fund's general partner, which creates a conflict of interest.

In many circumstances, the aggregate capital contributions component of Management Fees calculated after the end of the Commitment Period will include capitalized transaction-specific expenses of investments. Further, Management Fees will not be reimbursed or refunded under the Client Documentation in the event of realizations, dispositions or partial write-offs that occur partway through the relevant calculation period. The Client Documentation sets forth the full list of terms under which Management Fees will be reduced, offset, or otherwise limited, and consequently,

investors should expect to bear the full specified Management Fee rate in the Client Documentation until they are reduced in the circumstances and on the date(s) specified therein.

SMAs

Sands Capital Alternatives is primarily compensated by its SMA Clients in the form of Management Fees but may also agree to performance fee arrangements with Clients. Generally, the Management Fee for an SMA will be billed at regular intervals, as specified in the relevant advisory agreement, in advance or arrears, and is calculated as a percentage of the market value of the SMA's assets. Unless otherwise negotiated, Management Fees are calculated based upon the market value of the SMA's assets as of the last business day of each calculation period, as valued by our portfolio management system. The valuation on which fees are based may differ from the value reported by the SMA's custodian. Please refer to *Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss* for additional risks associated with valuation.

Sands Capital Alternatives has the discretion to negotiate different Management Fee structures with its SMA Clients, based on any factor it deems relevant, including the total amount of assets being managed. Any such negotiated fee arrangement is done at the sole discretion of Sands Capital Alternatives and is entered into generally without notice to, or consent from, any other Client, including any other SMA or Fund that may invest alongside the SMA.

Sands Capital Alternatives has relationships with certain intermediaries, and, in some cases, the fees assessed against the underlying SMAs are based on a fee schedule applicable to the relevant intermediary. Such fee schedule may or may not aggregate the assets of the intermediary's clients that are under the management of Sands Capital Alternatives and/or its affiliates.

Other Fees

Fees Payable by the Portfolio Companies

Sands Capital Alternatives and its affiliates provide various services such as financial advisory and transaction-related services to the companies in which the Funds have invested or may invest in the future. This includes helping to structure investments in these companies, as well as facilitating mergers, acquisitions, add-on acquisitions, refinancings, public offerings, sales, or other dispositions involving these companies. In return for these services, in some cases Sands Capital Alternatives and its affiliates will receive fees ("*Transaction Fees*") from these companies.

Sands Capital Alternatives and its affiliates may also provide advice, consultation, and other similar ongoing services to portfolio companies of the Funds pursuant to monitoring agreements and receive monitoring fees ("*Monitoring Fees*") for such services. The terms of a monitoring agreement may include (among other things) annual automatic renewals and the payment of Monitoring Fees (which may be fixed fees or calculated as a percentage of EBITDA or similar performance metric).

In addition, Sands Capital Alternatives and its affiliates may receive fees in connection with serving on the board of directors of a portfolio company ("*Director Fees*") and in connection with an unconsummated transaction ("*Break-Up Fees*" and, together with Transaction Fees, Monitoring Fees and Director Fees, the "*Other Fees*"). The amount and timing of Break-Up Fees are generally specified in the agreement or other documentation governing the transaction.

Generally, under the terms of the applicable Client Documentation, for purposes of calculating any Management Fee offset, Other Fees are net of certain taxes, out-of-pocket costs and expenses Sands Capital Alternatives incurs in connection with consummated or unconsummated transactions or in connection with generating any such fees. Other Fees may be substantial and may be paid in cash, in securities of the portfolio companies or investment vehicles (or rights thereto), or otherwise. Although Other Fees are earned separately from and in addition to the Management Fees, Sands Capital Alternatives will in some circumstances reduce the amount of Management Fees paid by the applicable Fund in connection with the receipt of such Other Fees in accordance with the Client Documentation of the applicable Fund. As some Funds or co-investment vehicles may not pay Management Fees, any such reduction will not benefit such Funds or other investment vehicles.

In some, but not all, circumstances portfolio company's payment of Other Fees will create a conflict of interest between Sands Capital Alternatives (including its affiliates) and the Funds and/or their investors because the amounts of these Other Fees and reimbursements (see "*Expense Reimbursement*" below) may be substantial, and the Funds and their investors generally do not have a direct interest in these fees and reimbursements. The amount of such Other Fees and reimbursements will generally not (except in connection with the reductions described herein) be disclosed to investors in the Funds. Sands Capital Alternatives may, however, at its discretion, disclose to an investor the amount of Other Fees known or reasonably expected to be received from a particular portfolio company at the time an investment is made. Sands Capital Alternatives does not take into consideration whether a portfolio company will pay it or an affiliate an Other Fee when making an investment determination.

With respect to the implementation of the arrangements described above, it is anticipated that there will not be an independent third-party involved on behalf of the relevant portfolio company. Therefore, a conflict of interest exists in the determination of any such Other Fees and other related terms in the applicable agreement with the portfolio company.

Payments Made to Third Parties

Sands Capital Alternatives and its affiliates may engage and retain advisors, consultants, and other similar professionals who are not employees or affiliates of Sands Capital Alternatives and who may, from time to time, receive payments from, or allocations with respect to, portfolio companies and/or other entities. In such circumstances, the amounts of such fees or other compensation received by such persons may be retained by such persons and will not be deemed paid to or received by Sands Capital Alternatives and its affiliates and such amounts will not be subject to the sharing arrangements described above and will not benefit the Fund or its investors. For a discussion of material conflicts

of interest created by the engagement of such persons, please see "*Providers of Operations Support*" in *Item 11 – Code of Ethics, Interest in Client Transactions, and Personal Trading* below.

Expense Reimbursement

Additionally, in the event a portfolio company reimburses Sands Capital Alternatives for expenses (including travel expenses, which may include expenses for chartered or first class travel, meals and entertainment expenses, indemnification expenses, certain legal expenses, and similar out-of-pocket expenses) incurred by Sands Capital Alternatives in connection with its performance of services for such portfolio company, such reimbursed expenses are generally not included in the definition of "Other Fees" under the terms of the applicable Client Documentation, and therefore are not subject to the sharing arrangements described above.

Expenses

Fund Expenses

To the extent it is consistent with its Client Documentation, each Fund bears all expenditures relating to the Fund's activities, investments, and business, including, to the extent not paid or reimbursed by a portfolio company or other third-party:

a. all reasonable costs and expenses incurred in connection with the organization of the Fund, including legal and accounting fees, printing costs, travel, accommodation, and out-of-pocket expenses, and all costs and expenses incurred in connection with the offering and sale of interests in the Fund (including, but not limited to, any legal advice, filing or other regulatory expenses incurred with respect to such offering and sale in U.S. or non-U.S. jurisdictions, but excluding placement agent fees), generally subject to a cap as set out in the Client Documentation;

b. all reasonable research and due diligence expenses (including industry research expenses and consultant or expert expenses), legal and administrative, travel and accommodation expenses in connection with sourcing, researching, structuring, negotiating, making and monitoring and disposing of investments, accounting, audit and tax preparation, financing, investment banking, valuation firm and consulting expenses (including expenses of engaging valuation agents), reporting (as applicable) and other out-of-pocket costs relating to the Fund's operations, activities, investments or business and filing and similar fees paid on behalf of the Fund, including such expenses with respect to transactions that are not consummated, investment expenses, including brokerage commissions, custody fees and Break-Up Fees and other "broken deal" costs, to the extent that such expenses are not reimbursed by entities in which the Fund invests or proposes to invest;

c. all custody, administration, transfer, registration, depositary (including a depositary appointed pursuant to the Alternative Investment Fund Managers Directive), and

similar expenses incurred by the Fund and all brokerage and finders' fees and commissions and discounts incurred by the Fund in connection with the Fund's operations, activities, investments or business;

d. any and all fees and expenses of the advisory committee, including the out-of-pocket expenses of its members, and all expenses incurred in connection with meetings of the partners, including fees and expenses of joint meetings with investors in other funds and accounts managed by Sands Capital Alternatives and its affiliates;

e. any and all fees and expenses incurred in connection with the Fund, the relevant general partner, or Sands Capital Alternatives' compliance with any regulatory requirements in respect of the Fund;

f. all interest on funds borrowed by the Fund (if any);

g. all extraordinary expenses, such as litigation (including potential litigation) and indemnification costs and expenses, judgments, and settlements;

h. all taxes, fees, or other governmental charges (if any) required to be paid or withheld by the Fund;

i. all premiums and other reasonable costs relating to indemnity or insurance policies (including cyber-security insurance policies) maintained by the Fund, the relevant general partner, Sands Capital Alternatives or their affiliates for the benefit of their respective members, partners, stockholders, managers, directors, officers, employees, agents, or affiliates;

j. all reasonable audit, tax preparation, mailing and postage, facsimile and printing expenses and the costs of maintaining the books and records of the Fund, including any related internal costs that the relevant general partner or Sands Capital Alternatives may incur to produce any such books and records or external costs for a third-party administrator to maintain and oversee the Fund's books and records;

k. the Management Fee;

l. all expenses of liquidating, dissolving and terminating the Fund;

m. all reasonable expenses incurred in connection with any tax audit, investigation, settlement, or review of the Fund; and

n. all costs and expenses of any independent client representative.

The general partners of the Funds, as applicable, have formed and expect to form certain "special purpose vehicles" or similar structuring vehicles for purposes of accommodating certain tax, legal, or regulatory considerations of investors ("*SPVs*"). If a general partner creates an SPV, consistent with the Client Documentation of the Fund, the SPV and, indirectly, the investors thereof, will typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the SPV.

The relevant general partner reserves the right to agree with operating partners (including entities formed for the benefit of such persons and/or to facilitate the provision of their services), senior advisors, joint venture or similar partners, service providers, portfolio company management, or other persons that all or a portion of certain expense reimbursements, payments, or other amounts owed to such persons relating to one or more investments will be paid in the form of a profits interest granted in the relevant investments or related intermediate entities. While such an arrangement could be more favorable to the relevant Fund if the investment does not increase in value, in the event of appreciation in the relevant investment any such profits interest generally would have a dilutive impact on the Fund's investment, as well as the potential to result in economic gains to the recipient greater than the original amount of compensation.

Sands Capital Alternatives and certain third parties perform administrative services on behalf of the Funds (including bookkeeping and financial reporting). The Funds will reimburse Sands Capital Alternatives or the relevant third party for any expenses incurred on their behalf. The Funds will pay fees to third parties for such services according to their standard fee schedules and will reimburse such parties for authorized expenses incurred on behalf of the Funds.

Co-Investment Vehicle Expenses

In certain cases, a co-investment vehicle, or other similar vehicle established to facilitate an investment alongside a Fund, may be formed in connection with the consummation of a transaction. In the event a co-investment vehicle is created, the investors in such co-investment vehicle will typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the co-investment vehicle. The co-investment vehicle will generally bear its pro rata portion of expenses incurred in the consummation of a transaction.

If a proposed transaction is not consummated, generally no investors will be admitted to such co-investment vehicle, and the Fund(s) would therefore bear the full amount of any expenses relating to such transaction ("*Broken Deal Expenses*"). Some investors may establish vehicles (including those managed by Sands Capital Alternatives or its affiliates) for administrative reasons to efficiently make more than one co-investment. If those investors retain discretion as to whether to participate in a particular co-investment, they will not directly or indirectly bear Broken Deal Expenses. Similarly, co-investment vehicles are not typically allocated any share of Break-Up Fees paid or received in connection with such an unconsummated transaction.

Allocation of Expenses

In exercising its discretion to allocate investment opportunities and fees and expenses, Sands Capital Alternatives is faced with a variety of potential conflicts of interest. To the extent not allocated to a portfolio company, Sands Capital Alternatives will allocate fees and expenses incurred in the course of evaluating potential investments that are consummated between Funds in accordance with each Fund's Client Documentation or, to the extent not addressed in the Client Documentation, in proportion to each Fund's relative capital subscriptions or on such other basis Sands Capital

Alternatives believes is fair and equitable, *provided* that such fees and expenses may be shared on a disproportionate basis if Sands Capital Alternatives determines, at its discretion, that such disproportionate allocation would be more appropriate or equitable in view of the nature of such fees and expenses.

The appropriate allocation of expenses and fees generated in evaluating and making investments that are not consummated, such as out-of-pocket fees associated with due diligence, attorney fees, and the fees of other professionals between Funds and affiliate-managed funds, may not be clear. In such instances, allocation will be determined by Sands Capital Alternatives and its affiliates in their good-faith discretion, considering all factors they deem to be relevant. In general, each affiliate responsible for making such a decision will participate in the resolution of all such matters using its best judgment in good faith, considering all factors it deems relevant.

SMA Expenses

Unless otherwise agreed in the Client Documentation, SMA Clients will be responsible for the expenses relating to the custody and administration of the SMA and any transaction-related expenses, including brokerage commissions, transfer fees, registration costs, taxes and other similar costs.

Sands Capital Alternatives' Expenses

Sands Capital Alternatives will pay all of Sands Capital Alternatives' day-to-day operating expenses, including rent, utilities, office supplies, office equipment, salaries, cash bonuses, benefits, and expenses of its respective officers, directors and employees (other than incentive allocation described below), except for the expenses incurred by such persons that may be reimbursed by a Client pursuant to the terms of the Client Documentation.

Incentive Allocation

Please see *Item 6 – Performance-Based Fees and Side-By-Side Management* below regarding incentive allocation that Clients may pay.

Brokerage Fees

When Sands Capital Alternatives uses a broker-dealer in connection with a particular Client, such Client will incur brokerage and other transaction costs. Such costs include brokerage commissions, commission equivalents, markups, markdowns, any other brokerage costs, third party execution costs (if any), transaction fees, and other similar charges that are incurred in connection with transactions placed in a Client's account. For additional information regarding brokerage practices, please see *Item 12 – Brokerage Practices* below.

Item 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Performance-Based Fees

Investors in the Funds are also typically subject to an incentive allocation paid to Sands Capital Alternatives or its affiliate equal to a percentage of the net realized gains on the full or partial disposition of the investments held by the Fund. Sands Capital Alternatives has in the past and may again have Funds where investors are subject to an incentive allocation paid to Sands Capital Alternatives or its affiliate based on the Fund's performance, in general, including with respect to unrealized investments. Generally, an incentive allocation will be distributed following a full or partial disposition of a Fund's assets or another liquidity event that gives rise to a distribution by the Fund to the investors. For some Funds, an incentive allocation will be distributed on a periodic basis, as specified in the relevant Client Documentation. An incentive allocation will generally only be made with respect to an investor after the investor has received a full return of its capital contributions to the Fund. Sands Capital Alternatives or its affiliate has the ability to separately negotiate terms with individual investors, which may result in an investor being subject to an incentive allocation that is different from those applicable to other investors of the same Fund. The incentive allocation applicable to certain investors may be reduced or eliminated for such period(s) as Sands Capital Alternatives, or its affiliate, determines at its discretion. Certain Funds have granted investors participating in the initial closings of such Funds lower incentive allocation rates. Adviser Investors generally will not be subject to an incentive allocation (or may be subject to a reduced allocation), at Sands Capital Alternatives' or its affiliate's discretion.

Incentive allocations are based on the net realized appreciation of assets held by a Fund. Such performance-based compensation may create an incentive for Sands Capital Alternatives to make investment decisions that are riskier or more speculative than would be the case in the absence of a financial incentive based on performance, although Sands Capital Alternatives generally considers performance-based compensation to better align its interests with those of its investors, particularly in instances where the Client Documentation, as applicable, include terms requiring clawback or giveback of performance-based compensation amounts at the end of the relevant Fund's life or at certain interim intervals.

The payment by some, but not all, Funds of an incentive allocation, the payment of incentive allocations at varying rates (including varying effective rates based on the past performance of a Fund) and/or other terms (e.g., amount, timing, waterfall conditions, etc.) creates an incentive for Sands Capital Alternatives to disproportionately allocate time, services, or functions to Funds paying incentive allocations or Funds paying incentive allocations at a higher rate, or allocate investment opportunities to such Funds. Generally, and except as may be otherwise set forth in the Client Documentation, this conflict is mitigated, as applicable, by (i) certain limitations on the ability of Sands Capital Alternatives to establish new investment vehicles, (ii) contractual provisions requiring certain Funds to purchase and sell investments contemporaneously, and/or (iii) contractual provisions and internal procedures setting forth investment allocation requirements. Additionally, Sands Capital

Alternatives evaluates on an ongoing basis the time and services being devoted to the Funds to ensure that the necessary resources are being allocated to each Fund.

Sands Capital Alternatives monitors the investments held by the Clients on an ongoing basis and will endeavor to ensure that it is appropriate to continue holding each investment without regard to the potential for performance-based compensation. In addition, each investor bearing an incentive allocation is required to represent that it is a "*qualified client*" within the meaning of Rule 205-3 under the Advisers Act. Any performance-based fee arrangements will be consistent with the requirements of applicable law, including the Advisers Act.

Side-by-Side Management

Certain Sands Capital Alternatives portfolio managers make investment decisions for multiple strategies. These portfolio management responsibilities create conflicts of interest as described herein. Sands Capital Alternatives seeks to conduct itself in a manner it considers to be the most fair and consistent with Sands Capital Alternatives' fiduciary obligations to the Clients. Sands Capital Alternatives makes investment decisions based on a Client's portfolio construction, available cash or committed capital, investment objectives, restrictions, permitted investments, and other relevant considerations. For additional information regarding brokerage practices, please see *Item 12 – Brokerage Practices* below.

Sands Capital Alternatives may cause a Client to hold a short or short-equivalent exposure to an issuer, sector, or factor while another Client, or a Client account managed by an Advisory Affiliate, simultaneously holds a long position in that same issuer. An Advisory Affiliate may engage in direct short selling of individual securities on behalf of its clients. In such cases, the Advisory Affiliate may simultaneously hold a short position in a security or sector (including through a derivative position) in which a Client holds a long position, and neither Sands Capital Alternatives nor the Advisory Affiliate is obligated to coordinate its investment decisions with the other or to take into account the interests of the other's clients. The investment objectives, portfolio construction, and risk management considerations applicable to each Client will generally govern the investment decisions made on behalf of each Client, and neither Sands Capital Alternatives nor the Advisory Affiliate is obligated to coordinate or align the investment positions of different clients, or to refrain from taking positions for one client that may disadvantage another client.

Allocation of aggregated trades, particularly trade orders that were only partially completed due to limited availability and allocation of investment opportunities, generally, are conflicts of interest, as Sands Capital Alternatives and its Advisory Affiliates have an incentive to allocate securities that are expected to increase in value to favored clients of the Advisory Affiliates.

Decisions to buy or sell a particular security for each Client advised by Sands Capital Alternatives are made by each strategy's portfolio managers, and as a result, a particular investment can be bought or sold for one Client in different amounts, or at different times, than it is bought or sold for a different Client. Similarly, an investment can be purchased for one Client at the same time

as it is sold for a different Client. A conflict arises because actions with respect to one Client are adverse to the interests of another Client. Conflicts like those described above arise where Clients are invested in different strategies or in different parts of an issuer's capital structure, also including instances where one or more Client (or a client of the Advisory Affiliates) owns private securities of an issuer and another Client (or a client of the Advisory Affiliates) owns public securities of the same issuer. Actions by one Client in one part of the capital structure can have an adverse consequence on Clients in another part of the capital structure.

Differences may develop between the holdings and performance of Clients in the same investment strategy due to a variety of factors, including but not limited to, differences in account size, account restrictions or limitations, regulatory restrictions, registration in non-U.S. jurisdictions, cash flows, tax status, the timing and terms of execution of trades, and individual Client needs. Sands Capital Alternatives exercises limited discretion over the timing and order of registrations to trade in non-U.S. jurisdictions, which could result in certain Clients' availability to trade in such non-U.S. jurisdictions prior to others.

Sands Capital Alternatives has established policies and procedures designed to manage the potential conflicts described above. Sands Capital Alternatives monitors a variety of areas, including compliance with Client investment guidelines, review of allocations, and compliance with Sands Capital Alternatives' Code of Ethics. As described under *Item 12 – Brokerage Practices*, Sands Capital Alternatives has policies and procedures designed to achieve fair and equitable allocation of investment opportunities among the Clients over time.

Item 7. TYPES OF CLIENTS

Sands Capital Alternatives provides investment advisory services to private funds and separately managed accounts, as described above in *Item 4 – Advisory Business*. Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Investors in the Funds are generally "*accredited investors*" as defined in Regulation D under the Securities Act, and may include high net worth individuals, principals or other knowledgeable employees of Sands Capital Alternatives and its affiliates (including the Advisory Affiliates), Operations Support Providers (as further defined in *Item 11 – Code of Ethics, Interest in Client Transactions, and Personal Trading* below), or other service providers retained by Sands Capital Alternatives, banks, thrift institutions, pension and profit-sharing plans, trusts, estates, charitable organizations, university endowments, corporations, limited partnerships, limited liability companies, or other entities. Subscription and capital commitment minimums are disclosed in the Client Documentation of the Funds and are, at times, waived for certain investors at Sands Capital Alternatives' discretion.

Sands Capital Alternatives is also generally permitted to establish Funds that are alternative investment vehicles in order to permit certain investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory, or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles

independent of limitations or other procedures set forth in the Client Documentation of such vehicles and the Client Documentation of the related Fund.

Sands Capital Alternatives has entered into written advisory agreements granting it authority to provide discretionary investment advisory services to certain institutional investors, which services are tailored based on the relevant investor's individual investment objectives, guidelines and/or limitations on the types of securities and other instruments in which the given portfolio may invest. Such institutional investors may include banking or thrift institutions, pension and profit-sharing plans (including those governed by the Employee Retirement Income Security Act of 1974), charitable organizations, state or municipal government entities (including government pension plans), insurance companies, sovereign wealth funds and foreign institutions, corporations or other business entities, and trusts (including collective investment trusts and their trustees).

The minimum account size for institutional separate accounts is generally $50 million. Minimum account sizes are negotiable.

Item 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Fundamental, bottom-up, company-focused research is the core of Sands Capital Alternatives' investment process. Sands Capital Alternatives uses input from various methods of security analysis and various combinations of methods in rendering investment advisory services. Sands Capital Alternatives' methods of security analysis include general market, specific industry, or individual security technical or trend analysis. Sands Capital Alternatives' investment professionals often conduct on-site visits with senior management of companies it regards as potential investments.

Identification of Investments

Sands Capital Alternatives' principal sources of information include company-prepared and disseminated information, physical inspections of corporate offices, plants, and other assets, discussions with corporate management, research materials prepared by others, prospectuses, SEC filings, company press releases, scientific and medical literature, and discussions with consultants, physicians, scientists, or others concerning underlying technology. Sands Capital Alternatives uses input from various methods of security analysis and various combinations of analytical methods.

Targeted Investment Characteristics

Sands Capital Alternatives focuses its investment research primarily on venture capital, growth equity, and related investments, across stages, from early-stage venture capital to late-stage growth capital to publicly traded companies. Sands Capital Alternatives evaluates businesses in varying stages of development, with a preference for revenue-generating businesses with validated technologies and platforms and with an identifiable path to profitability. Sands Capital Alternatives may identify businesses that span various stages of financing, ranging from non-revenue-producing businesses to profitable businesses seeking growth capital.

Sands Capital Alternatives identifies investment opportunities in domestic and non-U.S. equity securities, including preferred and convertible stock, common stock of any type, secured or unsecured debt, convertible debt, options, warrants, rights, or such other securities as it deems advisable.

As specified in the Client Documentation of certain Clients, Sands Capital Alternatives has the flexibility to engage its Advisory Affiliates with respect to certain investments in the publicly traded securities of portfolio companies held by the respective Clients.

Global Venture Capital Strategy

The Global Venture strategy seeks to make minority investments in early to mid-stage, emerging technology and technology-enabled consumer businesses in dynamic markets with the potential for high growth. The Global Venture strategy focuses on businesses that are enabling and building on rapid digitalization and continued advancements in computing power that have the potential to drastically change the way we work and live. The Global Venture strategy seeks to invest in companies in industries including, but not limited to, artificial intelligence and application infrastructure, identity intelligence, digital life, and healthcare technology.

Global Innovation Strategy

The Global Innovation strategy seeks to make minority investments in mid-to late-stage private growth companies that Sands Capital Alternatives believes have the potential to become leading public businesses. The Global Innovation strategy seeks to invest in technology and technology-enabled growth businesses that have high-quality teams building innovative and durable businesses across the globe. The Global Innovation strategy utilizes investment concentration, which causes the strategy to be highly selective in assessing and pursuing investment opportunities, seeking to evaluate prospective investments in detail, and partner closely with portfolio companies.

Life Sciences Pulse Strategy

The Life Sciences Pulse strategy seeks to make investments in innovative life sciences businesses that have the potential to improve patient outcomes, increase efficiencies of the healthcare system, and become market leaders in attractive business spaces. The Life Sciences Pulse strategy partners with businesses in specific areas of life sciences, including, but not limited to, therapeutics, diagnostics, medical devices, and life sciences tools. This strategy generally seeks an entry point in such businesses in the private markets, which allows the strategy to have the optionality to seek to scale its investments in these companies' subsequent private rounds, initial public offerings and/or thereafter in the public markets. The Life Sciences Pulse strategy invests in certain businesses in the public markets (either in their initial public offerings or thereafter) that satisfy its investment criteria.

Scaling Innovation Strategy

The Scaling Innovation strategy is a concentrated portfolio that normally consists of the equity and equity-related securities of approximately 10-20 primarily mid-capitalization growth businesses. Generally, the holding period is typically less than 5 years. Portfolio companies are primarily domiciled in the U.S. but there is no restriction on investing directly or indirectly in non-U.S. issuers in other developed and emerging markets. The Scaling Innovation strategy has broad authority to invest in various types of securities, including equity, equity-related securities, such as ADRs, GDRs, warrants, convertible securities, debt securities (including debt securities convertible into equity securities, investment grade bonds and debentures, and high-quality short-term debt instruments), and access products, including Low Exercise Price Warrants ("*LEPWs*") and Participation Notes ("*P-Notes*"), to gain exposure to certain non-U.S. markets where direct investment is not always practical or cost efficient. The Scaling Innovation strategy is expected at times to invest in options, futures, swaps, or other derivatives for hedging purposes and as a substitute for comparable market positions in the securities that may be held in the strategy, and to engage in securities lending. The Scaling Innovation strategy may also enter into non-U.S. currency hedging transactions. The Scaling Innovation strategy is offered through an SMA and may also be accessed through a Fund.

Investment Risks

Investing in securities involves risk of loss, which investors must be prepared to bear; investments of the type targeted by Sands Capital Alternatives involve a particularly high level of risk, and clients should be able to bear the loss of all or part of their investment. The risk factors listed below represent a limited summary of the various risks presented by the investment opportunities Sands Capital Alternatives identifies. Additional risks associated with an investment in a Client are disclosed in the Client Documentation.

Risk Inherent in Investments. The investments Sands Capital Alternatives identifies will involve a high degree of risk. In general, the financial and operating risks confronting these companies are often significant. While targeted returns should reflect the perceived level of risk in any investment situation, there is no assurance that investors will be adequately compensated for risks taken.

Early-stage and development-stage companies often experience unexpected problems in the areas of product development, manufacturing, marketing, financing, and general management, which, in some cases, cannot be adequately solved. In addition, such companies often require substantial amounts of financing, which may not be available through institutional private placements or public markets. The percentage of companies that survive and prosper can be small.

Investments in more mature companies in the expansion or profitable stage also involve substantial risks. In some instances, companies have previously obtained capital in the form of debt or equity to expand rapidly, reorganize operations, acquire a business, or develop new products and markets. By definition, these activities involve a significant amount of change in a company and could give rise to significant problems in sales, manufacturing, and general management of these activities.

Additional Capital Requirements of Portfolio Companies. Some of the companies Sands Capital Alternatives identifies as investment opportunities, especially those in a development or "platform" phase, require additional financing to satisfy their working capital requirements or acquisition strategies. Following its initial investment in portfolio companies, a Fund is often called upon to provide additional funds to portfolio companies or will have the opportunity to increase its investment in a portfolio company, including the opportunity to participate in the initial public offerings of such portfolio companies, and in the subsequent purchase of publicly traded shares. Although the Fund may make follow-on investments, there is no assurance that the Fund and its co-investors will provide all necessary follow-on capital or that any Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make add-on investments or its inability to make such investments may have a substantial negative impact on a portfolio company in need of such investment (including an event of default under applicable debt documents in the event an equity cure cannot be made), result in a lost opportunity for such Fund to increase its participation in a successful operation or the dilution of the relevant Fund's ownership in a portfolio company if a third party or co-investor is permitted to invest. If the funds provided by the Funds are not sufficient, a company may have to raise additional capital at a price unfavorable to the existing investors, including the Fund. In addition, a Fund may make additional debt and equity investments or exercise warrants, options, or convertible securities that were acquired in the initial investment in such company in order to preserve the Fund's proportionate ownership when a subsequent financing is planned, or to protect the Fund's investment when such portfolio company's performance does not meet expectations. The availability of capital is generally a function of capital market conditions that are beyond the control of a Fund or any portfolio company. There can be no assurance that the portfolio companies will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.

Leveraged Investments. If authorized by its Client Documentation, a Fund may make use of leverage by incurring or having a portfolio company or intermediate entity incur debt to finance a portion of its investment. Leverage generally magnifies both such Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. Leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and will constrain its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of such Fund's investments in the leveraged portfolio companies in a down market. These risks generally are expected to increase as interest rates rise, including in circumstances where a portfolio company's creditworthiness is such that it must borrow at higher interest rates than are available to the relevant Fund. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could

adversely affect the returns of such Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Furthermore, the companies in which a Fund invests generally will not be rated by a credit rating agency. Except where otherwise required by the relevant Client Documentation, a Fund will not be obligated to borrow on behalf of a portfolio company, even in circumstances where the Fund's creditworthiness would permit borrowing at a lower rate than is available to the portfolio company.

If authorized by its Client Documentation, a Fund may borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt, a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that such Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Fund generally also will result in fees, interest expense and other costs to such Fund that may not be covered by distributions made to such Fund or appreciation of its investments. While Fund-level borrowings generally will be interim in nature, asset-level leverage generally will not be subject to any limitations, including with respect to the amount of time such leverage may remain outstanding. A Fund generally is permitted to incur leverage on a joint, several, joint and several or cross-collateralized basis with one or more other Funds and entities managed by Sands Capital Alternatives or any of its affiliates, including through Fund subsidiaries and other intermediate entities, and may have a right of contribution, subrogation or reimbursement from or against such entities. It is also possible that certain co-investors (including third parties, current or former portfolio company management or personnel, sellers or members of management that have rolled their interest or reinvested proceeds in the portfolio company and/or other owners)) are not expected to share in incurring such leverage or the related costs and as a result the Fund will disproportionately bear the risk and/or costs of leverage arrangements. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts are permitted to be secured by commitments made by such Fund's investors and such investors' contributions may be required to be made directly to the lenders instead of such Fund.

To the extent a Fund provides bridge financing to facilitate portfolio company investments, it is possible that all or a portion of such bridge financing will not be recouped within the time period specified in the Client Documentation, in which case the investment would be treated as a permanent investment of the Fund. As a result, the relevant Fund's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under the Fund's investment limitations, certain of which exclude bridge financing investments.

Sands Capital Alternatives, on behalf of certain Clients, may be authorized by their respective Client Documentation to engage in transactions resulting in leverage, exposing such Clients to greater risk and increased costs. These transactions can include the use of certain derivatives (for example swap transactions and options). Leverage generally has the effect of increasing the amounts of loss or gain a Client might realize, and creates the likelihood of greater volatility of the value of the Client's investments. In transactions involving leverage, a relatively small market movement or change in

another underlying indicator can lead to significantly larger losses to the account. There is generally the risk of loss in excess of invested capital. The use of leverage may result in a Client liquidating portfolio positions when it may not be advantageous to do so to satisfy its contractual obligations or to meet applicable asset segregation or position coverage requirements.

Investment in Companies Dependent Upon New Scientific Developments and Technologies. Investment opportunities will often involve companies developing new technologies or methods. Companies reliant upon the development of new technologies pose certain risks, including:

- rapidly changing science and technologies;
- products or technologies that may quickly become obsolete;
- exposure to a high degree of government regulation, making these companies susceptible to changes in government policy and failures to secure, or unanticipated delays in securing regulatory approvals;
- scarcity of management, technical, scientific, research, and marketing personnel with appropriate training;
- the possibility of lawsuits related to patents and intellectual property; and
- changing investor sentiments and preferences with regard to the specific industry sector relevant to the development or technology.

Illiquid Investments. The investments in companies Sands Capital Alternatives identifies will primarily be illiquid. Due to the illiquid nature of such investments, Sands Capital Alternatives is often unable to predict with confidence what the exit strategy will ultimately be, or that one will become available. Exit strategies that appear to be viable when an investment is initiated may be precluded by the time the investment is ready to be realized due to economic, legal, political or other factors.

Illiquidity of Portfolio Investments. For Clients that follow a "fund of funds" approach model by investing in one or more pooled investment vehicles that are managed by sponsors unaffiliated with Sands Capital Alternatives (each a "*Portfolio Fund*"), contractual limitations will typically restrict such Clients' ability to transfer interests in Portfolio Funds without the consent of the applicable managers of those entities. The securities or other financial instruments or obligations of portfolio companies may, at any given time, be very thinly traded, have no public market, or be restricted as to their transferability under the laws of the applicable jurisdiction. Illiquidity may also result from market conditions that may be unfavorable for the sales of securities of particular issuers or issuers in particular industries. In some cases, a Portfolio Fund may also be prohibited by contract from selling securities of portfolio companies or other assets for a period of time or otherwise be restricted from disposing of such securities or other assets. In other cases, the underlying investments of a Portfolio Fund may require a substantial amount of time to liquidate. Consequently, there is a significant risk that Portfolio Funds and portfolio companies will be unable to realize their respective investment objectives by sale or other disposition of their securities or other assets at attractive prices, or will otherwise be unable to complete any exit strategy. These risks can be further increased by changes in

the financial condition or business prospects of the portfolio companies, changes in national or international economic conditions, and changes in laws, regulations, fiscal policies, or political conditions of countries in which portfolio companies are located or conduct their business. In addition, the illiquid nature of portfolio investments may result in the applicable Client not realizing all investments prior to the expiration of the term of the Client.

Special Situation Investment Risk. Sands Capital Alternatives has sole discretion to designate certain Client investments as *"Special Situation Investments"* — securities or other instruments that Sands Capital Alternatives determines, in its sole discretion, to be illiquid, to lack a readily ascertainable fair value, or to warrant continued holding pending the resolution of an expected event or set of circumstances, including investments that are otherwise marketable or have a readily ascertainable fair value at the time of designation. Sands Capital Alternatives may also retroactively designate previously acquired investments as Special Situation Investments at any time, in its sole discretion, regardless of whether the investment has become illiquid or difficult to value. Special Situation Investments may be difficult to analyze, value, and dispose of, and values realized upon disposition may differ materially from values attributed to such investments while held. The percentage of a Client's assets attributable to Special Situation Investments may increase over time due to market conditions, withdrawals, or other factors, regardless of any target or limit applied at the time of acquisition. Investors admitted or funded after a Special Situation Investment is designated generally do not participate in such investment or related follow on investments, subject to Sands Capital Alternatives' discretion, resulting in differing investment experiences among investors. Sands Capital Alternatives' authority to designate, reclassify, and manage Special Situation Investments presents conflicts of interest, as such designations may restrict liquidity for certain investors, affect the timing and amount of realizations to accelerate gains or defer losses, benefit Sands Capital Alternatives or its affiliates through continued generation of management fees, and allow Sands Capital Alternatives to grant post designation participation rights selectively to certain investors, which could be used to admit favored investors into investments with significant expected returns or gains or to admit additional investors into underperforming investments to reduce the proportionate losses or expenses borne by Sands Capital Alternatives, its affiliates, or favored investors. Sands Capital Alternatives has adopted policies and procedures seeking fair and equitable treatment of Limited Partners with respect to Special Situation Investments, but no assurance can be given that all conflicts will be identified or eliminated or that such policies will operate in any particular investor's favor. No assurance can be given that Special Situation Investments will be successfully realized or that returns will be commensurate with the risks assumed.

Risk of Loss – Fund of Funds. Funds that follow a "fund of funds" approach are intended for long-term investment by limited partners who can accept the risks associated with making highly speculative, primarily illiquid investments in privately negotiated transactions. The possibility of a partial or total loss of capital of such Portfolio Funds exists, and prospective limited partners should not subscribe unless they can readily bear the consequences of such loss. Illiquidity may result from the absence of an established market for portfolio companies of Portfolio Funds, as well as from legal or contractual restrictions on the resale of portfolio investments by the Funds or on the resale of

portfolio companies by Portfolio Funds. For example, there may be little, or no near-term cash flow distributed by the Portfolio Funds. Since the amount and timing of such Funds' cash distributions to investors are dependent in part upon the cash flow that such Funds receive from the Portfolio Funds, such Funds will likely distribute little or no cash in the near term. Even if such Funds' portfolio investments prove successful, they are unlikely to produce a realized return to investors in the Funds for a period of years.

Risk of Loss - General. The strategies Sands Capital Alternatives employs in the Clients (and the strategies that managers of Portfolio Funds, as relevant, employ) and the financial instruments used to implement those strategies are highly speculative. The strategies may not be successful in meeting their performance objectives, and potential clients and fund investors should not invest with Sands Capital Alternatives unless they can bear the risk of a complete loss of their capital. There is no assurance that the strategies will be able to generate returns or that the returns will be commensurate with their inherent risks. The past investment performance of any Clients cannot be taken to guarantee future results of those or any other Clients.

Financial Institution Risk; Distress Events. An investment in a Client is subject to the risk that one of the banks, brokers, counterparties, clearinghouses, exchanges, lenders, or other custodians (each, a "Financial Institution") of some or all of the Client's (or any portfolio company's) assets fails to timely perform or otherwise defaults on its obligations or experiences insolvency, closure, seizure, receivership or other financial distress or difficulty (each, a "Distress Event"). Distress Events can be caused by factors including, but not limited to, eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance, undercapitalization, market forces or accounting irregularities. If a Financial Institution experiences a Distress Event, Sands Capital Alternatives, the Client's general partner, the Client, or one or more of the Client's portfolio companies may be unable to access deposits, borrowing facilities, or other services, either permanently or for an extended, potentially indeterminate, period. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by government-sponsored organizations such as the Federal Deposit Insurance Corporation, in the case of banks, and the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the stated amounts are subject to the risk of a total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose a comparable risk of loss. While in recent years, governmental intervention has resulted in additional protections for depositors and counterparties in connection with Distress Events, there can be no assurance that such intervention will occur in connection with any future Distress Event or that any such intervention undertaken will be successful or avoid the risks of loss, delays or negative impacts on banking or brokerage conditions or markets.

Any Distress Event could have a potentially adverse effect on the ability of the Client's general partner to manage the Client and its investments, and on the ability of the Client's general partner, the Client, and any portfolio company to maintain operations, which, in each case, could result in significant losses and in unconsummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event the Client is unable to

close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of the Client to access capital contributions or otherwise); the inability of the Client to acquire or dispose of investments, including at prices that the Client's general partner believes reflect the fair value of such investments; and the inability of Sands Capital Alternatives' portfolio companies to make payroll, fulfill obligations or maintain operations. If a Distress Event leads to a loss of access to a Financial Institution's services, it is also possible that a Client or a portfolio company will incur additional expenses or delays, or incur additional expenses, in putting in place alternative arrangements, or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, availability, access to capital or otherwise). To the extent the Client is able to exercise contractual remedies under agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses, delays, or other negative impacts. The Client and its portfolio companies are subject to similar risks if a Financial Institution utilized by investors in the Client or by suppliers, vendors, contractors, service providers, or other counterparties of the Client or a portfolio company becomes subject to a Distress Event, which could have a material adverse effect on the Client and/or one or more of its portfolio companies.

Many Financial Institutions require, as a condition to using certain of their services (often including lending services), that the Client's general partner and/or the Client maintain all or a set amount or percentage of their respective accounts or assets with that Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institutions. Although the Client's general partner seeks to do business with Financial Institutions that it believes are established, well-capitalized and capable of fulfilling their respective obligations to the Client, Sands Capital Alternatives and/or its affiliates are under no obligation to use a minimum number of Financial Institutions with respect to the Client or to maintain account balances at or below the relevant insured amounts, and the rapid collapse in the first quarter of 2023 of several seemingly well-capitalized and established institutions demonstrates that there are limits to the effectiveness of this approach in avoiding counterparty exposure. Under certain circumstances, such as receiving capital contributions pursuant to a capital call or proceeds from a disposition, the Client will not be able to maintain account balances at or below any relevant insured amounts.

Non-controlling Investments. The Clients are likely to hold non-controlling interests in portfolio companies and, therefore, often have a limited ability to protect their position in such portfolio companies in part due to lack of operational involvement.

Concentration of Investments. The Clients' investment portfolios are not constructed to achieve a specific kind of diversification. While diversification among industries and geographies is a consideration, from time to time, a Client's portfolio may be heavily concentrated in a single position or a particular industry. Further, there is no limitation on the level of concentration of investments in any geographic region. All such concentration increases the risk of loss to a Client in the event of a decline in the market value of any security or sector in which a Client has invested a large percentage

of its assets, or in the event of a market disruption in a geographic region in which a Client has invested a large percentage of its assets.

Small-Sized Company Risk. Certain Clients may invest in the securities of companies with relatively small market capitalizations. Investment in such companies generally involves greater risk and price volatility than investment in larger, more established companies because small capitalization companies tend to have younger and more limited product lines, markets, and financial resources and may be dependent on a smaller management group than large capitalization companies. In addition, the equity securities of such companies are typically less liquid than larger capitalization companies. As a result, certain securities may be difficult or impossible to sell at the time and the price desired.

Uncertain Geopolitical Events and Market Disruption. There may be sustained worsening of geopolitical tensions, including, but not limited to, events related to political and social activism, escalation of military conflicts, trade tensions between major economies, territorial disputes, and regional instability. There is a risk that regional conflicts could escalate into broader multi-nation or global conflicts, including the possibility of direct military engagement among major world powers or the invocation of mutual defense obligations under military alliances, which could draw additional nations into existing conflicts. Such geopolitical events may result in the imposition of new or expanded economic sanctions, export controls, trade restrictions, or asset seizures, and potential retaliatory measures by affected nations. Geopolitical instability may give rise to state-sponsored cyberattacks targeting critical infrastructure, financial systems, or supply chains, as well as disruptions to global energy markets and supply chains resulting from military conflicts, production curtailments, or the closure of key shipping routes and chokepoints. International and/or local geopolitical events, including large-scale military operations and conflicts, and the instability in various parts of the world could have adverse effects on the global economy and may exacerbate some of the general risk factors related to investing in certain strategies. A military operation involving, or in the vicinity of, a portfolio company in which a Client invests may result in a liability far in excess of available insurance coverage. Similarly, prices for certain commodities and natural resources could be affected by available supply, which could be affected by military operations in areas in which such commodities and natural resources are located. Any of these events could result in a global economic slowdown and long-term changes to global trade. There is likely to be considerable uncertainty with respect to such disruptions and their impact across the global economy. The impact of such military operations and disruptions to the global economy on a Client is difficult to predict but they may adversely affect the return on a Client and their respective investments. There may be detrimental implications for the value of certain of their investments (including valuing certain investments to zero), their ability to enter into transactions, or to value or realize such investments or otherwise to implement their investment program.

Russian Invasion of Ukraine. In February 2022, Russian President Vladimir Putin ordered the Russian military to invade Ukraine, after which the United States, United Kingdom, and European Union announced broad sanctions against Russia. The conflict has since evolved into a prolonged war, with ongoing military, financial, and diplomatic developments, including U.S.-Russia ceasefire

negotiations commenced in early 2025, that continue to affect global economic and market conditions. The conflict has also raised significant geopolitical concerns, including Russia's nuclear posture, the risk of significant cyberwarfare against military and civilian targets globally, and the extent to which the conflict undermines NATO cohesion, presents a security threat to Europe, has created a divergence of views between the United States and Europe regarding their approach to Russia, and brought into question the future of NATO and the national security of European countries. The ultimate impact of these developments on global economic and market conditions, and on the operations, financial condition, and performance of the Clients, is impossible to predict, and the situation presents material uncertainty and risk with respect to the Clients and the performance of their investments or operations, and the ability of the Clients to achieve their investment objectives.

Regional Instability in the Middle East. On October 7, 2023, the Hamas militant group carried out a violent terrorist attack on Israel, sparking an ongoing armed conflict that has created tremendous unrest and uncertainty in the region. That conflict has since drawn in additional state and non-state actors, including Iranian-backed proxy terrorist groups throughout the region. Most recently, Israel and the United States launched a coordinated joint military operation against Iran on February 28, 2026, resulting in a broader regional war with significant international political and economic ramifications. The situation is rapidly evolving, and the ultimate impact of these conflicts and their effect on global economic and commercial activity and conditions, and on the operations, financial condition, and performance of the Clients or any particular industry, business, or investee country, and the duration and severity of those effects, is impossible to predict.

Investments Longer than Term. Funds that are structured as closed-end funds may make investments that, due to various reasons, may not be capable of an advantageous disposition prior to the date such Fund is required to be dissolved, either by expiration of the Fund's term or otherwise. Such Fund may be required to sell, distribute in-kind, or otherwise dispose of investments at a disadvantageous time as a result of dissolution. No assurance can be given in any such circumstances that such Fund will have received a return of its invested capital or that such Fund will otherwise be able to exit its investments by sale or other disposition (at attractive prices or at all).

Potential for Unexpected Risks. In researching potential investments, Sands Capital Alternatives will in many instances rely on materials created or provided by a company or its affiliates. Such materials are often provided on an "as-is" basis, and Sands Capital Alternatives has a limited ability to verify the information they contain. There is no assurance that the information provided to Sands Capital Alternatives will fairly represent the business, operations, and financial outlook of a potential investment. As a result, it is often difficult to identify, assess, and quantify with confidence the risks involved in an investment in the company. These unforeseen and unidentified risks could have an adverse effect on the investment.

Market Conditions. During certain periods, the financial sector has experienced an unusually high degree of volatility in the financial markets. Market turbulence may have an adverse effect on the investments we identify. The ability to realize investments depends not only on portfolio companies

and their historical results and prospects but also on the political, market, and economic conditions at the time of such realizations. Continued or renewed volatility in the financial sector or the economy generally may have a material adverse effect on the ability of the Clients to buy, sell and partially dispose of their portfolio company investments. The Clients may be adversely affected to the extent that they seek to dispose of any of their portfolio investments into an illiquid or volatile market, and a Client may find itself unable to dispose of investments at prices that Sands Capital Alternatives believes reflect the fair value of such investments. The duration and ultimate effect of current market conditions and whether such conditions may worsen cannot be predicted.

Equity Securities. The investments Sands Capital Alternatives identifies will usually be in equity securities. Investment in equity securities offers the potential for substantial capital appreciation. However, it also involves certain risks, including issuer, industry, market, dilution, and general economic-related risks. While offering greater potential for long-term growth, equity securities are more volatile and riskier than some other forms of investment. Additionally, in some circumstances, a Client may invest in common stock, which will be junior in a liquidation relative to a portfolio company's debt and preferred stock.

Options and Warrants. In addition to equity securities, in certain circumstances, an investment opportunity may also involve options or warrants.

The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, either to purchase or sell the underlying security or other instrument for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument will not change price in the manner expected, so that the investor loses its premium.

There are risks associated with the sale and purchase of call options. The seller (writer) of a call option which is covered (e.g., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received and gives up the opportunity for gain on the underlying security above the exercise price of the option.

Warrants can be more speculative than certain other types of investments in that they do not entitle a holder to dividends or voting rights, nor do they represent any rights in the assets of the issuing company. Investment in warrants involves certain additional risks, including the possible lack of a liquid market for the resale of the warrants, potential price fluctuations as a result of speculation or other factors, and failure of the price of the underlying security to reach a level at which the warrant can be prudently exercised (in which case the warrant may expire without being exercised, resulting in the loss of the entire investment).

Covered Call Options Risk. Certain Clients may write covered call options on portfolio securities. By writing a covered call option, the strategy limits its opportunity to profit from increases in the market value of the underlying security above the exercise price of the option. During periods when

prices of the underlying securities increase significantly, the Client may experience opportunity cost as it foregoes potential gains that would have been realized in the absence of the written call. The premium received from writing the option will partially offset any decline in the value of the underlying security, but will not fully protect against significant declines. Additionally, written options may be exchange-traded or executed over-the-counter ("*OTC*"). OTC options are subject to additional counterparty credit risk and may be less liquid than exchange-traded options.

OTC Options Risk. Unlike exchange-traded options, which are standardized and cleared through a central clearinghouse, OTC options are individually negotiated contracts between counterparties. OTC options expose the Clients to the credit risk of the counterparty, as performance depends on the counterparty's ability to meet its obligations. OTC options may also be less liquid than exchange-traded options, and Clients may be unable to close out or offset an OTC option position prior to expiration. The terms of OTC options, including those governing events of default, may be subject to differing interpretations by the parties, potentially leading to disputes or delayed settlement.

Convertibles. An investment may also involve debt securities, preferred stock, or other securities that may be converted into common or other stock (convertibles). Convertibles typically accrue current income as either interest (debt security) or dividends (preferred stock). A convertible's value usually reflects both the stream of current income payments and the value of the underlying stock. The market value of a convertible performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible usually falls. Since it is convertible into stock, a convertible generally has the same types of market and issuer risk as the underlying stock. Convertibles that are debt securities are also subject to the normal risks associated with debt securities, such as interest rate risk, credit spread expansion and ultimately default risk. Convertibles are also prone to liquidity risk, as demand can dry up periodically and bid/ask spreads on bonds can widen significantly.

An Issuer may be more likely to fail to make regular payments on a convertible than on its other debt because other debt securities may have a prior claim on the issuer's assets, particularly if the convertible is preferred stock. However, convertibles usually have a claim prior to the issuer's common stock. In addition, for some convertibles, the issuer can choose when to convert to common stock, or can "call" (redeem) the convertible, which may be at times that are disadvantageous.

Convertible securities held by a Client may automatically be converted to common stock under certain circumstances that will be outside the control of Sands Capital Alternatives, including if a percentage of certain shareholders consents to such conversion or the issuer holds its initial public offering. Upon conversion of convertible securities to common stock, a Client will lose any rights associated with the convertible securities.

Conflicts from Indirect Investments. Ownership interests in portfolio companies may be structured through several SPVs. Certain of the SPVs may have other investors, including investors related to one or more of the members of Sands Capital Alternatives or its affiliates, including the Advisory Affiliates. Investments held through SPVs may involve risks not present in direct investments, particularly when an investor participates in the SPV in conjunction with others. For example, a co-

participant in an SPV might become bankrupt, or otherwise fail to fund its obligations to the SPV, and it may be difficult or undesirable for the investors to make up the shortfall from other sources in those cases.

Reliance on Portfolio Company Management. The day-to-day operations of a portfolio company are the responsibility of such company's management team. Although Sands Capital Alternatives will monitor the performance of portfolio companies and generally will seek to invest in companies operated by capable management, there can be no assurance that an existing management team, or any successor team, will be able to successfully operate a portfolio company in accordance with Sands Capital Alternatives' strategy.

Dependence on Key Personnel. The success of the Clients depends in substantial part upon the skill and expertise of the investment professionals and other key personnel of Sands Capital Alternatives and its affiliates. There can be no assurance that such individuals will continue to be associated with Sands Capital Alternatives for any length of time. The loss of services of one or more key individuals could have a material adverse effect on the ability of Sands Capital Alternatives to realize the investment objectives of the Clients. In addition, Sands Capital Alternatives' ability to recruit, retain, and motivate key personnel is dependent on a variety of factors, including compensation. The market for qualified investment professionals is extremely competitive, and Sands Capital Alternatives may not be able to attract and retain such individuals. Any departure of key personnel without adequate replacement may be detrimental to the Clients.

Board Participation. With respect to certain Clients, staff members of Sands Capital Alternatives will serve as directors of some of the Clients' portfolio companies and, as such, will have duties to persons other than the investing Client. Although holding board positions may be important to a Client's investment strategy and may enhance the ability of a Client to manage investments, director seats may also have the effect of impairing a Client's ability to sell the related securities when, and upon the terms, it may otherwise desire and may subject the investing Client, its general partner, and Sands Capital Alternatives' staff members to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims, and other director-related claims. In general, the Clients will indemnify the general partner, Sands Capital Alternatives, and relevant staff members from such claims. In addition, it is possible that staff members of Sands Capital Alternatives may serve as directors of publicly traded companies in a Client's investment portfolio. It is also possible, in rare circumstances, that staff members of Sands Capital Alternatives serve as directors of private and/or publicly traded companies not related to the Clients. In the event that a staff member serving as a director becomes aware of material, nonpublic information concerning a particular company, the Clients may be prohibited from purchasing or selling securities of such company for periods of time. Such restrictions may have an adverse effect on the value of the investments of the relevant Client.

Non-U.S. Securities. Investing in securities of non-U.S. companies involves certain considerations comprising both risks and opportunities not typically associated with investing in

securities of U.S companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the U.S., higher transaction costs, less government supervision of exchanges, brokers, and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards, and greater price volatility. Brokerage commissions and other transaction costs on securities exchanges in non-U.S. countries are generally higher than in the United States.

Investments in Initial Public Offerings. Clients that invest in initial public offerings (or shortly thereafter) may involve higher risks than investments issued in follow-on public offerings or purchases on a secondary market due to a variety of factors, including the limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the issuer and limited operating history of the issuer. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospect of achieving them. These factors may contribute to substantial price volatility for such securities.

Public Company Holdings. A Client's investment portfolio may contain debt and/or equity securities issued by publicly held companies. Such investments may subject a Client to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of such Client to dispose of such securities at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including Sands Capital Alternatives' principals, and increased costs associated with each of the aforementioned risks.

Special Purpose Acquisition Companies. A Fund may invest in units of, shares of, warrants to purchase stock of, and other interests in special purpose acquisition companies or similar special purpose entities that pool funds to seek potential acquisition opportunities (collectively, "*SPACs*") that have announced an intent to acquire a Fund's portfolio company. Because SPACs and similar entities have no operating history or ongoing business other than seeking to complete a business combination with one or more companies, the value of each of their securities is particularly dependent on the ability of the entity's management to identify and complete a successful business combination. Some SPACs may pursue acquisitions only within certain industries or regions, which may increase the volatility of their prices. An investment in a SPAC is subject to a variety of risks, including, among others, that (i) a business combination, if effected, may prove unsuccessful and an investment in the SPAC may lose value; (ii) a Fund may be delayed in receiving any redemption or liquidation proceeds from a SPAC to which it is entitled; (iii) an investment in a SPAC may be diluted in connection with the business combination or by additional financings; (iv) no or only a thinly traded market for shares of or interests in a SPAC may develop, leaving a Fund unable to sell its interest in a

SPAC or to sell its interest only at a price below what a Fund believes is the SPAC interest's intrinsic value; and (v) the values of investments in SPACs may be highly volatile and may depreciate significantly over time.

In addition, a Fund may invest in the at-risk capital of a SPAC, which may be in the form of equity interests in such SPAC's sponsor, private placement warrants of the SPAC, units of the SPAC, or shares of the SPAC. An investment in the at-risk capital of a SPAC is subject to complete loss if the SPAC does not complete a business combination. Investments in a SPAC sponsor consist of securities issued on a private placement basis, which are subject to legal and contractual lockups and transfer restrictions and are illiquid. In connection with a business combination, a SPAC sponsor may agree to forfeitures, earn-outs, additional lockups, or other agreements that may have the effect of reducing the value of any such investments.

In connection with any such investments, a Fund may have the ability to appoint one or more persons to the board of any such SPAC. Any such board member may become aware of material, nonpublic information that could impact a Fund's ability to trade in the securities of certain issuers.

Subscription Line. From time to time, a Fund will enter into a subscription line credit facility with one or more lenders in order to finance its operations (including the acquisition of investments). Additionally, from time to time, a Fund will borrow capital from an affiliate of Sands Capital Alternatives for the acquisition of investments, or in order to warehouse investments prior to the launch of the relevant Fund. Such fund-level borrowing subjects investors to certain risks and costs. For example, because amounts borrowed under a subscription line will typically be secured by pledges of Sands Capital Alternatives' right to call contributions from investors, investors may be obligated to make contributions on an accelerated basis if a Fund fails to repay amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any claim an investor may have against a Fund would likely be subordinate to such Fund's obligations to the lenders providing a subscription line. In addition, a subscription line will result in incremental Fund expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees with respect to the committed but unfunded portion of the facility, an upfront fee for establishing the facility, and other one-time and recurring fees and/or expenses, as well as legal and other fees relating to the establishment, structuring, and negotiation of the terms of the facility, as well as expenses relating to maintaining, renegotiating, or terminating the facility.

Due to the fact that a subscription line's interest rate is typically based in part on the creditworthiness of a Fund's investors and the terms of the related fund documents, the interest rate in respect of any subscription line into which a Fund enters may be higher than the interest rate an investor could obtain individually. To the extent a particular investor's cost of capital is lower than a Fund's cost of borrowing, Fund-level borrowing can negatively impact an investor's overall individual financial returns (even if it increases such Fund's reported net returns using certain methods of calculation). Conflicts of interest have the potential to arise, in that the use of Fund-level borrowing typically delays the need for limited partners to make contributions to a Fund, or results in short-term

gains to a Fund, which in certain circumstances enhances the relevant Fund's internal rate of return calculations and thereby may be deemed to benefit the marketing efforts of Sands Capital Alternatives and increases the likelihood that any hurdle or preferred return component in the Fund's carried interest arrangements will be met. The use of Fund-level borrowing arrangements, and the repayment or non-repayment thereof, can also influence the determination of the end of a Fund's investment period, and cause or defer a related change in the basis of the relevant Fund's Management Fee calculation under the Client Documentation. Conflicts of interest also have the potential to arise to the extent that, although unlikely, a subscription line is used to make an investment that is later sold in part to co-investors (including one or more co-investing Funds). To the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities. A credit agreement frequently will contain other terms that restrict the activities of a Fund and the investors or impose additional obligations on them. In addition, in order to secure a subscription line, Sands Capital Alternatives may request certain financial information and other documentation from investors to share with lenders. Sands Capital Alternatives will have significant discretion in negotiating the terms of any subscription line in relation to a Fund and may agree to terms that may not be favorable to one or more investors (as opposed to the Fund as a whole).

Fund-level borrowing also involves a number of additional risks. For example, drawing on a subscription line may allow Sands Capital Alternatives to fund investments and pay Fund expenses without requiring investors to make contributions, potentially for extended periods of time. If Sands Capital Alternatives then draws down a relatively large proportion of commitments at once (or over a short period of time) in order to repay the amount outstanding under a subscription line, this could cause short-term liquidity concerns for investors (which may not have arisen had Sands Capital Alternatives drawn down smaller amounts incrementally). This risk may be heightened with respect to investors that have made commitments to other investment funds which employ similar borrowing strategies or investors that hold other leveraged assets in their investment portfolios. In such circumstances, a single market event could result in multiple simultaneous drawdowns from such investors, requiring them to meet the accumulated, larger capital calls over a short period of time.

Foreign Currency and Exchange Rate Risks. A Client's assets and income may be denominated in various currencies. Contributions and distributions, however, are denominated in U.S. dollars. As a result, the return of a Client on any investment may be adversely affected by fluctuations in currency exchange rates, any future imposed devaluations of local currencies, inflationary pressures, and the success of the investment itself. In addition, a Client may incur costs in connection with conversions between various currencies.

Foreign Tax Risk. While the Clients typically attempt to structure their investments to minimize taxes in non-U.S. jurisdictions, there is no guarantee that such efforts will be successful, and, as such, the Clients may be subject to non-U.S. withholding or other taxes, duties, or levies. In addition, there

may be changes in tax laws in the U.S. or in non-U.S. jurisdictions, or interpretations of such tax laws, adverse to the Clients. There can be no assurance that the structure of the Clients or of any investment will be tax efficient.

Valuation of Assets. There is no actively traded market for many of the securities owned by the many of the Clients. When estimating fair value for such securities, Sands Capital Alternatives will apply a methodology based on its best judgment that is appropriate in light of the nature, facts, and circumstance of the investments. Valuations are subject to multiple levels of review for approval and ensuring that portfolio investments are fairly valued is an important focus of Sands Capital Alternatives. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities may ultimately be sold. Third-party pricing information is often not available regarding certain assets or, if available, may not be relied upon. A disruption in the markets for a Client's investments may limit the ability of Sands Capital Alternatives to obtain accurate market quotations for purposes of valuing the investments. In addition, material events occurring after the close of a principal market upon which a portion of the securities or other assets of the Client are traded may require the determination of the effect of a material event on the value of the securities or other assets traded on the market for purposes of determining the value of the Client's investments.

Cybersecurity Risk. Sands Capital Alternatives, the Clients' service providers, and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Clients and their investors, despite the efforts of Sands Capital Alternatives and the Clients' service providers to adopt technologies, processes, and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Clients and their investors.

For example, unauthorized third parties have attempted to improperly access, modify, disrupt the operations of, or prevent access to these systems of Sands Capital Alternatives, the Clients' service providers, counterparties, or data within these systems. Third parties have attempted to fraudulently induce staff members, customers, third-party service providers or other users of the Sands Capital Alternatives' systems to disclose sensitive information in order to gain access to Sands Capital Alternatives' data or that of the Clients' investors. Various threat actors, including for-profit criminal hackers and nation-state sponsored or affiliated actors, engage in cyberattacks against the financial services sector. The use of internet or cloud-based programs, technologies, and data storage applications, as well as remote work environments, may heighten these risks.

A successful penetration or circumvention of the security of the Sands Capital Alternatives' systems could result in unauthorized access to, disclosure of, or misappropriation of nonpublic personal information, customer information, or other confidential data as well as the loss or theft of

an investor's or Client's data or funds, the inability to access electronic systems, loss or theft of proprietary or confidential data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause Sands Capital Alternatives, its Clients, or their service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss.

Similar types of operational and technology risks are also present for the companies in which the Clients invest, which could have materially adverse consequences for such companies, and may cause the Clients' investments to lose value.

Business Continuity Risk. In the event of unforeseen catastrophic events, such as natural disasters, terrorist attacks, epidemics, pandemics, or significant utility outages, Sands Capital Alternatives will seek to initiate its business continuity plan to ensure that employees have the resources and technology necessary to continue their responsibilities and meet Client and investor needs. Notwithstanding such measures, Sands Capital Alternatives cannot predict the level of disruption that such catastrophic events could have on its operations or the ability of the business continuity plan to function as intended in a time of crisis. Such plans could result in reduced collaboration, less optimal communication and supervision, and impaired operations relative to traditional office structures. As personnel rely more heavily on external technology systems for their business-related communications and information sharing, Sands Capital Alternatives may be more vulnerable to cybersecurity incidents and could have more difficulty resuming normal operations in the event it is the target of such incident or attack. Similar types of operational risks are present for the portfolio companies in which the Clients invest.

Risks Relating to Investment in and Disposition of Portfolio Companies. For Funds following the "fund of funds" approach, in connection with an investment in a portfolio company of a Portfolio Fund, the Fund or a Portfolio Fund may assume, or acquire a portfolio company subject to contingent liabilities. These liabilities may be material and may include liabilities associated with pending litigation, regulatory investigations, environmental actions, or payment of indebtedness, among other things. To the extent these liabilities are realized, they may materially adversely affect the value of a portfolio company. In addition, if the Fund or a Portfolio Fund has assumed or guaranteed these liabilities, the obligation would be payable from the assets of the Fund or Portfolio Fund, including the remaining commitments of investors in the Fund or investors in the Portfolio Fund.

In connection with the disposition of an investment in a portfolio company of a Portfolio Fund, the Fund or a Portfolio Fund may be required to make representations about the business and financial affairs of such portfolio company typical of those made in connection with the sale of any business. The Fund may also be required to indemnify the purchasers of such investment in such portfolio company to the extent that any such representations or warranties turn out to be inaccurate or misleading. These arrangements may result in liabilities for the Fund directly or indirectly through the Portfolio Fund, depending upon recontribution obligations owed to the Portfolio Fund.

Commitments to Underlying Funds in Excess of Capital Commitments to a Fund. For Funds following the "fund of funds" approach, such Funds may make commitments to Portfolio Funds in excess of the total capital committed to such Funds. As a result, in certain circumstances, such a Fund may need to retain distributions from, or proceeds from the disposition of an interest in, a Portfolio Fund, or recall distributions previously made to investors of the Fund, borrow funds or, if necessary, liquidate some or all of its portfolio investments, including prematurely at potentially significant discounts to market value, if such Fund does not generate sufficient cash flow from its portfolio investments in order to satisfy such Fund's obligations in respect of these commitments.

CFIUS and National Security Clearance Considerations. Certain investments are expected to be subject to, or require review and approval by, the U.S. Committee on Foreign Investment in the United States ("*CFIUS*"), such as where CFIUS-related laws, regulations, or guidance deem non-U.S. persons or entities under their control (such as a Client, co-investors and/or rollover sellers) to acquire a U.S. business (including a business with assets, employees, facilities, and/or operations in the U.S.). CFIUS has the authority to review proposed or existing transactions or investments and to seek to impose limitations on or prohibit investments. CFIUS filings and other considerations can materially impact transaction timing, feasibility, certainty, and costs. In certain circumstances, CFIUS considerations have the potential to prevent a Client from maintaining or pursuing investments or limit the universe of available buyers for an existing investment. Any of these factors have the potential to adversely affect a Client's performance, and the likelihood that CFIUS considerations will be implicated is expected to increase where non-U.S. limited partners comprise a substantial percentage of a Client. Under the Client Documentation, Sands Capital Alternatives and / or its affiliates are generally authorized, although not required, to excuse or otherwise limit non-U.S. investors' ability to invest in U.S. businesses (or to exercise voting or advisory board rights with respect thereto) in order to anticipate or comply with CFIUS considerations. However, there can be no assurance that invoking any such excuse provisions or other limitations will allow the Client to proceed with or maintain any investment, or to avoid losses relating thereto. Similar considerations are expected to apply with respect to reviews by non-U.S. national security or investment clearance regulators.

U.S. Taxation of Carried Interest. U.S. federal income tax law treats certain allocations of capital gains to service providers by partnerships such as the Funds as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset that generated such gain for more than three years. Additionally, Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships such as a Fund (including any carried interest) as ordinary income for U.S. federal income tax purposes that under current law are treated as an allocation of the partnership's income (and which may be taxed at lower rates than ordinary income). Such rules, as well as any such legislation that may be enacted in the future, could apply to reduce the after-tax returns of individuals associated with a Fund, its general partner, or Sands Capital Alternatives who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the relevant general partner and its affiliates to incentivize, attract and retain individuals to perform services for a Fund. This creates potential incentives for Sands Capital

Alternatives to cause a Fund to hold investments for a longer period than would be the case if such greater-than-three-year holding period requirement did not exist.

Secondaries and other GP-Led Transactions. There continues to be a significant market in the private fund sector for secondary sales, GP-led transactions, continuation funds, successor fund investments and other transactions for the disposition of investments. Many of these transactions involve an auction process run by an investment bank and a buyer (or buyer group) that agrees to purchase a portion of one or more investments that will continue to be managed by Sands Capital Alternatives following the transaction. Such transactions are undertaken for various reasons, including, for example, to balance competing interests between offering liquidity to existing limited partners and maintaining exposure to an asset where Sands Capital Alternatives believes there is the potential for additional value generation. Where undertaken, existing limited partners typically are offered certain options relating to receiving liquidity from the transaction or continuing to maintain exposure to the asset, assets or a new portfolio of assets (including a portfolio that combines assets from multiple Funds sponsored by the Sands Capital Alternatives and its affiliates). However, certain of such transactions are expected to require a limited partner to invest additional capital in the existing Fund and/or other investment vehicles, a greater exposure to one or more particular portfolio company, and/or a delay in the full liquidation of its investment. In other circumstances, even limited partners that elect to continue to hold a direct or indirect interest in the relevant portfolio company will have their interest adjusted as if distributed (i.e., a portion of such interest will be allocated to the relevant general partner to the extent of its right to receive carried interest, if any), effectively diluting their interests.

Each of these transactions has the potential for conflicts between the interests of a Fund or limited partner and those of Sands Capital Alternatives or any buyer group that typically are not applicable to more traditional investment sales. For example, in circumstances where Sands Capital Alternatives or an affiliate will continue to manage and receive fees and/or performance-based compensation relating to the subject assets following the transaction, their incentives are expected to diverge from those of limited partners who elect to sell their interests. Similarly, there are potential conflicts of interest among the selling Fund, Sands Capital Alternatives, the relevant general partner and any buyer group relating to the valuation and consideration offered for the investment(s) subject to the transaction. Further, the relevant general partner is expected to be incentivized to make investments in portfolio companies with the view of holding such investments for longer periods of time or to make investments that it would not otherwise have made if the possibility of liquidity through a secondary transaction did not exist. Where co-investors historically have been invested in an investment subject to such a transaction, there can be no assurance that they will receive the same liquidity or other options as limited partners in the relevant Fund, and in such circumstances Sands Capital Alternatives reserves the right to compel co-investors to receive cash or continue to hold an interest in the relevant investment. In other circumstances, certain limited partners will not be permitted to continue to maintain exposure to the asset(s) due to a lack of eligibility to invest in a continuation vehicle under relevant securities, tax or other considerations. Although relevant potential conflicts of interest are disclosed to limited partners and/or the relevant advisory committee prior to

the closing of the transaction, there can be no assurance that Sands Capital Alternatives will successfully identify all conflicts of interest or resolve or mitigate all such conflicts of interest in favor of Fund or any individual limited partner or group of limited partners. However, Sands Capital Alternatives reserves the right, in its sole discretion, to determine to engage in such transactions, subject to any approvals required in the relevant Client Documentation.

Privacy and Data Protection Law Compliance Risk. The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations in the United States, Europe and other jurisdictions (collectively, "*Privacy Laws*") could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of Sands Capital Alternatives, its affiliates including the Advisory Affiliates, the general partners, the Clients and/or their portfolio investments, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Client performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for Sands Capital Alternatives, its affiliates including the Advisory Affiliates, the general partners, the Clients and/or their portfolio investments, are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

Certain jurisdictions, including other U.S. states, have proposed, adopted or are considering similar Privacy Laws, which if enacted could impose similarly significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws and regulations are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include Sands Capital Alternatives, its affiliates including the Advisory Affiliates, the general partners, the Clients and/or their portfolio investments.

Use of Alternative Data. The analysis and interpretation of alternative data involves a high degree of uncertainty and may entail significant expense which may be borne by Clients. Alternative data typically refers to information derived from non-traditional sources of financial information. Alternative data is often less structured than traditional data sets and usually has less history, thus making it more complex to incorporate into investment models. Alternative data providers often do not have enterprise standard infrastructure for data delivery, which can result in data sets being suspended, delayed, degraded, adjusted, or otherwise less uniform. Moreover, there has been increased scrutiny from a variety of regulators regarding the use of alternative data for investment purposes, and its use or misuse under current or future laws and regulations could create liability for Sands Capital Alternatives, its affiliates including the Advisory Affiliates, or its clients in various jurisdictions. In addition, any future limitations on the use of alternative data or the unavailability of such alternative data sets could have an adverse impact on the performance of Sands Capital Alternatives' strategies.

Growth Investment Risk. Sands Capital Alternatives' investment strategies pursue a "growth style" of investing, investing in equity securities of companies that Sands Capital Alternatives believes will increase their earnings at a rate that is generally higher than the rate expected for non-growth companies. If a growth company does not meet this expectation, the price of its stock may decline significantly, even if it has increased earnings. Many growth companies do not pay dividends.

Hedging Risk. Sands Capital Alternatives, on behalf of certain Clients, may be authorized by the Client Documentation to hedge certain market or other risks inherent in the Clients' portfolios, but generally have no obligation to do so. Sands Capital Alternatives may use a variety of investment instruments for hedging on behalf of such Clients, the choice of which may turn out in retrospect to have failed to mitigate the risks as intended. Furthermore, Sands Capital Alternatives may choose to use dynamic hedging approaches which may ultimately fail to achieve the intended risk mitigation if the market experiences rapid changes in price, volatility, or liquidity. Sands Capital Alternatives will not, in general, attempt to hedge all market or other risks inherent in such Clients' portfolios and will hedge certain risks only partially, if at all. Such hedging decisions, if they fail to achieve the intended risk mitigation or fail to adequately mitigate the level of intended risk, could have material adverse effect on the performance of such Clients.

Derivatives Risk. Sands Capital Alternatives, on behalf of certain Clients, may be authorized to use various derivative instruments on behalf of such Clients. These instruments typically involve highly leveraged exposure to underlying referenced assets from which such instruments derive their performance, at least in part. The use of derivatives involves a variety of material risks, including the possibility of counterparty non-performance as well as deviations between the actual and the theoretical value of such derivatives. Changes in the volatility of the price of an underlying security or index may make a large difference to the theoretical value of a derivative instrument. Derivative instruments may be privately negotiated in the over-the-counter market and involve exposure to credit risk, since the contract performance depends in part on the financial condition of the counterparty or its guarantor. Derivatives are subject to a wide variety of contractual terms including a range of early termination events permitting the counterparty to liquidate the position prematurely. Derivatives may be extremely illiquid, and in many cases, derivative positions may be offset only by transacting with the counterparty to the derivative.

Unregistered Securities and Private Placement Risks. Investments through private placements are not immediately tradeable on an exchange or in the over-the-counter market. They may be subject to resale restrictions including significant holding or lockup restrictions for designated time periods. Private placements may serve as financing vehicles for public companies, commonly referred to as PIPEs (Private Investment in Public Equity), or for privately held entities. Securities purchased through private placements may be less liquid than publicly traded securities and investments in privately held entities are generally less liquid than PIPEs. The offering documents contain limited information on the company's business and many private placement securities are issued by companies that are not required to file audited financial reports making it difficult to gauge how the private placement is likely to perform over time. Because of the illiquid nature of these securities, a Client may

not be able to liquidate PIPE securities quickly, and the delay in the opportunity to sell such securities could expose such Clients to the risk of a lower available market price when such Clients have the ability to sell the security(ies).

Total Return Swap Risk. Sands Capital Alternatives, on behalf of certain Clients, may be authorized by the Client Documentation to engage in the use of total return swaps, which are executed OTC. Total return swap agreements are contracts between parties in which one party agrees to make payments to the other party based on the change in the market value of a specified index, asset, or basket of assets. In addition to the risk of investing in the underlying specified index, asset, or basket of assets, such swap agreements pose the risk that a party will default on its payment obligations thereunder. Because total return swaps are OTC instruments, they are subject to the creditworthiness of the counterparty, and Clients may have limited ability to close or offset a position if the counterparty becomes unwilling or unable to honor its obligations. The leverage inherent in total return swaps magnifies both gains and losses, and margin requirements may force Clients to liquidate positions at inopportune times. Total return swaps may also be less liquid than exchange-traded instruments, particularly during periods of market stress. Swaps are types of derivatives. See "Derivatives Risk".

Factor Hedge and Basket Hedge Risk. Certain Clients may utilize factor bucket hedges or basket hedges designed to reduce exposure to certain systematic risk factors, sectors, or market segments. Such hedges are typically implemented through OTC derivatives, including total return swaps, options on indices, or other structured instruments. Factor hedges involve taking positions (which may be long or short) intended to offset exposures in the portfolio that Sands Capital Alternatives believes present uncompensated or undesirable risk. In certain basket hedge arrangements, the prime broker or counterparty, rather than Sands Capital Alternatives, may determine the composition of the underlying basket. As a result, the basket contents may not precisely align with the Fund's intended hedging objectives, may include securities or weightings that differ from those that would have been selected by Sands Capital Alternatives, and may be subject to change at the discretion of the prime broker.

Factor and basket hedges are subject to correlation risk in that the instruments used for hedging may not move in the manner anticipated relative to the portfolio positions being hedged, resulting in incomplete or ineffective risk mitigation. This correlation risk may be heightened when a prime broker selects the basket contents, as the hedge may not adequately reflect the Fund's actual portfolio exposures. These hedges are also subject to basis risk, where the hedging instrument does not perfectly track the underlying exposure, potentially resulting in gains or losses unrelated to the intended hedge objective. Additionally, the costs of implementing and maintaining hedges, including transaction costs, bid-ask spreads, and financing charges, reduce returns. Because factor hedges are typically executed OTC, they are subject to counterparty credit risk and liquidity risk, and may be difficult to unwind on short notice or during periods of market volatility. There is no guarantee that Sands Capital Alternatives will successfully identify, implement, or maintain effective factor hedges, or that such hedges will achieve their intended risk management objectives.

Securities Lending Risk. Certain Clients are authorized and may engage in the practice of lending their portfolio securities to certain types of eligible borrowers in an attempt to increase income and/or total return. Each loan is secured continuously by collateral. Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, such Clients may lose money and there may be a delay in recovering the loaned securities, as well as regulatory consequences. Such Clients could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain adverse tax consequences.

Account Consent Requirements. Periodically, Sands Capital Alternatives will, in its sole judgment, determine that consent from an account owner (including a Client) is necessary to make an investment or participate in a corporate event of a portfolio company. If Sands Capital Alternatives determines that consent is impractical due to timing or other considerations or consent is not received by an applicable due date, Sands Capital Alternatives will not have the opportunity to make the investment for such Clients.

Large Investor Risk. In certain situations, interests in an investment strategy are held by a large investor and in such an event, there is a risk that such large investors may impact Sands Capital Alternatives' investment strategy by purchasing or selling interests in large amounts. For example, when Sands Capital Alternatives eliminates a large account's interest or exits a position held in multiple accounts, the transacted shares may have an impact on the price or liquidity of the shares being sold, because there may be fewer or no willing buyers of those securities and they may have to be sold at a lower price or may not sell at all.

Investment in ADRs / GDRs. American Depositary Receipts ("ADRs") and American Depositary Shares ("ADSs") are U.S. dollar-denominated receipts typically issued by domestic banks or trust companies that represent the deposit with those entities of securities of a foreign issuer. They are publicly traded on exchanges or over-the-counter in the United States. European Depositary Receipts ("EDRs"), which are sometimes referred to as Continental Depositary Receipts ("CDRs"), and Global Depositary Receipts ("GDRs") may also be purchased by Sands Capital Alternatives for its Clients. EDRs, CDRs and GDRs are generally issued by foreign banks and evidence ownership of either foreign or domestic securities. Certain institutions issuing ADRs, ADSs, EDRs or GDRs may not be sponsored by the issuer of the underlying foreign securities. A non-sponsored depositary may not provide the same shareholder information that a sponsored depositary is required to provide under its contractual arrangements with the issuer of the underlying foreign securities. Holders of an unsponsored depositary receipt generally bear all the costs of the unsponsored facility. The depositary of an unsponsored facility frequently is under no obligation to distribute shareholder communications received from the issuer of the deposited security or to pass through to the holders of the receipts voting rights with respect to the deposited securities.

Market Access Product Risk. Investments in instruments such as participatory notes (P-Notes), low exercise price warrants (LEPWs), and other similar types of access products ("Market Access

Products"), are linked to equity securities issued by an underlying company ("Reference Securities"). Market Access Products are issued by financial institutions or other counterparties that are unaffiliated with the issuers of the Reference Securities. The amounts payable to a Client with respect to the Market Access Products will be dependent upon various factors, including the price or level of, or changes in the price or level of, such Reference Securities. In addition, the amounts payable to a Client with respect to the Market Access Products may be in one or more currencies, which may be different from the currency in which the Reference Securities are denominated. An investment in Market Access Products may entail significant risks not associated with investments in conventional equity securities. The lack of a liquid secondary market for these products may prevent Sands Capital Alternatives from closing a position on behalf of a Client and could adversely impact such Client's ability to realize profits or limit losses. Market Access Products are also subject to counterparty risk, meaning the party that issues the product may experience a significant credit event and may be unwilling or unable to make timely settlement payments or otherwise honor its obligations. Depending on the terms of the securities, Market Access Products may be redeemed or called at the option of the issuer upon the occurrence of certain events, including certain regulatory events, which could result in a Client's investment being liquidated at an inopportune time. Additionally, if interpretations by applicable tax authorities change, a Client could be assessed tax charges with respect to prior year transactions.

Risk of Investing in Europe. Investments in Europe (including in member states of the European Union (the *"EU"*) and in the United Kingdom (the *"UK"*)) may be subject to region-specific risks that differ from those associated with other non-U.S. markets, including risks related to the EU's multi-jurisdictional governance framework and the Eurozone's shared monetary policy across economies with differing fiscal and political conditions, which can contribute to periods of heightened volatility or market dislocation. European and UK markets may also be affected by the continuing effects of the UK's withdrawal from the EU, including uncertainty and potential change in cross-border market access arrangements and regulation, as well as the possibility of regulatory divergence between the UK and the EU that can increase complexity and costs for issuers and market participants. In addition, Europe and the UK may be particularly sensitive to regional geopolitical and security developments and to energy supply dynamics, and trade or industrial-policy tensions with the United States (including the threat or imposition of tariffs or other restrictions and potential retaliatory measures) may adversely affect European and UK issuers with significant cross-border supply chains or U.S. market exposure..

Risk of Investing in Emerging Markets. Investments in emerging markets, including those in Asia, Latin America, Eastern Europe, and Africa, involve a greater degree of risk than investing in developed countries. Among others, emerging market investments may be subject to the following risks: less publicly available information; more volatile markets and unstable market conditions; changes in interest rates; availability of credit and inflation rates; less liquidity or available credit; uncertainty in enforceability of documents; changes in local laws and regulations (including nationalization of industries); political or economic instability (including wars, terrorist acts or security operations); the relatively small size of the securities markets in such countries and the low volume of trading and less

strict securities market regulation; less favorable tax or legal provisions; price controls and other restrictive governmental actions; changes in or non-approval of tariffs or other fees or rates charged, potential severe inflation or other serious adverse economic developments; unstable currency; expropriation of property; confiscatory taxation; imposition of withholding and other taxes on income or gross sales proceeds or dispositions; fluctuations in the rate of exchange between currencies, non-convertibility of currencies which can result in the inability to repatriate funds, costs associated with currency conversion; and certain government policies that may restrict a Client's investment opportunities. The foregoing may result in lack of liquidity and in price volatility.

The economies of emerging markets may differ, favorably or unfavorably, from the economies of developed countries in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency, and balance of payments position. In addition, emerging market countries may have a greater risk of default on external debt when their economies experience a downturn. These risks of sovereign default could adversely affect a Client's value. Furthermore, emerging markets are generally heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values, and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain emerging markets may be based predominantly on only a few industries which may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

Companies in emerging market countries are generally subject to less stringent and less uniform accounting, auditing, corporate governance, and financial reporting standards, practices, and disclosure requirements than those applicable to companies in developed countries. In particular, valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities, and consolidation may be treated differently from accounting standards in more developed countries. Consequently, there is generally less publicly available information about emerging market companies than developed market companies.

Certain issuers located in emerging markets, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries; therefore, investments in these entities potentially carry greater risk. In addition, a Client's investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities, restrictions on the ability to convert currency, or to take currencies out of certain countries.

In emerging markets, there is often less governmental supervision and regulation of business and industry practices, stock exchanges, over-the-counter markets, brokers, dealers, counterparties, and issuers than in other more established markets. Any regulatory supervision that is in place may be subject to manipulation or control. Some emerging market countries do not have mature legal systems comparable to those of more developed countries. Moreover, the process of legal and regulatory reform may not proceed at the same pace as market developments, which could result in

investment risk. Legislation to safeguard the rights of private ownership may not yet be in place in certain areas, and there may be the risk of conflict among local, regional, and national requirements. In certain cases, the laws and regulations governing investments in securities may not exist or may be subject to inconsistent or arbitrary interpretation. Both the independence of judicial systems and their immunity from economic, political, or nationalistic influences remain largely untested in many countries. Clients may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in non-U.S. courts.

Settlement in Emerging Markets. There can be no guarantee of the operation or performance of settlement, clearing, and registration of transactions in emerging market countries nor can there be any guarantee of the solvency of any securities system or that such securities system will properly maintain the registration of a Client's custodian as the holder of securities. Where organized securities markets and banking and telecommunications systems are underdeveloped, concerns inevitably arise in relation to settlement, clearing, and registration of transactions in securities where these are acquired, other than as direct investments. Furthermore, due to the local postal and banking systems in many emerging market countries, no guarantee can be given that all entitlements attaching to quoted and over-the-counter traded securities acquired by a Client, including those related to dividends, can be realized.

Some emerging markets currently dictate that monies for settlement be received by a local broker a number of days in advance of settlement, and that assets are not transferred until a number of days after settlement. This exposes the assets in question to risks arising from acts, omissions, and solvency of the broker and counterparty risk for that period of time.

Emerging Market Exchange Control and Repatriation. It may not be possible for a Client to repatriate capital, dividends, interest, and other income from emerging markets, or it may require government consent to do so. Clients could be adversely affected by the introduction of, or delays in, or refusal to grant any such consent for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Economic or political conditions could lead to the revocation or variation of consent granted prior to an investment being made in any particular country or to the imposition of new restrictions.

Emerging Market Inflation Risk. Some countries in which clients may invest have experienced substantial rates of inflation in recent years. Inflation and rapid fluctuations in inflation rates have had, and may in the future have, negative effects on the economies and securities markets of certain emerging economies. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on a Client's investments in these countries or such Client's returns from such investments.

Emerging Market Custodial Risk. A Client's custodian will have custody of its securities, cash, distributions, and rights accruing to such Client's securities accounts. If a custodian holds cash on behalf of a Client, such Client may be an unsecured creditor in the event of the insolvency of the custodian.

Local custody services remain underdeveloped in many emerging market countries and there is transaction and custody risk involved in dealing in such markets. In certain circumstances Clients may not be able to recover some of their assets. Such circumstances include any acts or omissions or the liquidation, bankruptcy or insolvency of a sub-custodian, retroactive application of legislation and fraud or improper registration of title. The costs borne by such Client from investing and holding investments in such markets will generally be higher than in organized securities markets.

Misconduct of Staff Members and of Third-Party Service Providers. Misconduct by Sands Capital Alternatives staff members or by third party service providers could cause significant losses. Misconduct may include binding Client accounts to transactions that present unacceptable risks and unauthorized activities or concealing unsuccessful activities (which, in either case, may result in unknown and unmanaged risks or losses). Losses could also result from actions by third party service providers, including failing to record transactions or improperly performing their contractual responsibilities. In addition, staff members and third-party service providers may improperly use or disclose confidential information, which could result in litigation or serious financial harm. Although Sands Capital Alternatives has adopted measures reasonably designed to prevent and detect staff member misconduct and to select reliable third-party providers, such measures would not likely be effective in all cases.

Fraud. Securities markets may be susceptible to market manipulation or other fraudulent trading practices, which could disrupt the orderly functioning of markets or reduce the value of investments traded in them, including investments of Sands Capital Alternatives Clients. Instances of fraud and other deceptive practices committed by senior management of certain companies in which Sands Capital Alternatives' Clients invest may negatively affect the value of their investments. In addition, when discovered, financial fraud may contribute to overall market volatility, which can negatively impact the Sands Capital Alternatives' investment strategies. Financial fraud may also impact the rates or indices underlying Sands Capital Alternatives Clients' investments.

Artificial Intelligence and Machine Learning. Sands Capital Alternatives' and its affiliates' ability to use, manage, and aggregate data may be limited by the effectiveness of its policies, systems, and practices that govern how data is acquired, validated, used, stored, protected, processed, and shared. Failure to manage data effectively, and to aggregate data in an accurate and timely manner, may limit Sands Capital Alternatives' ability to manage current and emerging risks, as well as to manage changing business needs and to adapt to the use of new tools, including recent advances in artificial intelligence and machine learning technologies (collectively, "AI Services"). The effectiveness of any policies and procedures to mitigate the risks of AI Services cannot be guaranteed. The rapid growth and widespread use of AI Services has the potential to pose risks to Sands Capital Alternatives, its Clients, and the portfolio companies, including increased susceptibility to cyberattacks and data breaches. Sands Capital Alternatives and its staff members expect to use AI Services in connection with Sands Capital Alternatives' business activities, including to support Sands Capital Alternatives' due diligence and investment activities. While Sands Capital Alternatives has contractual provisions with AI technology vendors addressing data confidentiality, security, and usage restrictions, and while Sands

Capital Alternatives' policies may restrict or prescribe certain uses of third-party and open source AI Services, Sands Capital Alternatives' employees and consultants and a Client's portfolio companies will under certain circumstances use these tools, which poses additional risks relating to the protection of Sands Capital Alternatives' and such portfolio companies' proprietary data, including the potential exposure of Sands Capital Alternatives' or such portfolio companies' confidential information to unauthorized recipients and the misuse of Sands Capital Alternatives' or third-party intellectual property, which could adversely affect Sands Capital Alternatives, a Client, or the portfolio companies. Use of AI Services could result in allegations or claims against Sands Capital Alternatives, a Client, or a portfolio company related to violation of third-party intellectual property rights (including claims based on the datasets used to train AI models), unauthorized access to or use of proprietary information, and failure to comply with open-source software requirements. AI Services are highly reliant on the accuracy, adequacy, completeness and objectivity of their underlying data, and any inaccuracies, deficiencies or biases in this data may produce inaccurate, misleading, incomplete, or fabricated responses that could lead to errors in Sands Capital Alternatives', and its employees' and consultants', decision-making, portfolio management, investment processes, or other business activities, which could have a negative impact on Sands Capital Alternatives or on the performance of a Client. Such AI Services could also be used against Sands Capital Alternatives, a Client, or a portfolio company by malicious actors, including through deepfakes, cyberattacks, or fraud. AI Services have the potential to result in significant and disruptive changes in companies, sectors or industries, including those in which the Clients invest, and any such changes could render Sands Capital Alternatives' investment strategies or underwriting models obsolete or create new and unpredictable operational, legal and/or regulatory risks. To the extent competitors of Sands Capital Alternatives, a Client and the portfolio companies make more efficient or extensive use of AI Services, or to the extent that Sands Capital Alternatives, its Clients, or any portfolio companies do not incorporate AI Services solutions as effectively or with the same speed as their competitors, there is a possibility that such competitors will gain a competitive advantage. Additionally, any interruption of access to or availability of AI Services could impede Sands Capital Alternatives' business operations. Sands Capital Alternatives, a Client or a portfolio company could be further exposed to the risks of AI Services if third-party service providers or any counterparties, whether or not known to Sands Capital Alternatives, use AI Services in their business activities. Sands Capital Alternatives will not be able to control the use of AI Services in third-party products or services, including those provided by Sands Capital Alternatives' and its affiliates' service providers. The legal, regulatory, and policy environments around AI Services are evolving rapidly, and certain regulatory agencies, including the U.S. Federal Trade Commission, have initiated AI-related inquiries. Complying with a patchwork of AI rules and regulations-across domestic and international borders-could involve material compliance costs and require significant changes to policies and practices. It is impossible to predict the future risks that may have the potential to arise from such developments as well as the growing prominence of AI Services in general. Any of the foregoing factors could have a material and adverse effect on Sands Capital Alternatives, a Client and the portfolio companies. AI Services and their current and potential future applications, including in the private investment and financial sectors, as well as the legal and

regulatory frameworks within which they operate, continue to rapidly evolve, and it is impossible to predict the full extent of current or future risks related thereto.

Trade Tensions Risk. There have recently been intensified concerns about international trade tensions, and the imposition or potential imposition of tariffs or other trade restrictions by the United States and other countries. These actions could trigger various adverse consequences to global markets, including market fluctuations, global trade disruption, price reductions, oversupply of manufactured goods, supply chain disruptions, and the introduction of further trade barriers and frictions, which could adversely affect the financial performance of client accounts. The imposition of tariffs or other trade restrictions may particularly impact export-oriented economies and companies in which Sands Capital Alternatives invests, including those in emerging markets and the technology sector. These developments are often unpredictable and may significantly impact the value of client investments.

Sanctions and Outbound Investment Restrictions. Economic sanction laws in the United States and other jurisdictions may restrict or prohibit Sands Capital Alternatives from transacting with certain countries, territories, individuals, and entities. In the United States, the U.S. Department of the Treasury's Office of Foreign Assets Control ("*OFAC*") administers and enforces laws, executive orders, and regulations establishing U.S. economic and trade sanctions, which restrict or prohibit, among other things, direct and indirect transactions with, and the provision of services to, certain non-U.S. countries, territories, individuals, and entities.

In addition, recently implemented regulations require notification of, or prohibit, certain direct and indirect outbound investments by U.S. persons, particularly with respect to sensitive technologies and certain countries of concern. OFAC and other sanctions programs change frequently, and the scope of outbound investment restrictions may be expanded, which may make it more difficult for Sands Capital Alternatives to ensure compliance. These types of sanctions could significantly restrict or completely prohibit investment activities in certain jurisdictions, and violation of any such laws or regulations may result in significant legal and monetary penalties, as well as reputational damage.

Public Health Emergency Risk. Occurrences of epidemics and pandemics, depending on their scale, could cause different degrees of damage to national and local economies. Global economic conditions could be disrupted by widespread outbreaks of infectious or contagious diseases, and such disruption could adversely affect investment returns. There can be no certainty as to how long effects of such outbreaks will continue, particularly as markets grapple with unintended consequences of fiscal and monetary policies designed to curb any economic impact (such as inflation). These economic disruptions could negatively impact the value and performance of investments in client accounts.

To the extent that an epidemic or pandemic is present in jurisdictions in which Sands Capital Alternatives has offices or other operations or investments, it could affect Sands Capital Alternatives' ability to operate effectively, including the ability of staff members to function, communicate, and travel to the extent necessary to carry out the investment strategies and objectives. Governmental restrictions on travel, quarantine requirements, or other public health measures could further disrupt

operations. In addition, global efforts to prevent the spread of infectious diseases may result in the cancellation or suspension of industry conferences and events, which could affect Sands Capital Alternatives' ability to conduct research and evaluate investment opportunities. Sands Capital Alternatives' staff members and personnel of critical service providers may be directly impacted by public health emergencies, which could impair Sands Capital Alternatives' ability to satisfy its obligations to clients.

Short Selling Risk. Certain Clients are authorized to engage in short selling of securities and to enter into transactions such as covered call options, index swaps, and other instruments, that establish short exposure to securities or markets. Short selling involves significant risks that differ from those associated with long investments. In a short sale, the seller sells a security it does not own (typically a security borrowed from a broker-dealer) and must later purchase the security in the open market to return it to the lender. A Client will incur a loss as a result of a short sale if the price of the shorted security rises between the time of the short sale and the time the Client is required to replace the borrowed security. Unlike a long position, short selling exposes a Client to theoretically unlimited loss because there is no ceiling on the price to which a security may rise. Any gain from a short sale will be decreased, and any loss increased, by the amount of premiums, dividends, interest, or other amounts the Client may be required to pay in connection with a short sale or related borrowing.

Purchasing securities to close out a short position can itself cause the price of those securities to increase, further exacerbating any loss. Under adverse market conditions, a Client may have difficulty purchasing securities necessary to meet delivery obligations and may be required to sell other portfolio holdings to raise capital at a time when it would be disadvantageous to do so. If securities lenders demand the return of borrowed securities at a time when other short sellers face similar demands, a "short squeeze" can occur, and the Client may be compelled to replace borrowed securities with open-market purchases at prices that may significantly exceed the proceeds originally received from the short sale. This risk is heightened with respect to thinly traded securities, where the ability to purchase securities to cover a short position may be limited or unavailable. Additionally, short sales and "short" positions that involve a form of investment leverage can magnify both gains and losses.

Risks Associated with Prediction Markets. Prediction markets are speculative trading platforms on which participants may buy and sell contracts linked to the outcome of future events, including political, economic, or corporate developments. Because there are few restrictions on the types of contracts that may be traded on the platforms, it is possible that contracts tied to the performance, prospects, or outcomes of Sands Capital Alternatives, its Clients, or their portfolio companies could be traded on the platforms in the future. Public speculation on such platforms could undermine investor confidence in, or result in reputational harm to, Clients and their portfolio companies. The rapid dissemination of information or misinformation enabled by social media amplifies these risks. Prediction markets also present heightened risks of fraud and other breaches of trust because participants may seek to trade on material, nonpublic information MNPI or other confidential information. Regardless of whether any trading is based on inside information, trading on prediction markets by affiliates of Sands Capital Alternatives' Clients or their portfolio companies could be

perceived as trading on the basis of MNPI or other confidential information. Such conduct, or the perception thereof, could expose Sands Capital Alternatives, its Clients, or their portfolio companies to regulatory scrutiny or financial loss, the impact of which cannot be reasonably anticipated.

Item 9. DISCIPLINARY HISTORY

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to an evaluation of their advisory business or the integrity of their management. Sands Capital Alternatives has no such events and, therefore no information to disclose pursuant to this item.

Item 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Sands Capital Alternatives has entered into a services agreement with an Advisory Affiliate, pursuant to which the Advisory Affiliate is providing the staff members and resources (e.g., trading, investment research, marketing, compliance, human resources and other finance or administrative services) to conduct Sands Capital Alternatives' business, and the Advisory Affiliates and Sands Capital Alternatives share certain executive officers. As part of this shared services arrangement, the Advisory Affiliate's trading desk executes securities transactions on behalf of the Sands Capital Alternatives' Clients, including but not limited to short sales and OTC derivative transactions. Such transactions may involve heightened risk characteristics and potential conflicts of interest. Sands Capital Alternatives shares proprietary research and other information with the Advisory Affiliates and the Advisory Affiliates share similar information with Sands Capital Alternatives from time to time. Certain investors doing business with the Advisory Affiliates are investors in the Clients, and vice versa. Sands Capital Alternatives and the Advisory Affiliates refer potential investors to each other from time to time. The Advisory Affiliates and their affiliates and their officers and staff members invest, and may in the future invest, in the Clients or on a side-by-side basis through separate investment vehicles, and, subject to the Client Documentation, invest, and may in the future invest, in opportunities that are not presented to the Clients or their investors. Sands Capital Alternatives invests, and may in the future invest, in companies in which the Advisory Affiliates or their affiliates or their officers and staff members have interests. In the event the securities issued by a portfolio company in which Sands Capital Alternatives' Clients, officers, staff members, or affiliates have directly or indirectly invested become listed on a national securities exchange, Advisory Affiliates have in the past and may in the future invest in such securities for its client accounts. For a description of potential material conflicts of interest created by the relationship between Sands Capital Alternatives and its related persons, as well as a description of how such potential conflicts are addressed, please see *Item 11 – Code of Ethics, Interest in Client Transactions, and Personal Trading* below.

Item 11. CODE OF ETHICS, INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics and Personal Trading

Sands Capital Alternatives has adopted a code of ethics in compliance with the Advisers Act that is applicable to all of its members, principals, staff members, and other personnel, as well as principals, staff members, and other personnel of its affiliates, including the Advisory Affiliates, and certain independent contractors. The code of ethics is designed to comply with Rule 204A-1 under the Advisers Act and is based on the principle that Sands Capital Alternatives and its staff members owe a fiduciary duty to Clients. The code of ethics establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations. The code of ethics helps Sands Capital Alternatives detect and prevent potential conflicts of interest.

Sands Capital Alternatives' code of ethics permits Sands Capital Alternatives staff members to trade in certain securities for their own accounts, *provided* that they comply with the restrictions imposed by the code. Under the code, personal securities transactions are limited to certain types of securities and certain issuers and must receive approval before a transaction can be initiated. The code also requires periodic reporting of personal securities transactions and holdings reports upon hire and annually thereafter. Each calendar quarter, Sands Capital Alternatives staff members are required to provide copies of all transactions in reportable securities to Sands Capital Alternatives' Compliance Team. All Sands Capital Alternatives staff members must also comply with all applicable federal securities laws. Principals, staff members, or other personnel who violate the code of ethics will be subject to such sanctions as deemed necessary and appropriate under the circumstances. The range of sanctions include, but are not limited to, written warning or reprimand, cancellation of trades, disgorgement of profits or sale of positions at a loss, restriction on trading privileges, fines, suspension of employment without pay, termination of employment and/or referral to regulatory or law enforcement authorities. Principals, staff members, and other personnel are also required to promptly report any violations of the code of ethics of which they become aware and certify annually to compliance with the code of ethics. However, Sands Capital Alternatives reserves the right to refine and modify the code and its other policies and procedures over time. No investor or prospective investor should invest with Sands Capital Alternatives on the basis of, or otherwise rely on, the provisions thereof, and any such refinements or modifications have the potential to materially affect the investments available to the Clients or the expenses borne thereby. Clients may request a copy of the current Sands Capital Alternatives' code of ethics by contacting the Chief Compliance Officer, writing to 1000 Wilson Blvd., Suite 3000, Arlington, VA 22209, or emailing ComplianceTeam@sandscap.com.

Material, Nonpublic Information. As a result of the extensive operations of Sands Capital Alternatives and its affiliates, including the Advisory Affiliates, Sands Capital Alternatives and its staff members at times come into possession of material, nonpublic information through a number of means, including as a result of sitting on or serving as an observer to the board of directors of a company whose securities are held by a Client. Sands Capital Alternatives has adopted policies

addressing the handling and protection of material, nonpublic information. In accordance with these policies, Sands Capital Alternatives and its staff members will be prohibited from using material, nonpublic information to buy or sell securities until the information has been disclosed to the public or is no longer material and such information is not subject to any contractual restrictions on its use and disclosure. This may cause Sands Capital Alternatives to be unable to dispose of or otherwise take action with respect to an investment at a given time (including making an investment that otherwise might have been made or selling an investment that otherwise might have been sold), even if the action were in the best interests of applicable Clients. Additionally, there may be circumstances in which one or more individuals associated with Sands Capital Alternatives or its affiliates will be precluded from providing services to Sands Capital Alternatives or Clients because of certain confidential information available to those individuals or to Sands Capital Alternatives or its affiliates, which could have an adverse effect on Clients.

Restricted List. In certain circumstances, Sands Capital Alternatives or its Advisory Affiliates may conclude that a particular security should be placed on a "*restricted list*" or "*blackout list*." While a security is on this list, purchases, sales, or other transactions in the security must be pre-cleared with Sands Capital Alternatives' or its affiliates' Chief Compliance Officer (or his or her delegate). The reasons for placing a security on the restricted list include, but are not limited to, (i) preventing the appearance of impropriety in connection with a trading decision, and (ii) preventing the misuse, or appearance of the misuse, of material, nonpublic information.

Participation or Interest in Client Transactions

From time to time, Sands Capital Alternatives or its affiliates (including the Advisory Affiliates), principals, or staff members will purchase, hold or sell securities that are recommended to Clients. This is the case where Sands Capital Alternatives or its affiliates, principals, or staff members invest in a Fund managed by Sands Capital Alternatives or its affiliates and receive a distribution of securities from such a vehicle. Conflicts of interest arise in connection with staff members having knowledge about the timing of public markets transactions, opportunities, and/or broker selections and, therefore, have information about the implications of such transactions. As a result, staff members are in a position to use such information to their advantage and/or to the possible disadvantage of Clients. Additionally, staff members of Sands Capital Alternatives and its Advisory Affiliates provide advice and take action in connection with their investment advisory duties for some Clients that differ from advice given, or the timing of actions taken, for other Clients or with respect to their personal accounts. Therefore, the purchase and sale of securities that are recommended to Clients by Sands Capital Alternatives or its affiliates, principals or staff members are subject to the policies and procedures set forth in Sands Capital Alternatives' code of ethics, which includes its personal securities trading policy and insider trading policy.

Sands Capital Alternatives' related persons have invested, and will likely invest in the future, in a Fund alongside other investors as direct investors in the Funds or in investment opportunities on a side-by-side basis with a Fund. A Fund, or its general partner, as applicable, has in the past and will

likely in the future reduce all or a portion of the Management Fee and incentive allocation related to investments held by such persons. Related persons who invest in a Fund will receive distributions in respect of their pro rata interest at the same time as other investors, and their interest will be subject to the same limitations on withdrawal pursuant to the Client Documentation, as applicable. Related persons who invest alongside a Fund will make their respective investments contemporaneously with the Fund's investment, on the same terms and conditions as the Fund, and will dispose of each such investment at substantially the same time and terms as the Fund.

Conflicts of Interest

Sands Capital Alternatives and its affiliates (including the Advisory Affiliates) engage in a broad range of activities, including investment activities for their own accounts and for the accounts of other investment funds, and provide transaction-related, investment advisory, management, and other services to funds and operating companies. In the ordinary course of conducting its activities, the interests of a Client will, from time to time conflict with the interests of Sands Capital Alternatives, other Clients, an Advisory Affiliate, or their respective affiliates.

The material conflicts of interest encountered by a Client include those discussed below, although the discussion below does not necessarily describe all of the conflicts of interest that may be faced by a Client. Other conflicts may be disclosed throughout this brochure and in the offering documents of each Fund, or in the case of SMAs, the Client Documentation, and the brochure and such offering documents should be read in their entirety for other conflicts.

Resolution of Conflicts

In the case of all conflicts of interest, Sands Capital Alternatives' determination as to which factors are relevant, and the resolution of such conflicts, will be made using Sands Capital Alternatives' best judgment, but in its sole discretion. In resolving conflicts, Sands Capital Alternatives will consider various factors, including the interests of the applicable Clients with respect to the immediate issue and/or with respect to their longer-term courses of dealing. Certain procedures for resolving specific conflicts of interest are set forth below. When conflicts arise, the following factors generally mitigate, but will not eliminate, conflicts of interest:

- a Client will not make an investment unless Sands Capital Alternatives believes that such investment is an appropriate investment considered solely from the viewpoint of such Client;
- many important conflicts of interest will generally be resolved by set procedures, restrictions, or other provisions contained in the Client Documentation;
- generally, each Fund has the right to establish an advisory committee, consisting of representatives of investors not affiliated with Sands Capital Alternatives. The advisory committees, if established, would meet as required to consult with Sands Capital Alternatives as to certain potential conflicts of interest. On any issue involving actual

conflicts of interest, Sands Capital Alternatives will be guided by its good faith discretion; for some Funds, Sands Capital Alternatives has the right to refer certain conflicted transactions, including principal transactions, to an "*independent representative*" whose determinations will be binding on the Funds;

- where Sands Capital Alternatives deems appropriate, unaffiliated third parties may be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price;
- prior to subscribing to interests in a Fund, each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Fund; and
- Sands Capital Alternatives and certain of its affiliates have adopted written policies establishing information communication guidelines designed to guard against unlawful and inappropriate disclosure of material, nonpublic information among Sands Capital Alternatives and its affiliates.

Valuation

Sands Capital Alternatives will typically be responsible for determining the value of investments. To do so, Sands Capital Alternatives has adopted a valuation policy, which may be updated from time to time in the sole discretion of Sands Capital Alternatives. Many of the securities owned by the Funds will not be publicly traded, and there exists no actively traded market for such securities. For such securities, there will be no reliable market quotations on which to determine valuation. The process of valuing these securities is based on inherent uncertainties, and the resulting values may differ from values that would have been determined had an active market existed and may differ from the prices at which such securities may ultimately be sold. Third-party pricing information may sometimes not be available but regardless, will generally not be used when valuing such assets. Further, Sands Capital Alternatives has discretion as to which methodology(ies) to use when valuing such assets, and choice of valuation methodology(ies) could have a material impact on the valuation. Periods of market disruption or heightened volatility may further limit observable inputs, increasing reliance on judgement and the uncertainty of valuations. The valuations of investments are likely to impact the amount of management fees or incentive allocation Sands Capital Alternatives or its affiliates will receive. Further, valuations of investments have in the past and are likely to in the future be provided to potential investors in connection with fundraising for Funds or investment strategies. In such cases, Sands Capital Alternatives will have an incentive to adopt valuation methodologies that will result in higher valuations.

Allocation of Investment Opportunities Among Clients

Sands Capital Alternatives and its affiliates, including the Advisory Affiliates, manage a number of funds (including Funds) and accounts with investment strategies substantially similar to, overlapping, or different from, each other. In addition, Sands Capital Alternatives expects that it, its

affiliates, and its staff members will in the future establish one or more additional investment funds and/or accounts with investment strategies substantially similar to, overlapping, or different from, that of their existing funds (including the Funds) and accounts. Sands Capital Alternatives may give advice or take actions with respect to the investments of a Client that may not be given or taken with respect to other Clients with similar investment programs, objectives, or strategies. As a result, a Client will not hold the same securities or achieve the same performance as other Clients with similar strategies. Allocation of available investment opportunities between a Client and another Client could give rise to conflicts of interest. Further, Sands Capital Alternatives and its principals, staff members, and affiliates often invest in Funds. Such interests will vary by Client, and the existence of these varying circumstances presents conflicts of interest in determining how much, if any, of certain investment opportunities are offered to such Client. Sands Capital Alternatives must determine how to allocate investment opportunities among various Clients and other persons, which may include the following:

- the Funds;
- the SMAs;
- co-investment vehicles that have been formed to invest side-by-side with one or more Funds in all or particular transactions entered into by such Funds (the investors in such co-investment vehicles may include Adviser Investors and/or individuals and entities that are not investors in any Funds (collectively, "*Third Parties*"));
- Adviser Investors and/or Third Parties, including Adviser Investors and/or Third Parties that wish to make direct investments (*i.e.*, not through an investment vehicle) side-by-side with one or more Funds in particular transactions entered into by such Funds or who are acting as "co-sponsors" with Sands Capital Alternatives with respect to a particular transaction; and
- Affiliates of Sands Capital Alternatives, including the Advisory Affiliates, and their clients.

Sands Capital Alternatives' discretion in providing access to investments could result in a conflict of interest, as Sands Capital Alternatives may have an incentive to allocate the most promising investments to Adviser Investors or Third Parties it believes could provide Sands Capital Alternatives or its affiliates with some strategic benefit. Sands Capital Alternatives believes, however, that this potential conflict will not be of significance because the Client Documentation specifies any restrictions and procedures relating to the allocation of investment opportunities, and Sands Capital Alternatives will make allocation determinations consistently therewith.

The Clients are generally subject to investment allocation requirements (collectively, "*Investment Allocation Requirements*"), which also apply directly or indirectly to certain co-investment vehicles with investments contractually tied to the Funds. Investment Allocation Requirements are generally set forth in the instrument under which such Client was established (such as Client Documentation). To the extent the Investment Allocation Requirements of a Client do not include specific allocation

procedures or otherwise allow Sands Capital Alternatives discretion in making allocation decisions among the Clients, Sands Capital Alternatives will follow the process set forth below.

Sands Capital Alternatives must first determine which Clients will participate in an investment opportunity. Sands Capital Alternatives assesses whether an investment opportunity is appropriate for a particular Client based on the Client's investment objectives, strategies, and structure. A Client's investment objectives, strategies, and structure typically are reflected in the Client Documentation. Prior to making any allocation to a Client of an investment opportunity, Sands Capital Alternatives determines what additional factors may restrict or limit the offering of an investment opportunity to the Client. Possible restrictions and limitations include, but are not limited to:

- Sands Capital Alternatives may be required to offer an investment opportunity to one or more Clients, and such a requirement will generally be set forth in the Client Documentation;
- Sands Capital Alternatives may offer an investment opportunity related to an investment previously made by a Clients to such Clients to the exclusion of, or resulting in a limited offering to, other Clients;
- Sands Capital Alternatives may determine that certain Clients should be excluded from an allocation for portfolio construction purposes, because of capital constraints or to mitigate certain risks, such as risks related to industry, geography, or growth-stage concentration; and
- Sands Capital Alternatives may determine that certain Clients or investors in such Clients should be excluded from an allocation due to specific legal, regulatory, or contractual restrictions placed on the participation of such persons in certain types of investment opportunities.

Sands Capital Alternatives, at its discretion, determines which Clients will participate in a particular investment and decides how to allocate such investment opportunity among the identified Clients. In allocating such investment opportunity, Sands Capital Alternatives may consider some or all of a wide range of factors, which include, but are not necessarily limited to the following:

- each Client's investment objectives and investment focus;
- structural and operational differences between Clients;
- any "ramp-up" period;
- transaction sourcing;
- each Client's liquidity and reserves;
- each Client's diversification, including based on the industry, geography, or growth stage of the company;

- amount of capital available for investment by each Client;
- geography and nature of the portfolio company's business;
- each Client's ability to scale the investment;
- each Client's targeted rate of return;
- stage of development of the prospective portfolio company or other investment and anticipated holding period of the portfolio company;
- size, liquidity and duration of an investment;
- portfolio construction objectives;
- composition of each Client's portfolio;
- the suitability as a follow-on investment for a current portfolio company of a Client;
- ability to participate in future financings;
- supply or demand of an investment opportunity at a given price level;
- the seniority of an investment and other capital structuring criteria;
- the centrality of an investment to an investment strategy;
- the use of leverage in the proposed capital structure;
- the availability of other suitable investments for each Client;
- risk profile;
- cash flow considerations;
- asset class restrictions;
- industry and other allocation targets;
- minimum and maximum investment size requirements;
- tax considerations;
- legal, contractual, or regulatory constraints
- whether an investment opportunity requires additional consents or authorizations
- qualification for certain programmatic benefits or discounts that are not readily available to other Clients (including the ability to enter into credit arrangements with certain financial or governmental institutions); and
- any other relevant limitations imposed by, or conditions set forth in the Client Documentation.

In other circumstances, during the period that a portfolio company is held in a Client's portfolio, it could acquire size, revenue or other characteristics that would make it a suitable investment for one or more other Clients.

Additionally, investments sourced by an affiliate of Sands Capital Alternatives (such as the Advisory Affiliates) that are appropriate for one or more clients advised by such affiliate may first be made available to one or more of such clients. Further, allocations of initial public offerings, follow-on public offerings, and secondary market block trades of public securities are often made to Sands Capital Alternatives and its affiliates as a group and not to Sands Capital Alternatives or a Client specifically. The current policy of Sands Capital Alternatives and its affiliates, including the Advisory Affiliates (which policy is subject to change at their discretion), is to allocate such offerings and trades on a client-by-client basis based on the relative assets under management. Unless stated in the Client Documentation, participation in an initial public offering is not guaranteed to any Client, including in the event other Clients or investment strategies participate.

For business development purposes and to develop industry relationships for the intended benefit of the Clients and Sands Capital Alternatives, Sands Capital Alternatives has historically and will continue to maintain proprietary accounts that invest primarily in equity securities. The Clients are provided an opportunity to invest in a company prior to an investment by proprietary accounts. Investments made by a proprietary account may align with the mandates of the strategy of one or more Funds when Sands Capital Alternatives has determined they are not appropriate for investment by the Clients for other reasons. Sands Capital Alternatives does not expect to share information regarding such investments with the Clients or investors in the Funds. Please refer to *Item 12 - Brokerage Practices* for additional information regarding trade allocation among the Clients and the proprietary accounts.

Allocation determinations are inherently subjective and give rise to conflicts of interest due to the inherent biases in the process. For example, in allocating an investment opportunity among Clients with differing fee, expense, and compensation structures, Sands Capital Alternatives has an incentive to allocate investment opportunities to the Clients from which Sands Capital Alternatives or its related persons derive, directly or indirectly, higher fees, compensation, or other benefits, or in which persons related to Sands Capital Alternatives have invested their own capital. Notwithstanding the foregoing, Sands Capital Alternatives seeks to not systematically disadvantage the Clients, and Sands Capital Alternatives will not allocate investment opportunities based, in whole or in part, on (i) the relative fee structure or amount of fees paid by the Clients; (ii) the profitability of the Clients; or (iii) the investors in the Clients. Sands Capital Alternatives makes allocation determinations based solely on its expectations at the time such investments are made, however investments and their characteristics may change, and there can be no assurance that an investment may prove to have been more suitable for another Client in hindsight.

Subject to the requirements of the code of ethics, Sands Capital Alternatives and its principals, staff members, and other affiliates, either directly or through investment vehicles, often invest in

certain of the Funds. Such interests will vary Fund by Fund and may create an incentive to allocate particularly attractive investment opportunities to the Funds in which such staff members hold a greater interest. The existence of these varying circumstances presents conflicts of interest in determining how much, if any, of certain investment opportunities to offer to a Fund.

Sands Capital Alternatives has entered into, and expects to continue to enter from time to time, informal or formal arrangements or strategic relationships (each, a "*Strategic Relationship*") with investors in certain Funds, third parties, including other asset managers, financial firms, or other businesses or persons, which, among other things, provides for referral, sourcing, or sharing of investment opportunities, or information. Sands Capital Alternatives may provide compensation or reimbursement for certain expenses incurred as part of such arrangements, including diligence expenses and administrative, deal sourcing and other related expenses.

A Strategic Relationship often involves an investor agreeing to make a significant capital commitment to one or more Funds or accounts (including co-investment vehicles) and such Strategic Relationship may be a formal or informal arrangement. Investors will not receive a copy of any agreement memorializing a Strategic Relationship program (even if in the form of a side letter) and will be unable to elect any such rights or benefits afforded through a Strategic Relationship. Specific examples of such additional rights and benefits include, among others, (in addition to one or more of the rights listed above) specialized reporting, discounts on or reimbursement of Management Fees, carried interest, and targeted amounts for co-investments alongside Sands Capital Alternatives vehicles.

Such additional rights and benefits in certain cases extend to the affiliates of investors that have entered into a Strategic Relationship, which includes investment vehicles or other accounts that such investors sponsor and/or advise. While it is possible that a Client will, along with Sands Capital Alternatives itself, benefit from the existence of those arrangements and/or relationships, Sands Capital Alternatives, its affiliates and their staff members may indirectly receive compensation from Strategic Relationships and be incentivized to allocate investment opportunities away from such Client to, or source investment opportunities for, Strategic Relationships. Strategic Relationships may therefore result in fewer investment opportunities (or reduced allocations) being made available to a Client.

Allocation of Co-Investment Opportunities and Secondary Transactions

Sands Capital Alternatives will determine if the amount of an investment opportunity exceeds the amount Sands Capital Alternatives determines would be appropriate for the Funds (after taking into account any portion of the opportunity allocated by contract to certain participants in the applicable deal, such as co-sponsors, consultants and advisers to Sands Capital Alternatives and/or the Funds or management teams of the applicable portfolio company, certain strategic investors and other investors whose allocation is determined by Sands Capital Alternatives to be in the best interest of the applicable Fund), and any such excess may be offered to one or more co-investors pursuant to the procedures included in such Client Documentation and as set forth in the following paragraphs.

Allowing any co-investment generally reduces the amount of the relevant investment opportunity that theoretically could have been taken by the relevant Fund, and Sands Capital Alternatives expects to be subject to potential conflicts of interest in determining the amount of investment opportunity that should be allocated to the relevant Fund because (i) co-invest opportunities generally appeal to Fund investors and third parties, (ii) to the extent co-investments made by Fund investors are not subjected to Management Fees and/or performance-based compensation, co-investments blend the effective rates of compensation paid by such persons and (iii) co-investors' proportionate share of a particular investment typically is not subject to the Management Fee offset provisions of the relevant Client Documentation. In order to facilitate the acquisition of a portfolio company, a Fund reserves the right to make (or commit to make) an investment in the company with a view to selling a portion of the investment to co-investors or other persons prior to or following the closing of the acquisition as discussed below.

Subject to any written agreements to the contrary between an investor in a Fund and Sands Capital Alternatives or its affiliates, in general, (i) no investor in a Fund has a right to participate in any co-investment opportunity, (ii) decisions regarding whether and to whom to offer co-investment opportunities are made at the sole discretion of Sands Capital Alternatives or its related persons or other participants in the applicable transaction (such as co-sponsors), (iii) co-investment opportunities may be offered to some and not other current or prospective investors in the Funds (or one or more investors in some Funds but not investors in other Funds), at the sole discretion of Sands Capital Alternatives or its related persons, and current or prospective investors may be offered a smaller amount of co-investment opportunities than originally requested and a current or prospective investor in a Fund may be offered fewer co-investment opportunities than other current or prospective investors in the Fund, with the same, larger or smaller capital commitments to the Fund, (iv) from time to time, certain persons other than current or prospective investors in the Funds (*e.g.*, consultants, joint venture partners, persons associated with a portfolio company and other third parties, including persons who Sands Capital Alternatives believes will provide a benefit to the Fund and/or one or more portfolio companies, or who provides a strategic sourcing or similar benefit to Sands Capital Alternatives and their respective affiliates, due to industry or regulatory expertise or otherwise), will likely be offered co-investment opportunities, at the sole discretion of Sands Capital Alternatives or its related persons, and (v) co-investors will generally purchase their interests in a portfolio company at the same time as the Funds but may, on occasion, purchase their interests from the applicable Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell down or transfer). Each co-investment opportunity (should any exist) is likely to be different and allocation of each such opportunity will be dependent upon the facts and circumstances specific to that unique situation (*e.g.*, timing, industry, size, geography, asset class, projected holding period, exit strategy and counterparty). Additionally, non-binding acknowledgments of interest in co-investment opportunities are not Investment Allocation Requirements and do not require Sands Capital Alternatives to notify the recipients of such acknowledgments if there is a co-investment opportunity. However, Sands Capital Alternatives from time to time agrees to give particular current or prospective investors in a Fund, certain Funds, or other third party investors (including anchor or other early-committing investors or investors making large commitments), priority access to co-

investment opportunities. The existence of such priority or other contractual co-investment access rights could affect Sands Capital Alternatives' decision to offer certain opportunities for co-investment and could limit the ability of current or prospective investors in the Funds to be offered certain co-investment opportunities.

Each co-investment opportunity (should any exist) is likely to be different, and allocation of each such opportunity will be dependent upon the facts and circumstances specific to that unique situation (*e.g.*, timing, industry, size, geography, asset class, projected holding period, exit strategy, and counterparty). In exercising its discretion to allocate co-investment opportunities with respect to a particular investment among the potential co-investors, Sands Capital Alternatives may consider some or all of a wide range of factors, which include, but are not limited to, its own interests and/or one or more of the following:

- Sands Capital Alternatives' evaluation of the size and financial resources of the potential co-investor and Sands Capital Alternatives' perception of the ability of that potential co-investor (in terms of, for example, staffing, expertise, and other resources or similar synergies) to efficiently and expeditiously participate in the investment opportunity with the relevant Funds without harming or otherwise prejudicing such Funds, in particular when the investment opportunity is time-sensitive in nature, as is typically the case;
- any confidentiality concerns Sands Capital Alternatives has that may arise in connection with providing the other account or person with specific information relating to the investment opportunity in order to permit such potential co-investor to evaluate the investment opportunity;
- whether a potential co-investor has a history of participating in opportunities and Sands Capital Alternatives' perception of its past experiences and relationships with the potential co-investor, such as the willingness or ability of the potential co-investor to respond promptly and/or affirmatively to potential investment opportunities previously offered by Sands Capital Alternatives and the expected amount of negotiations required in connection with a potential co-investor's commitment;
- the character and nature of the co-investment opportunity (including the potential co-investment amount, structure, geographic location, tax characteristics and relevant industry);
- level of demand for participation in such co-investment opportunity;
- the ability of a potential co-investor to aid in operating or monitoring a portfolio company or the possession of certain expertise by a potential co-investor and the potential co-investor's chemistry with the management team of the potential portfolio company and whether the potential co-investor has any existing positions in the portfolio company;

- the extent to which a potential co-investor has been provided a greater amount of co-investment opportunities relative to others;
- whether the potential co-investor would require any governance rights that would complicate the transactions (or, alternatively, whether the potential co-investor would be willing to defer to Sands Capital Alternatives or its affiliates and assume a passive role in governing a portfolio company);
- any interests a potential co-investor has in any competitors of the portfolio company;
- Sands Capital Alternatives' perception of whether the investment opportunity may subject the potential co-investor to legal, regulatory, reporting, public relations, media or other burdens that make it less likely that the other account or person would act upon the investment opportunity if offered;
- Sands Capital Alternatives' evaluation of whether a particular potential co-investment party has provided value in the sourcing, establishing relationships, participating in diligence and/or negotiations for such potential transaction or is expected to provide value to the business or operations of a portfolio company post-closing;
- Sands Capital Alternatives' evaluation of whether the profile or characteristics of the potential co-investor may have an impact on the viability or terms of the proposed investment opportunity and the ability of the Funds to take advantage of such opportunity (for example, if the potential co-investor is involved in the same industry as a target company in which a Fund wishes to invest, or if the identity of the potential co-investor, or the jurisdiction in which the potential co-investor is based, may affect the likelihood of a Fund being able to capitalize on a potential investment opportunity); and
- whether Sands Capital Alternatives believes, at its sole discretion, that allocating investment opportunities to a potential co-investor will help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits (including strategic, sourcing, or similar benefits) to current or future Funds, Sands Capital Alternatives and/or its affiliates and whether the potential co-investor has demonstrated a long-term and/or continuing commitment to the potential success of the current or future Funds, Sands Capital Alternatives and/or its affiliates.

The factors above are not listed in order of importance or priority, and Sands Capital Alternatives is not required to, and does not, consider all of the factors described above in any particular investment and some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances. Sands Capital Alternatives' exercise of its discretion in allocating investment opportunities among current or prospective investors in the Funds, affiliates of Sands Capital Alternatives including the Advisory Affiliates, and third parties, often will not result in proportional allocations among such persons, and such allocations often will be more or less advantageous to some such persons relative to other such persons. For example, Sands Capital

Alternatives may be incentivized to offer a co-investment opportunity to certain persons over others based on its economic arrangement with such persons (including, for example, whether Sands Capital Alternatives and/or its affiliates are entitled, under arrangements made with certain potential co-investment parties, to additional advisory fees and/or carried interest based on the availability of co-investment opportunities offered to such parties). While Sands Capital Alternatives determines how to allocate investment opportunities using its best judgment, considering such factors as it deems relevant, but at its sole discretion, there can be no assurance that the actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the conflicts of interest to which Sands Capital Alternatives may be subject, discussed herein, did not exist.

The appropriate allocation among co-investors and the Funds of expenses and fees generated in the course of evaluating and making investments often may not be clear. For instance, if an investment is not consummated, allocation of the expenses generated for the account of such co-investors (such as expenses of common counsel and other professionals) will be made in Sands Capital Alternatives' good faith, considering all factors it deems relevant, but, ultimately, the decision will be made at Sands Capital Alternatives' sole discretion. In the event that an investment that Sands Capital Alternatives was pursuing on behalf of a Fund is not consummated, it is expected that the Fund, and not any potential co-investors, will bear the associated expenses even if such co-investors had committed to making the investment.

In the event that an investment that Sands Capital Alternatives was pursuing on behalf of more than one Fund is not consummated, it is expected that the relevant Funds, and not any potential co-investors, will bear the associated expenses.

In the event Sands Capital Alternatives determines to offer an investment opportunity to co-investors, there can be no assurance that Sands Capital Alternatives will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for the relevant Fund, or that expenses incurred by the Fund with respect to the syndication of the co-investment will not be substantial, and the relevant Fund bears the risk that any or all excess portion of an investment is not sold or is sold on unattractive terms. As a consequence, the relevant Fund may bear the entire portion of any fees, costs, and expenses related to such investment, including, but not limited to, broken deal expenses, and hold a larger than expected portion of such investment. An investment that is not syndicated to co-investors as originally anticipated could significantly reduce the relevant Fund's overall investment returns. Further, it is possible that a potential co-investment party may experience financial, legal, or regulatory difficulties and may, from time to time, have economic, tax, regulatory, contractual, or other business interests or goals that are inconsistent with those of a Fund and as a result, may take a different view from Sands Capital Alternatives as to appropriate strategy for an investment or may be in a position to take a contrary action to a Fund's investment objective. In the event that Sands Capital Alternatives is not successful in offering a co-investment opportunity to potential co-investors, in whole or in part,

the relevant Fund may consequently hold a greater concentration and have more exposure in the related investment opportunity than was initially intended and would bear the entire portion of any fees, costs and expenses related to such investment, which could make the Fund more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. An investment that is not syndicated to co-investors as originally anticipated could significantly reduce the relevant Fund's overall investment returns. Therefore, it is possible that the Fund that overcommits to an investment will bear a disproportionate allocation of the risks associated with the transaction without being compensated for assuming such risks.

The Funds may sell down interests in their portfolio companies to co-investors. Sands Capital Alternatives reserves the right to charge (or could decide not to charge) a co-investor interest costs for the time period between the closing of the relevant Fund's investment in a portfolio company to the date of the transfer of interests in such portfolio company to the applicable co-investor.

In addition, to the extent Sands Capital Alternatives has discretion over a secondary transfer of interests in a Fund pursuant to its Client's Documentation or is asked to identify potential purchasers in a secondary transfer, Sands Capital Alternatives will do so at its sole discretion, generally taking into account the following factors:

- Sands Capital Alternatives' evaluation of the financial resources of the potential purchaser, including its ability to meet capital contribution obligations;
- Sands Capital Alternatives' perception of its past experiences and relationships with the potential purchaser, including its belief that the potential purchaser would help establish, recognize, strengthen, and/or cultivate relationships that may provide indirectly longer-term benefits to current or future Funds and/or Sands Capital Alternatives;
- whether the potential purchaser would subject Sands Capital Alternatives, the applicable Fund, or their affiliates to legal, regulatory, reporting, public relations, media, or other burdens;
- a potential purchaser's investment into another Fund (including any commitment into a future Fund);
- requirements in the Client Documentation; and
- such other facts as it deems appropriate under the circumstances in exercising such discretion.

A purchaser's potential investment into another Fund (including any commitment to a future Fund) may be considered but will not be the sole determining factor considered by Sands Capital Alternatives in determining whether to grant or withhold its consent to a secondary transfer of interests in a Fund.

Conflicts Related to Purchases and Sales

As described in *Item 10 – Other Financial Industry Activities and Affiliations*, the Advisory Affiliates have their own clients. Although the Advisory Affiliates focus primarily on different investment strategies than Sands Capital Alternatives, clients of Sands Capital Alternatives and the Advisory Affiliates have in the past and may in the future invest in the same portfolio companies, including in the same security or in different securities of such a portfolio company. Investment opportunities may, from time to time, be appropriate for Clients and for clients of an affiliate at the same and/or at different or overlapping levels of a portfolio company's capital structure. For instance, in the event the securities issued by a portfolio company in which a Client has invested becomes listed on a national securities exchange, the Advisory Affiliates may invest, and have invested, in such securities for its client accounts. Additionally, to the extent that a security is commonly held by a strategy of the Advisory Affiliates and a Client, such strategy and the Client could trade in opposite directions, a purchase or sale of the security by a strategy of the Advisory Affiliates in large volumes could influence the price of the security held by the Client, or there could be competition between the Advisory Affiliates and the Client for allocation of thinly traded public securities. In such instances, the Advisory Affiliates will generally continue their trading activities without reference to positions held by a Client. Such trading activities may therefore have an adverse effect on the value of the positions held by the Client, or may result in such affiliates having interests adverse to those of the Client.

The Advisory Affiliates (and their clients) are not prohibited from purchasing or selling securities of or otherwise investing in, or financing issuers in which a Client has an interest. Conversely, the Clients managed by Sands Capital Alternatives are not prohibited from purchasing or selling securities of, or otherwise investing in, or financing issuers in which clients of the Advisory Affiliates have an interest. Conflicts arise in determining the terms of investments, especially where a Client holds equity senior to the equity held by a client of the Advisory Affiliates or another Client. Additionally, investments by the Client in transactions controlled by another Client or a client of an affiliate may be subject to investment terms, including with respect to liquidity or governance, that may be more restrictive than those preferable to the Client if it were investing without such other Client or client of an affiliate. As another example, if another Client or client of an affiliate is investing in debt securities, it will have an interest in structuring debt securities that have financial terms (such as interest rates, repayment terms, seniority, covenants, acceleration rights and events of default) that are more restrictive than the Client, as an equity owner, may desire. Equity holders and debt holders have different (and often competing) motives, incentives, liquidity goals, and other interests with respect to a portfolio company. For additional information regarding overlapping investments among the Advisory Affiliates and the Clients, resulting conflicts of interest, and how they are addressed, see *Item 6 – Performance-Based Fees and Side-By-Side Management*.

There can be no assurance that the return of a Client participating in a transaction would be equal to and not less than another fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

Further conflicts may arise once the Client has made an investment in a company in which another Client or client of an affiliate (including the Advisory Affiliates) has also invested. For example, questions arise as to whether payment obligations and covenants should be enforced, modified, or waived, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring raise conflicts of interest. Sands Capital Alternatives may be incentivized to choose a course of action that benefits one Client to the detriment of another Client.

If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, the Client may or may not provide such additional capital, and if provided, the Client will supply such additional capital in such amounts, if any, as determined by Sands Capital Alternatives and its affiliates responsible for making such decision at their sole discretion. In the event that one Client is unable to fund its share of additional capital (*e.g.*, in the event such Client does not have sufficient available capital), the other Client or Clients may be obligated to fund more than its share of such amount. In such an event, one Client will gain greater exposure to such investment than may have been intended and the other Client will be diluted in such investment. The returns of each Client may be negatively impacted as a result of the foregoing.

In addition, a conflict will arise in allocating an investment opportunity if the potential investment target could be acquired by either a Client or a portfolio company of another Client. Investments by more than one client of Sands Capital Alternatives or its affiliates (including the Advisory Affiliates) in a portfolio company will also raise the risk of using assets of a client of Sands Capital Alternatives or its affiliates to support positions taken by other clients of Sands Capital Alternatives or its affiliates. Sands Capital Alternatives and its affiliates will resolve all such conflicts using their best judgment but at their sole discretion.

A Client has made, and in the future may make, investments in companies or other entities in which staff members of Sands Capital Alternatives or its affiliates, including members of the investment team (and members of the investment team of Sands Capital Alternatives), have a direct or indirect ownership interest. In addition, staff members of Sands Capital Alternatives or its affiliates, including members of the investment team, may make a direct or indirect investment in a company in which a Sands Capital Alternatives Client holds an investment. In such cases, there would be an inherent conflict of interest. Staff members and related persons of Sands Capital Alternatives and its affiliates have made or may make large capital investments in or alongside certain Clients or clients of Sands Capital Alternatives' affiliates, and therefore may have additional conflicting interests in connection with these joint investments.

Sands Capital Alternatives will not always be able to cause Clients to make all investments on a *pari passu* basis and in the same security because in some cases this may not be possible, or Sands Capital Alternatives may determine that an investment in a junior, senior or different security is more appropriate.

A Client will not be required to divest of investments at the same time or on the same terms as other Clients and it is not anticipated that a Client will generally divest of investments at the same time as the clients of the Advisory Affiliates. Sands Capital Alternatives also reserves the right to make independent decisions regarding recommendations of when a Client should purchase and sell investments, and Sands Capital Alternatives' affiliates reserve similar rights with respect to the clients that they advise. As a result, the Clients may purchase an investment at a time when another Client is selling the same or similar investment, or vice versa.

Sands Capital Alternatives may cause a Client to invest in opportunities that another Client has declined, and likewise, a Client may decline to invest in opportunities in which other Clients or clients of the Advisory Affiliates have invested. A conflict of interest arises because one Client or the Advisory Affiliates will, in such circumstances, benefit from the initial evaluation, investigation, and due diligence undertaken by Sands Capital Alternatives on behalf of the original Client or the Advisory Affiliates considering the investment. In such circumstances, the benefitting Client or the Advisory Affiliates will not be required to reimburse the original Client for expenses incurred in connection with researching such investment.

From time to time, Sands Capital Alternatives will, at its discretion, enter into transactions with a client of an affiliate (including the Advisory Affiliates), or investors in one or more Clients or in a client of an affiliate, to dispose of or sell down all or a portion of certain investments held by one or more Clients. In exercising its discretion to select the purchaser(s) of such investments, Sands Capital Alternatives will consider some or all of the factors listed above under "*Allocation of Co-Investment Opportunities and Secondary Transactions*". The sales price for such transactions will be mutually agreed to by Sands Capital Alternatives, such purchaser(s), and an affiliate of Sands Capital Alternatives, if applicable; however, determinations of sales prices involve a significant degree of judgment by Sands Capital Alternatives. Sands Capital Alternatives is not obligated to solicit competitive bids for such sales transactions or to seek the highest available price, which means Sands Capital Alternatives may not obtain the highest price for the transaction. Furthermore, Sands Capital Alternatives may charge (or may decide not to charge) a purchasing party interest costs for the time period between the closing of the applicable investment and the date of the transfer of interests to the applicable purchasing party. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the applicable Clients. Any such transactions will comply with the Client Documentation of the applicable Clients.

In the event a Client sells down an interest in its portfolio companies to co-investors, subject to applicable Client Documentation, Sands Capital Alternatives may charge (or may decide not to charge) a co-investor (such as a Client investor or Third Party) interest costs for the period between the closing of the applicable Client's investment in a portfolio company to the date of the transfer of interests in such portfolio company to the applicable co-investor.

In the event a Client becomes a potential purchaser for a portfolio company (or a portion thereof) held by a client managed by an affiliate, the interests of Sands Capital Alternatives' clients would therefore conflict with the interests of the clients of these affiliates. In general, Sands Capital Alternatives and each affiliate of Sands Capital Alternatives responsible for making such investment decisions will participate in the resolution of all such matters using their best judgment, considering all factors it deems relevant, but at their sole discretion.

The Clients may also co-invest with third parties through joint ventures or other entities. Such investments may involve risks in connection with such third-party involvement, including the possibility that a third-party co-venturer may have financial, legal, or regulatory difficulties, resulting in a negative impact on such investment, may have economic or business interests or goals that are inconsistent with those of a Client, or may be in a position to take (or block) action in a manner contrary to a Client's investment objectives. In addition, the Clients may in certain circumstances be liable for the actions of its third-party co-venturers. In those circumstances where such third parties involve a management group, such third parties may receive compensation arrangements relating to such investments, including incentive compensation arrangements.

Cross-Transactions

In certain cases, Sands Capital Alternatives may cause a Client to purchase investments from another Client, or it may cause a Client to sell investments to another Client. Such transactions could arise in the context of automatic or other re-balancing of an investment among parallel investing entities or in contexts where a portfolio company owned by one Client is acquired by a portfolio company acquired by another Client. Certain of such transactions create potential conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Client may not receive the best price otherwise possible, or Sands Capital Alternatives might have an incentive to improve the performance of one Client by selling underperforming assets to another Client (or vice versa) in order, for example, to earn fees. Determining the valuation or other terms of such transactions may also create a conflict of interest due to Sands Capital Alternatives' consideration of the particular terms (including the fee terms). Additionally, in connection with such transactions, Sands Capital Alternatives, its affiliates (including the Advisory Affiliates), and/or their professionals may (i) have significant investments, or intentions to invest, in the Client that is selling and/or purchasing such investment or (ii) otherwise have a direct or indirect interest in the investment (such as through certain other participations in the investment). Sands Capital Alternatives and its affiliates may receive management or other fees in connection with their management of the relevant Clients involved in such a transaction and generally are entitled to share in the investment profits of the relevant Clients. These conflicts are heightened to the extent relevant securities are illiquid or do not have a readily ascertainable value, and there can generally be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. Sands Capital Alternatives intends that any such transactions be conducted in a manner that it believes to be fair and equitable to each Client under the circumstances, including a consideration of the potential present and future benefits with respect to each Client. Sands Capital Alternatives will not directly or

indirectly receive any commission or other transaction-based compensation for effecting any such transaction, and Sands Capital Alternatives will not affect any such transaction for any Client where Sands Capital Alternatives is deemed to own more than 25% of the Client, unless such transaction complies with the requirements of Sands Capital Alternatives' principal transactions policy, as described below.

Principal Transactions

Section 206 under the Advisers Act regulates principal transactions among an investment adviser and its affiliates (including the Advisory Affiliates), on the one hand, and the clients thereof, on the other hand. Very generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a client (what is commonly referred to as a "*principal transaction*"), the adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction. Sands Capital Alternatives or its affiliates (including staff members and staff members of Advisory Affiliates) has in the past and may, from time to time in the future, act as principal for their own accounts in connection with a Client's securities transactions, including selling securities as principal to, and buying securities as principal from, investment advisory Clients. However, Sands Capital Alternatives has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including that disclosures required by Section 206 of the Advisers Act be made to the applicable Clients regarding any proposed principal transactions and that any required prior consent to the transaction be received. In addition, the Client Documentation generally contains additional restrictions on the ability of the Clients or Sands Capital Alternatives to engage in principal transactions. Client Documentation of the Funds also generally permit the general partner of the applicable Fund to refer principal transactions to the limited partner advisory committee of such Fund, or the independent client representative of such Fund, and the determination of such persons is binding on the limited partners of the applicable Fund.

Management of the Clients

Sands Capital Alternatives manages a number of Clients that have investment objectives similar to or overlapping with each other, as well as Clients that may invest in Portfolio Funds that have investment objectives similar to or overlapping with one or more Clients. Sands Capital Alternatives expects that it or its staff members will in the future establish one or more additional investment funds with investment objectives substantially similar to, overlapping with, or different from, those of the current Clients and possibly Portfolio Funds. Allocation of available investment opportunities between the Clients and any such investment fund will give rise to conflicts of interest. See "*Allocation of Investment Opportunities Among Clients."* In addition, it is expected that staff members of Sands Capital Alternatives responsible for managing a particular Client will have responsibilities with respect to other Clients managed by Sands Capital Alternatives, including funds raised in the future or to proprietary investments made by Sands Capital Alternatives and/or its principals of the

type made by a Client. Conflicts of interest arise in allocating time, services, or functions of these officers and staff members.

Sands Capital Alternatives and its affiliates may also enter into formal or informal arrangements with portfolio companies to facilitate the sharing of data and/or data analytics. Subject to applicable legal, regulatory, and contractual requirements, these information sharing arrangements are designed to allow Sands Capital Alternatives, the Clients and the Clients' portfolio companies to better discern economic or other trends and developments. Sands Capital Alternatives believes that all Clients benefit from these arrangements in ways that would be impossible without the ability to aggregate data from across Sands Capital Alternatives' businesses and the Clients' portfolio companies. However, information sharing may involve conflicts of interest between a Client and other Clients and/or between a Client and Sands Capital Alternatives. For example, data analytics based on inputs from one portfolio company may inform business decisions by other portfolio companies, or investment decisions by Sands Capital Alternatives and its affiliates, without the source of the data being directly compensated. It is difficult, if not impossible, to measure exactly the benefits any particular entity receives from these kinds of arrangements, or to provide specific and direct monetary compensation for such information. Therefore, Sands Capital Alternatives and its affiliates may utilize such data outside of the Clients' activities in a manner that may provide a material benefit to Sands Capital Alternatives, without directly compensating or otherwise benefiting the Clients. As a result, Sands Capital Alternatives may have an incentive to pursue investments (on its own behalf or on behalf of the Clients) based on the data that may be accessible as a result of owning such investments, and/or to utilize such data in a manner that benefits Sands Capital Alternatives and/or investments held by other Clients.

"Special Situation" Investments

Certain Funds may invest in, or have certain portfolio assets designated as, Special Situation Investments. The Adviser has sole discretion to designate assets as Special Situation Investments, and may also reclassify existing portfolio investments as Special Situation Investments at any time. Special Situation Investments are investments that, in the Adviser's judgment, are generally illiquid, lack a readily ascertainable fair value, or should otherwise continue to be held pending the occurrence or resolution of an expected event or set of circumstances (even where the investment is otherwise marketable and/or has a readily ascertainable or reportable fair value).

When an asset is designated as a Special Situation Investment, it is generally placed into a separate capital account and is not eligible for withdrawal by investors until it is realized (or deemed realized) by the Adviser. As a result, a Fund limited partner may be unable to redeem, withdraw, or liquidate the portion of its capital allocated to Special Situation Investments for a protracted period of time, which may extend beyond the investor's participation in the Fund's other investments. Investors should be prepared to bear the economic risk of an extended and potentially indefinite holding period with respect to amounts allocated to Special Situation Investments.

Special Situation Investments may also be valued and charged fees differently than other Fund investments, which can adversely affect investors. For purposes of calculating the Management Fee, Special Situation Investments are carried at cost (subject to impairments) until realized (or deemed realized) by the Adviser, at which point they are valued at the realization price or fair value. This differs from the calculation of Management Fees on other investments, where a percentage of net asset value (updated periodically based on fair value) is used. Carrying Special Situation Investments at cost (subject to impairments) may result in the Management Fee being higher than it would have been if the investment were reflected at current fair value, including in circumstances where the investment's fair value has decreased. In addition, the Fund(s) may retain reserves and/or invoice investors to cover the applicable Management Fee and other expenses associated with each Special Situation Investment, which may reduce distributions, increase investor out-of-pocket expense, and/or otherwise adversely affect investor cash flows and returns.

The Adviser's discretion to designate, reclassify, value for fee purposes, and manage Special Situation Investments presents conflicts of interest. Such discretion allows the Adviser to restrict a Fund limited partner's ability to redeem that portion of its investment, which may benefit the Adviser or its affiliates. Potential benefits to the Adviser from designating assets as Special Situation Investments include avoiding forced asset sales, deferring the recognition of losses (including by carrying the investment at cost until realization), retaining assets that continue to generate Management Fees, and generating increased Management Fees because the Management Fee for Special Situation Investments is calculated based on cost (subject to impairments) even if the investment's fair value has declined. This treatment may also improve the appearance of performance in the near term by delaying the reflection of losses until realization (or deemed realization).

The Adviser also retains discretion with respect to the timing of realizations (and "deemed realizations") of Special Situation Investments, which may allow it to accelerate realization to crystallize gains or delay realization to defer losses, in each case in a manner that could benefit the Adviser or its affiliates. Further, Special Situation Investments are generally allocated to investors at the time of designation, but the Adviser, in its sole discretion, may permit certain existing or new investors to participate in Special Situation Investments after such investments are designated. The Adviser's discretion in granting post-designation participation rights could be used to admit favored Fund limited partners into investments with significant gains or expected returns, thereby reducing the exposure of existing Fund limited partners to such Special Situation Investments. Conversely, the Adviser could admit additional Fund limited partners into underperforming investments to reduce the proportionate losses or expenses borne by the Adviser, its affiliates, and/or favored investors. As a result, decisions regarding the designation, valuation for fee purposes, realization, and/or participation rights of Special Situation Investments could advantage the Adviser, its affiliates, or certain Fund limited partners, and may lead to different and potentially adverse economic outcomes among Fund limited partners.

Follow-on Investments

Investments to finance follow-on acquisitions may present conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on acquisitions by one Client in a portfolio company in which another Client has (or in which Adviser Investors have) previously invested. In addition, a Client will, from time to time, participate in re-leveraging and recapitalization transactions involving portfolio companies in which another Client has (or in which Adviser Investors have) already invested or will invest. Conflicts of interest arise, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms. Each affiliate of Sands Capital Alternatives will resolve all such conflicts using its best judgment, but at its sole discretion.

Conflicts Relating to Affiliates and Sands Capital Alternatives

Sands Capital Alternatives has in the past and may in the future, at its discretion, contract with any related person of Sands Capital Alternatives (including but not limited to a portfolio company of a Client) or an affiliate, including the Advisory Affiliates, to perform services for Sands Capital Alternatives in connection with its provision of services to the Clients. When engaging a related person to provide such services, Sands Capital Alternatives has an incentive to recommend the related person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Sands Capital Alternatives generally may, at its discretion, recommend to a Client or to a portfolio company thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with (i) Sands Capital Alternatives or an affiliate of Sands Capital Alternatives (including but not limited to a portfolio company of a Client) or (ii) an entity with which Sands Capital Alternatives or its affiliates or a staff member has a relationship, or from which Sands Capital Alternatives or its affiliates or their staff members otherwise derive financial or other benefits. When making such a recommendation, Sands Capital Alternatives, because of its financial or other business interest, has an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Sands Capital Alternatives, its affiliates, and members, officers, principals, and staff members of Sands Capital Alternatives and its affiliates may buy or sell securities or other instruments that Sands Capital Alternatives has recommended to Clients. Officers, principals, and staff members of Sands Capital Alternatives may also buy securities in transactions offered to but rejected by Clients. A conflict of interest may arise because such investing staff members will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by Sands Capital Alternatives on behalf of the Client. In circumstances where a Client does not invest, expenses will generally be borne by the investing staff members and not the Clients. In addition, officers, staff members, and affiliates may also buy securities in other investment vehicles (including private equity funds, hedge funds, real estate

funds and other similar investment vehicles) that may include potential competitors of the Clients and/or may invest in similar industries and sectors as a Client. Such officers, staff members, and affiliates of Sands Capital Alternatives have a conflict of interest with respect to these holdings. There could be situations in which such investment vehicles invest in the same portfolio companies as a Client, and there may be situations in which such investment vehicles purchases securities from, or sells securities to, a Client. The investment policies, fee arrangements, and other circumstances of these investments may vary from those of a Client. Such staff members may be incentivized to cause a Client to act in a manner that benefits such other investment vehicles and indirectly, themselves as investors in such investment vehicles. Furthermore, Sands Capital Alternatives' related persons may (subject to any restrictions set forth in the Client Documentation or Sands Capital Alternatives' code of ethics) invest in opportunities that are not presented to a Client (or its investors). The investment policies, fee arrangements, and other circumstances of these investments may vary from those of the Clients. If officers, principals, and staff members of Sands Capital Alternatives have made large capital investments in or alongside the Clients, they will have conflicting interests with respect to these investments. While the significant interests of the officers and staff members of Sands Capital Alternatives generally align the interest of such persons with the Client, such persons may have differing interests from the Client with respect to such investments (for example, with respect to the availability and timing of liquidity).

Because certain expenses are paid for by a Client and/or its portfolio companies or, if incurred by Sands Capital Alternatives, are reimbursed by a Client and/or its portfolio companies, Sands Capital Alternatives may not necessarily seek out the lowest cost options when incurring (or causing a Client or its portfolio companies to incur) such expenses.

Staff members of Sands Capital Alternatives have family members that are actively involved in industries and sectors in which the Clients invest and have business, personal, financial, or other relationships with companies in such industries and sectors (including service providers) or other industries, which give rise to conflicts of interest. For example, such family members might be officers, directors, personnel, or owners of companies that are actual or potential investments of a Client or other counterparties of a Client and the portfolio companies. Moreover, in certain instances, a Client or its portfolio companies may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or in respect of which such family members have other involvement. In most such circumstances, these conflicts will not preclude Clients from undertaking any of these investment activities or transactions.

Fee Structure

Because the Funds have a fixed investment period after which capital from investors in the Funds will only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of the Funds, based upon the capital invested by the Funds, this fee structure creates an incentive to deploy capital when Sands Capital Alternatives would not otherwise have done so.

Additionally, as discussed above in *Item 6 – Performance-Based Fees and Side-By-Side Management*, many Fund general partners are entitled to incentive allocations, pursuant to the terms of the relevant Client Documentation. Such general partners are affiliates of Sands Capital Alternatives. The existence of the general partners' incentive allocation creates an incentive for the general partners to cause such Funds to make more speculative investments than they would otherwise make in the absence of performance-based compensation.

Pursuant to the Client Documentation, the general partner may be required to return excess amounts of incentive allocation as a "clawback". This clawback obligation may create an incentive for the general partner to defer the disposition of one or more investments or delay the liquidation of a Fund if the disposition and/or liquidation would result in a realized loss to the Fund or would otherwise result in a clawback situation for the general partner.

The general partner may cause a Fund to distribute its share of securities resulting from an investment disposition in kind, while disposing of investors' shares of such securities and distributing the net cash proceeds of such sale of securities to the investors. This ability creates conflicts of interest between the general partner and the investors. The general partner is particularly incentivized to receive distributions in-kind of securities that it expects to increase in value, and in cases where the increase occurs, if the investors received cash distributions instead of in-kind distributions, the investors will be denied the benefits of the increase they would have realized had the Fund retained the securities and the general partner will receive more value from the securities than it would have had its incentive allocation been paid in cash. In the event the general partner, or its affiliates, receive such a distribution, the general partner will generally act in its own interest with respect to its share of securities and may determine to sell the distributed securities (which may include selling its securities prior to the time at which an investor sells its distributed securities), or hold on to the distributed securities for such time as the general partner shall determine. The ability of the general partner to act in its own interest with respect to such distributed shares creates a conflict of interest between the general partner or affiliate, as an adviser to the Fund. These conflicts may be exacerbated due to the enhanced knowledge and information the general partner has relative to the investors with respect to such securities.

A Fund's general partner generally is permitted to receive a distribution in kind from the Fund, including in connection with investment dispositions or the payment in kind of amounts owed to the general partner as carried interest (which generally will be made using the value of the relevant securities on the date of contribution). In such circumstances, there is a potential conflict of interest between the general partner (and its beneficial owners) and the relevant Fund's limited partners. For example, the general partner and its beneficial owners may intend to hold the investment for a different time period than Sands Capital Alternatives deems suitable for the Fund. Although the general partner and its beneficial owners bear the risk that such securities will decrease during their holding period, to the extent the value of the relevant securities increases following the Fund's disposition thereof, neither the relevant Fund nor its limited partners will benefit from the increase, and over time the economic benefit to the general partner and its beneficial owners could exceed the

value of the general partner's pro rata interest in the Fund and the amount of carried interest owed. To the extent the beneficial owners of the general partner contribute such securities to a charity (including to a private foundation or other charitable organization associated with, operated or chosen by such persons or their families), any tax efficiencies or other personal benefits associated with the contribution will inure to the benefit of such beneficial owners rather than to the Fund or its limited partners.

Discretion of the General Partner

A Fund's Client Documentation generally provide Sands Capital Alternatives with wide-ranging authority to make determinations, including those related to investment purchases and dispositions (and their timing), and other matters that in each case have the potential to affect Sands Capital Alternatives' compensation. In making such determinations, Sands Capital Alternatives is subject to potential conflicts of interest. For example, the potential to earn additional compensation creates an incentive for Sands Capital Alternatives or its affiliates to make investments and to hold investments longer than otherwise would be the case in the absence of the relevant Fund's Management Fee and carried interest compensation arrangements. Sands Capital Alternatives expects to be incentivized to cause a Fund to make, hold, and/or dispose of investments (and to delay or forego a determination that the investment is fully and permanently written-off) in order to receive greater ongoing Management Fees and, potentially, earlier and/or larger carried interest distributions than would otherwise be the case.

Where a Fund's Client Documentation does not require Management Fees to be reduced in connection with investment reorganizations, restructurings, roll-over investments, extraordinary dividends or similar transactions, Sands Capital Alternatives is incentivized to pursue such transactions. Additionally, the amount of carried interest owed to the relevant Fund's general partner is dependent in part on the amount and timing of investment dispositions, and the relevant Fund's general partner expects to be subject to related potential conflicts of interest in determining whether and when to dispose of investments, make distributions, and/or determine that an investment is fully and permanently written-off, within the requirements of the relevant Fund's Client Documentation.

Providers of Operations Support

The general partner and the portfolio companies of certain Funds will, from time to time, retain other companies and individuals ("*Operations Support Providers*"), which may be affiliates of the general partner (including Sands Capital Alternatives), staff members or former staff members of such affiliates (including the Advisory Affiliates), portfolio companies of other Funds, employees or officers of former or current portfolio companies, third-party consultants (including specialized consultants, external executives, advisers, industry specialists and industry advisory roundtable members, and similar professionals), or "operating partners" (including entities formed for the benefit of such persons and/or to facilitate the provision of their services), or "senior advisors." The Operations Support Providers are engaged to provide operational support, specialized operations, and consulting services or similar or related services to, or in connection with, one or more portfolio companies or

prospective portfolio companies in relation to the identification, acquisition, holding, improvement, and/or disposition of such portfolio companies. Operations Support Providers will, from time to time, also provide "front office" functional support with respect to a Fund, such as sourcing, research and diligence, and other investment-related functions ("*Operations Support Services*"). These services may be high-level insight or extensive day-to-day roles and may include support to the general partner, Sands Capital Alternatives, or portfolio companies regarding, among other things, the company's management (including serving in management positions or participating in determining corporate strategy), the company's supply chain, revenue and margin management (including determining sales/marketing strategy and retail strategy), data intelligence, finance (including generating metrics and reporting and business restructuring), human capital management (including recruiting personnel and determining executive/incentive compensation), information technology, corporate communications, customer service, sustainability (including, strategy, policy and reporting development), real estate matters, and similar operational matters. The nature of the relationship with each such Operations Support Provider and the time devotion requirements of each such Operations Support Provider may vary significantly. These arrangements may be memorialized in a formal written agreement or may be informal and are negotiated individually, depending upon the anticipated Operations Support Services to be provided. In certain cases, Operations Support Providers have attributes of Sands Capital Alternatives staff members (for instance, they may have dedicated office space, receive Sands Capital Alternatives' administrative support services, participate in general meetings or events for Sands Capital Alternatives staff members, have a Sands Capital Alternatives e-mail address, or business cards) even though they are not staff members, affiliates, or personnel of Sands Capital Alternatives. Operations Support Providers may be offered the ability to co-invest alongside the Fund or may be offered the opportunity directly by the portfolio company to invest directly in the company, including in investments in which such Operations Support Provider is involved or participates in the management thereof.

Certain fees, compensation, expenses, and attributable overhead associated with Operations Support Services ("*Operations Expenses*") may be paid and/or reimbursed by portfolio companies and/or a Fund. Operations Expenses (including Operations Expenses incurred in connection with an affiliated Operations Support Provider that is an affiliate or staff member of Sands Capital Alternatives or its affiliates) may be determined at the discretion of Sands Capital Alternatives taking into account the particular Operations Support Services, may include reimbursement of an allocable portion of an affiliated Operations Support Provider's compensation (including salary, bonus, payroll taxes and benefits) and overhead (including rent property taxes and utilities allocable to the workspaces), an annual fee or retainer, a discretionary bonus, a success fee (in the form of cash or equity) based on pre-determined targets or milestones, a profits or equity interest in a Fund and/or portfolio company, or other incentive-based compensation to the Operations Support Provider, and may otherwise be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Operations Support Provider, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such companies. In the event an Operations Support Provider is an investor in a Fund, he/she may receive a reduction in

related fees otherwise owed to Sands Capital Alternatives. The determination of whether a service is an Operations Support Service will be made by Sands Capital Alternatives, at its good faith discretion. Over time, certain existing and former staff members of Sands Capital Alternatives (including senior staff members) may transition to an Operations Support Provider role, which may shift the burden of compensating such persons from Sands Capital Alternatives to a Fund (and indirectly, the Fund's investors) and/or its portfolio companies. Operations Expenses may also be incurred in respect of portfolio companies prior to the closing of the investment. To the extent services may be provided for the benefit of a Fund, without reference to a particular portfolio company, Operations Expenses incurred in connection with such services are borne by the Fund. In the event one or more Operations Support Providers (directly or indirectly) are providing services with respect to a Fund, such Operations Expenses will be allocated to the Fund as determined by Sands Capital Alternatives, as applicable in a fair and equitable manner. To the extent any such Operations Expenses are payable to any affiliated Operations Support Provider by a Fund or a portfolio company of the Fund, such Operations Expenses will not reduce any fees otherwise payable to Sands Capital Alternatives or its affiliates and will not benefit the Fund or the Fund's investors, even if the Operations Expenses paid by the Fund or a portfolio company have the effect of reducing any retainers or minimum amounts otherwise payable by Sands Capital Alternatives. The determination of whether an Operations Expense is paid by a portfolio company, a Fund, or Sands Capital Alternatives, or its affiliates will be made by Sands Capital Alternatives at its good faith discretion. Sands Capital Alternatives' good faith determination as to whether a service is an Operations Support Service, the categorization of any fees and expenses (e.g., as Operations Expenses,) and the allocation of such fees and expenses shall be binding on the relevant Fund and its investors. Under many of these arrangements, there can be no assurance that the amount of compensation paid in a particular year will be proportional to the amount of hours worked or the amount of written work product generated by the Operations Support Provider.

In the event an officer or executive of a current portfolio company provides Operations Support Services, there is an increased likelihood of Sands Capital Alternatives being exposed to material, nonpublic information with respect to that portfolio company. See more information in the disclosures regarding material, nonpublic information in *Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss*.

Diverse Membership

The Funds are likely to have a diverse range of investors that may have conflicting interests stemming from differences in investment preferences, tax status, and regulatory status. The general partner or investment adviser of the applicable Fund will consider the objectives of the Fund and each of the respective investors as a whole when making decisions with respect to the selection, structuring, and sale of investments. However, it is inevitable that such decisions may be more beneficial for one investor than for another investor.

Additionally, the Funds may have tax exempt, taxable, non-U.S., and other investors, whereas most members of the general partners are taxable at individual U.S. rates. Potential conflicts exist with respect to various structuring, investment, and other decisions because of divergent tax, economic or other interests, including conflicts among the interests of taxable and tax exempt investors, conflicts among the interests of U.S. and non-U.S. investors, and conflicts between the interests of investors and management. For these reasons, among others, decisions may be more beneficial for one investor than for another investor, particularly with respect to investors' individual tax situations.

Business with Portfolio Companies and Investors

Given the collaborative nature of Sands Capital Alternatives' business and the portfolio companies in which the Clients have invested, there are often situations where Sands Capital Alternatives is in the position of recommending portfolio company services to other portfolio companies of the Clients or clients managed by the Advisory Affiliates, which generally will involve fees, commissions, servicing payments, and/or discounts to Sands Capital Alternatives, an affiliate, or a portfolio company. Sands Capital Alternatives will generally have a conflict of interest in making such recommendations in that Sands Capital Alternatives has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for the Clients, while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Clients. The benefits received by a portfolio company providing a service may be greater than those received by the Clients and their portfolio companies receiving the service.

Current and former officers and executives of portfolio companies may also invest in the Clients. While Sands Capital Alternatives believes this aligns portfolio company management teams with the best interests of the Clients, Sands Capital Alternatives may, in certain circumstances, be incentivized to take (or refrain from taking) certain actions with respect to a portfolio company in order to maintain the goodwill with such portfolio company management team investor.

Certain current or former officers and executives of portfolio companies held in a Fund's portfolio (*"Portfolio Company Executives"*) have invested, and may in the future invest, directly or indirectly in such Fund or in other Funds managed by Sands Capital Alternatives or its affiliates. In certain cases, and in accordance with the Client Documentation, a Fund, or its general partner, as applicable, may reduce all or a portion of the Management Fee and/or incentive allocation payable by or with respect to the capital contributions or capital accounts of such Portfolio Company Executives (each, a *"Portfolio Company Executive Fee Reduction"*). Such Portfolio Company Executive Fee Reductions may be granted for such period(s) and in such amounts as Sands Capital Alternatives, or its affiliate, determines at its discretion, provided that the terms of such fee reduction are consistent with the Client Documentation. Sands Capital Alternatives believes that Portfolio Company Executive investments in the Funds align the interests of such executives with those of the Funds and their investors. However, such arrangements create potential conflicts of interest. For example, the provision of a Portfolio Company Executive Fee Reduction may incentivize Sands Capital Alternatives to take (or refrain from taking) certain actions with respect to a portfolio company (including decisions

regarding acquisitions, dispositions, financing transactions, or management) in order to maintain goodwill with such Portfolio Company Executive investor or to preserve the ongoing investment relationship. In addition, a Portfolio Company Executive who invests in a Fund on reduced-fee terms may have information regarding the applicable portfolio company's business, prospects, or valuation that is not available to other Fund investors, which could influence the timing or amount of such executive's investment. Sands Capital Alternatives is not obligated to, and generally will not, verify or disclose to other investors any information possessed by a Portfolio Company Executive investor.

Similarly, Sands Capital Alternatives may be incentivized to offer Portfolio Company Executive Fee Reductions to executives of portfolio companies in order to encourage their continued cooperation and support of the Funds' investment strategies. Other investors in the applicable Fund generally will not receive the benefit of such Portfolio Company Executive Fee Reductions.

Sands Capital Alternatives generally has an incentive to recommend the products or services of certain investors in the Clients, certain Third Parties, or their related businesses to the Clients or their portfolio companies for use or purchase, even though the products or services recommended may not necessarily be the best available to the Clients or the portfolio companies.

Portfolio companies controlled by a Client may provide services to certain Client investors. Sands Capital Alternatives has an incentive to cause the portfolio company to favor those investors relative to other portfolio company clients or customers in terms of pricing or otherwise, which could adversely affect the portfolio company's profitability to the Client. Additionally, the portfolio company could recommend to its clients or customers that they invest in a Client.

Sands Capital Alternatives and/or its affiliates (including the Advisory Affiliates) may engage in business opportunities arising from a Client's investment in a portfolio company (for example entering into a joint venture with a portfolio company or making a proprietary investment in a portfolio company). This creates a conflict of interest, as such interests are a benefit arising from the Client's investment and may vary from the applicable Client's interest (*e.g.*, whether to make a follow-on investment and, if so, how much should be allocated to the Client).

In certain instances, a Client's portfolio company may compete with, be a customer of, or a service provider to, another portfolio company or another Client, or the portfolio company of a Portfolio Fund. A conflict of interest may arise in these instances because advice and recommendations provided by Sands Capital Alternatives to a portfolio company may have adverse consequences to a competitor portfolio company owned by another Client or Portfolio Fund. The performance and operations of a competitor, customer, or service provider that is a portfolio company of a Client could conflict with, and adversely affect the performance and operations of another portfolio company or a portfolio company of another Client, or could adversely affect prices, business opportunities or potential acquisition opportunities. For instance, a portfolio company may seek to expand its market share at the expense of another portfolio company, withdraw business from another portfolio company in favor of another company offering the same product or service at a lower price, increase its own prices, purchase assets from, or sell assets to, another portfolio company, commence

litigation against another portfolio company, or prevent one portfolio company from commencing litigation against another portfolio company.

Sands Capital Alternatives and/or its affiliates (including the Advisory Affiliates) may engage in business with certain service providers, including for example, investment bankers, outside legal counsel and pension consultants, who are investors in Clients and/or who provide services (including mezzanine and/or lending arrangements) to Sands Capital Alternatives, the Clients, the portfolio companies and/or businesses that are competitors of Sands Capital Alternatives. Such engagement may be concurrent with an investor's admission to a Client, or during the term of such investor's investment in the Client. This creates a conflict of interest, as Sands Capital Alternatives may give such investor preferred economics or other terms with respect to its investment in a Client, or may have an incentive to offer such investor co-investment opportunities that it would not otherwise offer to such investor. Sands Capital Alternatives will have a conflict of interest with the Clients in recommending the retention or continuation of a service provider to the Clients or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in Clients or will provide Sands Capital Alternatives information about markets and industries in which Sands Capital Alternatives operates or is interested or will provide other services that are beneficial to Sands Capital Alternatives. There is a possibility that Sands Capital Alternatives, because of such belief or for other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

Certain members of a Client's advisory committee are, or in the future may be, officers or directors of, or otherwise affiliated with, investors in another Client or a client managed by an affiliate of Sands Capital Alternatives. The general partner of a Client may from time to time utilize the services of investors and their affiliates on an arm's length basis with commercially reasonable terms, as it deems appropriate.

Certain other service providers to Sands Capital Alternatives (or its affiliates), the Client and/or the portfolio companies, or affiliates of such service providers, also provide goods or services to or have business, personal, financial or other relationships with Sands Capital Alternatives, its affiliates, or their respective portfolio companies. Such service providers (or their employees) may also source investment opportunities, be co-investors or commercial counterparties or entities in which Sands Capital Alternatives and/or a Client has an investment, and payments by the Client and/or such portfolio companies may indirectly benefit Sands Capital Alternatives.

In certain circumstances, service providers charge varying amounts or may have different fee arrangements for different types of services provided. For instance, fees for various types of work often depend on the complexity of the matter, the expertise required and the time demands of the service provider. As a result, to the extent the services required by Sands Capital Alternatives or its affiliates differ from those required by a Client and/or its portfolio companies, Sands Capital Alternatives and its affiliates will pay different rates and fees than those paid by a Client and/or its portfolio companies.

Positions with Portfolio Companies

Staff members of Sands Capital Alternatives serve as directors of certain portfolio companies. While conflicts of interest may arise in the event that such staff member's fiduciary duties as a director conflicts with those of the Client, it is generally expected that the interests will be aligned. Additionally, such staff members are required to remit any remuneration they may receive as directors to the applicable Clients. In addition, staff members of Sands Capital Alternatives may leave the employment of Sands Capital Alternatives or its affiliates, including the Advisory Affiliates, and become an officer or employee of a portfolio company. Staff members are prohibited from receiving consulting, management or other fees personally from portfolio companies.

Board Participation

Certain representatives of Sands Capital Alternatives may serve as directors of, or observers on boards with respect to, one or more of a Client's portfolio companies by virtue of governance arrangements negotiated at the time the Client makes an investment. While the interests of the Client as a shareholder in a portfolio company generally align with the interests of shareholders more broadly, the Sands Capital Alternatives' board member's fiduciary duties to any such portfolio company and its shareholders as a director may conflict with the interests of the Client. For instance, such positions could impair the ability of the Client to sell the securities of an issuer in the event a director receives material, nonpublic information by virtue of his or her role, which would have an adverse effect on the Client. Furthermore, a Sands Capital Alternatives' representative serving as a director to a portfolio company owes a fiduciary duty to the portfolio company, on the one hand, and the Client, on the other hand, and such persons may be in a position where they must make a decision that is either not in the best interest of the Client, or is not in the best interest of the portfolio company. Sands Capital Alternatives' representatives serving as directors may make decisions for a portfolio company that negatively impact returns received by the Client investing in the portfolio company. In addition, to the extent a Sands Capital Alternatives' representative serves as a director on the board of more than one portfolio company, such person's fiduciaries duties among the two portfolio companies may create a conflict of interest. In addition, Sands Capital Alternatives' staff members may leave the employment of Sands Capital Alternatives and become an officer or employee of a portfolio company.

Decisions made by a director may subject Sands Capital Alternatives, its affiliates, including the Advisory Affiliates, or a Client to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims. In general, the Clients will indemnify Sands Capital Alternatives and its staff members from such claims.

Certain staff members of Sands Capital Alternatives or its affiliates may also be temporarily seconded to or otherwise engaged by certain portfolio companies on either a full-time or a part-time basis to provide services to such portfolio companies. In such instances, the portfolio companies will pay such person's directors' fees, salaries, consultant fees, other cash compensation, stock options, other equity grants or other compensation and incentives and may reimburse Sands Capital Alternatives or such persons for any travel costs or other out-of-pocket expenses incurred in

connection with the provision of their services. Sands Capital Alternatives may also advance compensation to seconded staff members and be subsequently reimbursed by the applicable portfolio companies. Any compensation customarily paid directly by Sands Capital Alternatives or its affiliates to such persons will typically be reduced to reflect amounts paid directly or indirectly by the portfolio company even though the Management Fee paid to Sands Capital Alternatives or incentive allocation distributed by a Fund to the Fund's general partner or its affiliates will not be reduced. Any amounts paid to such persons by a portfolio company (or paid by the general partner and reimbursed by a portfolio company) will not reduce the Management Fee otherwise payable to Sands Capital Alternatives or any incentive allocation otherwise payable to the general partner or its affiliates. All or a portion of any such compensation and incentives will be borne by the relevant Fund, directly or indirectly, via its ownership interest in such portfolio company. In certain instances, whether an individual who provides services to a portfolio company should be categorized as an Operations Support Provider, a staff member of Sands Capital Alternatives, a former staff member of Sands Capital Alternatives, or a seconded staff member may not be clear. In such cases, Sands Capital Alternatives will make a determination in good faith based on an evaluation of the facts and circumstances.

Side Letter Agreements; Advisory Committee Rights

Sands Capital Alternatives often enters into certain side letter arrangements with certain investors in a Fund providing such investors with different or preferential rights or terms, including for example, but not limited, to different fee structures (including Management Fees, none of which generally will be subject to a "most-favored nation" provision), information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, rights to serve on a Fund's advisory committee, and liquidity or transfer rights. Except as otherwise agreed with an investor, Sands Capital Alternatives (or the applicable general partner) is not required to disclose the terms of side letter arrangements with other investors in the same Fund. Any rights established under a side letter will generally inure solely to the benefit of the parties to such side letter and will not extend to other investors in the relevant Fund. To the extent an investor is subject to statutory or other limitations on indemnification, or otherwise negotiates rights relating thereto, other investors may be subject to increased losses, or be required to bear an increased portion of indemnification amounts. Other side letter rights are likely to confer benefits on the relevant limited partner at the expense of the relevant Fund or of limited partners as a whole, including in the event that a Side Letter confers additional reporting, information rights and/or transfer rights, the costs and expenses of which are expected to be borne by the relevant Fund.

As a consequence of one or more investors being excused or excluded, or from regulatory, tax or other factors altering or limiting their participation in investments or ability to bear certain liabilities or obligations, the aggregate returns realized by participating or non-participating investors in a Fund could be adversely affected in a material manner by the unfavorable performance of particular investments. similar considerations apply in the event a limited partner defaults on a drawdown in respect of an investment. Although Sands Capital Alternatives believes it to be unlikely, excuse rights

requested or received by one or more investors in a Fund (or such regulatory, tax, or other factors applicable to such limited partners) representing a substantial percentage of a Fund have the potential to create significant variations in limited partner investment returns, or exposures to liabilities or obligations, or to influence or affect the investment strategy and pursuit of investment opportunities by the general partner on behalf of the relevant Fund as a whole. For certain Funds, it is possible that an investor's inability to participate in an initial public offering due to FINRA rules will create a greater allocation of private interests to such investor. Those private interests may have been acquired by the Fund at a lower cost basis relative to the shares offered in the initial public offering, in which case the private interests could outperform. An investor's voting rights for regulatory or other reasons can be limited in circumstances specified in the Client Documentation, as applicable; conversely, a limitation on one or more investors' voting rights generally will increase the voting rights percentage of other investors in the relevant Fund. Further, investors with different domiciles or tax categorizations could receive different investment returns or amounts of tax basis and/or pay different levels of expenses, e.g., based on tax savings or ownership of alternative investment vehicle, "blocker" or other structures used to facilitate their investments in, through or below a Fund.

Generally, each Fund has the right to establish an advisory committee, consisting of representatives of investors. A conflict of interest may exist when some, but not all limited partners are permitted to designate a member to the advisory committee. A Fund's advisory committee generally has the ability to review and waive compliance with certain provisions thereof, including consenting to conflicts of interest, as well as certain approvals or consents required by U.S. federal securities laws. Pursuant to the terms of the applicable Client Documentation, all limited partners are generally bound by the determinations of the relevant Fund's advisory committee, regardless of whether an individual limited partner is represented by a member of the advisory committee, which could be disadvantageous to the investors, including those investors who do not designate a member to the advisory committee.

A Fund's advisory committee is expected to be comprised of representatives of limited partners with divergent interests, objectives, regulatory treatment, tax sensitivities, portfolio compositions, experience and other factors. In addition, certain advisory committee members are expected to have various business and other relationships with Sands Capital Alternatives (including longstanding investing relationships) and its partners, employees and affiliates. In certain circumstances, these factors will influence advisory committee members to be more aligned with Sands Capital Alternatives and the relevant Fund general partner and favor proposals brought to the advisory committee; in other circumstances, these factors will make advisory committee members more likely to oppose these proposals. Advisory committee members are expected to be subject to potential conflicts of interest in approving or rejecting proposals based on factors that are applicable to the firms they individually represent, rather than considerations relevant to limited partners as a whole. In many cases, limited partners (including limited partners making commitments in excess of certain amounts) are expected to request (by Side Letter or otherwise) a role on the advisory committee, and Sands Capital Alternatives expects to be subject to varying incentives and potential conflicts of interest in determining which limited partners will be permitted to appoint a representative

thereto. Based on these varying incentives limited partners should not expect that every vote cast by an advisory committee member, or decision made by an advisory committee as a whole, will fully represent their individual interests.

Conflicts Associated with Short Selling and Hedging Activities

Sands Capital Alternatives, on behalf of certain Clients, may establish short exposure in certain securities, sectors, or market factors through covered call options, factor hedges, total return swaps, or other derivative transactions. Concurrently, Sands Capital Alternatives and its Advisory Affiliates may manage other Clients or accounts that hold long positions in the same or related securities.

This activity creates conflicts of interest. For example, a Client may hold short exposure to a sector or index as part of a hedge, while another Client or a client of an Advisory Affiliate holds a long position in one or more securities included in that exposure. Actions taken by Sands Capital Alternatives to support or increase a long investment in one Client, such as purchasing additional shares or voting proxies in favor of management, may have an adverse impact on the short positions held by another Client. Conversely, actions that benefit a Client's short position may adversely affect the value of long positions held by other Clients.

Sands Capital Alternatives is not obligated to take into account the interests of one Client when making investment, trading, voting, or engagement decisions on behalf of another Client. Such decisions could have a detrimental effect on one or more Clients. Sands Capital Alternatives has adopted trading policies and procedures designed to mitigate these types of conflicts, but there can be no assurance that such measures will detect or prevent all conflicts, or that any Client will not be adversely affected.

Other Advisory Affiliates Conflicts

In certain instances, a Client's portfolio company may compete with the portfolio company of a client managed by an affiliate of Sands Capital Alternatives, including the Advisory Affiliates. A conflict of interest may arise in these instances because advice and recommendations provided by Sands Capital Alternatives to a portfolio company may have adverse consequences to a competitor portfolio company owned by such affiliate-managed client.

Sands Capital Alternatives may share proprietary research and other information with the Advisory Affiliates and vice versa.

Certain Clients, Funds and co-investment vehicle investors are also clients of the Advisory Affiliates. Sands Capital Alternatives and the Advisory Affiliates refer clients or investors to each other from time to time. The Advisory Affiliates and their affiliates and their officers and staff members invest, and may in the future invest, in the Funds or on a side-by-side basis through separate investment vehicles, and, subject to the Client Documentation of the Funds, may invest in opportunities that are not presented to the Funds or their investors. In the event the securities issued by a portfolio company in which Sands Capital Alternatives' clients, officers, staff members or

affiliates have indirectly invested become listed on a national securities exchange, the Advisory Affiliates may invest, and has invested, in such securities for its client accounts.

From time to time, Sands Capital Alternatives or an affiliate may possess material, nonpublic information or other information that may limit the ability to buy and sell certain investments. A Client's investment flexibility may be constrained as a consequence of Sands Capital Alternatives or its affiliates' inability to use such information for investment purposes.

Other Potential Conflicts

Sands Capital Alternatives and the Funds will generally engage common legal counsel and other advisers in connection with a particular offering or investment, including situations in which there may be conflicts of interest. Members of the law firms engaged to represent the Funds may be investors in a Client, and may also represent one or more portfolio companies or investors in a Client. In the event of a significant dispute or divergence of interest between Clients, Sands Capital Alternatives and/or its affiliates, the parties may engage separate counsel in the sole discretion of Sands Capital Alternatives and its affiliates, and in litigation and other circumstances separate representation may be required. Additionally, Sands Capital Alternatives and the Clients and the portfolio companies of the Clients will, from time to time engage other common service providers. In certain circumstances, the service provider may charge varying rates or engage in different arrangements for services provided to Sands Capital Alternatives, the Clients, and/or the portfolio companies. This may result in Sands Capital Alternatives receiving a more favorable rate on services provided to it by such common service provider than those payable by the Clients and/or the portfolio company, or Sands Capital Alternatives receiving a discount on services even though the Clients and/or the portfolio companies receive a lesser, or no, discount. This creates a conflict of interest between Sands Capital Alternatives, on the one hand, and the Clients and/or portfolio companies, on the other hand, in determining whether to engage such service providers, which may result in Sands Capital Alternatives favoring the engagement or continued engagement of such persons if it receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the Clients and/or the portfolio companies.

Sands Capital Alternatives and its staff members have in the past and may, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of a Client. For example, airline travel or hotel stays incurred as Fund expenses may result in "miles" or "points" or credit in loyalty/status programs to Sands Capital Alternatives and/or its staff members, and such rewards and/or amounts will exclusively benefit Sands Capital Alternatives and/or such staff members and will not be subject to the offset arrangements described above or otherwise shared with such Client, its investors and/or the portfolio companies.

Sands Capital Alternatives may, at its discretion, cause certain Clients and/or their portfolio companies to have ongoing business dealings, arrangements or agreements with persons who are former staff members or executives of Sands Capital Alternatives. The Clients and/or their portfolio companies may bear, directly or indirectly, the costs of such dealings, arrangements or agreements. In

such circumstances, there may be a conflict of interest between Sands Capital Alternatives and the Clients (or their portfolio companies) in determining whether to engage in or to continue such dealings, arrangements or agreements, including the possibility that Sands Capital Alternatives may favor the engagement or continued engagement of such persons even if a better price and/or quality of service could be obtained from another person.

Certain portfolio companies of the Clients are, or have been, counterparties or participants in agreements, transactions or other arrangements with Sands Capital Alternatives, its affiliates (including the Advisory Affiliates), or other portfolio companies, which may result in favorable procurement terms, including fees, servicing payments, rebates, discounts or other financial benefits. Sands Capital Alternatives is often eligible to receive favorable terms for its procurement due in part to the involvement of its portfolio companies in such arrangements, and any discounted amounts will not be subject to Management Fee offsets or otherwise shared with the relevant Clients.

The Client Documentation of certain Funds permit each such Fund's general partner to withhold information from certain limited partners or investors in such Fund in certain circumstances. For instance, information will typically be withheld from limited partners that are subject to Freedom of Information Act or similar requirements. The general partner may elect to withhold certain information to such limited partners for reasons relating to the general partner's public reputation or overall business strategy, despite the potential benefits to such limited partners of receiving such information.

The relevant liability standards under insurance coverage procured by Sands Capital Alternatives are expected to vary by carrier, and such standards are expected to vary from time to time depending on, for example, coverage features or limitations then-available from the carrier at the time of insurance contract renewal. As a result, insurance coverages from time to time are expected to vary from relevant liability and/or indemnity standards in the relevant Client Documentation. Investors generally will be responsible for insurance premiums, as set forth in the Client Documentation for the particular Fund, regardless of whether the liability and/or indemnity standards in Sands Capital Alternatives' insurance coverage are higher or lower than that set forth in the Client Documentation, as applicable.

Please see the discussion above under the sub-heading "*Resolution of Conflicts*" for a description of the means by which Sands Capital Alternatives and its related persons may seek to alleviate conflicts of interest among the Clients or other persons.

Item 12. BROKERAGE PRACTICES

Sands Capital Alternatives typically has the authority to select broker-dealers to execute securities transactions for Clients. Sands Capital Alternatives and the Advisory Affiliates share a trading function, and transactions in public securities for Clients are generally effectuated by the shared trading function.

In selecting brokers-dealers, Sands Capital Alternatives seeks to obtain the best overall execution available. In assessing the best overall terms available for any transaction, Sands Capital Alternatives considers factors that it deems relevant, which may include the quality of the broker-dealer, risks associated with the broker-dealer, and potential conflicts of interest between the broker-dealer and Sands Capital Alternatives and/or employees of Sands Capital Alternatives or its affiliates. Factors used to assess the quality of a broker-dealer may include the quality of the research provided, the quality of the trading coverage, the quality of trade operations, and whether the broker-dealer has differentiated technology that may increase Sands Capital Alternatives' usability or access to liquidity. Factors used to assess the risks associated with a broker-dealer may include minimum net capital requirements and legal and regulatory matters (including FINRA disclosure events).

In selecting broker-dealers and negotiating commissions for a particular transaction, Sands Capital Alternatives considers those factors it considers to be relevant, which may include the price of the security, the quality of execution and liquidity services provided, the ability to obtain a timely execution, and the size and difficulty of the order. Sands Capital Alternatives may also consider the reliability, efficiency, accuracy, and the integrity of the broker-dealer's general execution and operational capabilities, the cost to trade away from a directed broker or custodian (where applicable), the quality of the broker-dealer's research products or services and other value-add services, and the broker-dealer's financial condition (but does not consider whether it or a related person receives client referrals from a broker-dealer or third party).

In evaluating the best overall terms available, and in selecting the broker-dealer to execute a particular transaction, Sands Capital Alternatives also considers the eligible brokerage and research services (within the meaning of Section 28(e) of the U.S. Securities Exchange Act of 1934, as amended "*Section 28(e)*"), *provided*, that Sands Capital Alternatives determines in good faith that the amount of commission is reasonable in relation to the value of the brokerage and research services provided, viewed in terms of either the particular transaction or Sands Capital Alternatives' overall responsibilities with respect to the Clients as to which it exercises investment discretion.

Sands Capital Alternatives may execute securities transactions on an agency or principal basis with a broker-dealer, which may result in a Client (and thus Fund investors) incurring two transaction costs for a single trade: a commission paid to the executing broker-dealer plus the market maker's markup.

Fund investors are not permitted to direct brokerage with respect to purchases or sales of securities by the Funds.

Soft Dollars

Pursuant to the safe harbor provided in Section 28(e) and to the extent permitted by other applicable law, a broker-dealer who executes a portfolio transaction may receive a commission that is in excess of the amount of commission another broker-dealer would have charged for effecting that transaction if the investment adviser determines in good faith that such compensation was reasonable

in relation to the value of the brokerage and research services provided. This determination may be made on the basis of either that particular transaction or on the basis of the overall responsibility which the investment adviser and its affiliates have for accounts over which they exercise investment discretion. The Advisory Affiliates use such excess commission to pay for Section to 28(e) eligible research and brokerage services ("*soft dollar benefits*") that are available to be used by Sands Capital Alternatives for the benefit of Sands Capital Alternatives and Clients.

When selecting a broker-dealer to execute certain Client security transactions and to the extent that Sands Capital Alternatives uses soft dollar benefits, Sands Capital Alternatives considers the broker-dealer's ability to provide soft dollar benefits. Soft dollar benefits include a variety of research and brokerage services provided by the broker-dealer directly or through third parties that are expected to provide lawful and appropriate assistance to Sands Capital Alternatives' investment decision-making responsibilities. To the extent soft dollar benefits are used, these services benefit Clients as well as Sands Capital Alternatives and, in some cases, are not obtainable without the payment of commissions to the providing broker-dealer. To the extent soft dollar benefits are used, Sands Capital Alternatives has an incentive to select broker-dealers based on the benefits it receives from them, whether or not pursuant to soft dollar arrangements described herein. As a fiduciary, Sands Capital Alternatives has an obligation to seek to obtain best execution of Clients' transactions under the circumstances of the particular transaction. Consequently, notwithstanding the safe harbor provided under Section 28(e), no soft dollars may be generated unless best execution of the transaction is reasonably expected to be obtained.

Regardless of the manner in which they are generated and received, Sands Capital Alternatives' soft dollar benefits, to the extent they are used, are intended to meet the safe harbor requirements under Section 28(e). A product or service may have multiple uses, some of which are eligible under the Section 28(e) safe harbor, and others of which are not. Sands Capital Alternatives can use soft dollars to pay for that portion of the product or service that falls within the safe harbor and will make a reasonable allocation of the cost of the product or service according to its use.

Broker-dealers provide a variety of products and services through soft dollar benefits arrangements that include: (i) furnishing advice as to the value of securities and the advisability of investing, purchasing, or selling securities; (ii) furnishing analysis and reports concerning issuers, securities, and performance of accounts; (iii) providing access to third-party research including discussions with third-party analysts, corporate management teams, and groups of professionals with expertise in particular industries and/or subject matter areas (e.g., expert networks) for advice regarding existing or potential investments; or (iv) facilitating securities transactions and performing functions incidental to such transactions, such as clearance, settlement, and custody. Research services received also include data (including alternative data), seminars, written reports, telephone contacts, and meetings with sell-side security analysts, economists, and senior representatives of issuers. Research services received are supplemental to our own research efforts and, when used, are subject to internal analysis before incorporation into our investment process.

The use of soft dollar benefits creates a conflict of interest because a Client's brokerage commissions pay for products and services that do not exclusively benefit such Client but benefit Sands Capital Alternatives or other Clients, the Advisory Affiliates and their clients. Clients that pay a greater amount of commissions relative to other accounts generally bear a greater share of the cost of brokerage and research services than such other accounts. Certain soft dollar benefits practices benefit some Clients more than others. Research services that are paid for with soft dollars are available for the benefit of all accounts managed or advised by Sands Capital Alternatives and the Advisory Affiliates.

In addition, the availability of these non-monetary benefits have the ability to influence Sands Capital Alternatives' selection of a particular broker-dealer over another to perform services for Clients. Where a broker-dealer does not provide a dollar value of any research products and services or brokerage services obtained with Clients' commissions, Sands Capital Alternatives will make a good faith determination that the amount of commission paid is reasonable in relation to the value of the brokerage and research products and services provided.

Commission Sharing Arrangements

Sands Capital Alternatives obtains some of its soft dollar benefits through commission-sharing arrangements ("*CSAs*") with certain brokers. Under CSAs, Sands Capital Alternatives arranges with executing brokers to "unbundle" their commission rates in order to allocate a portion of total commissions paid to a pool of "credits" maintained by the broker that can be used, at the direction of Sands Capital Alternatives, to obtain soft dollar benefits made available by service providers. After accumulating credits within the pool, Sands Capital Alternatives or its affiliate directs the broker to use credits to pay service providers for soft dollar benefits made available to Sands Capital Alternatives.

Sands Capital Alternatives seeks to match the level of credits accumulated in pools held by various brokers with its anticipated soft dollar benefit requirements based on (1) an annual vote by relevant investment professionals providing services to Sands Capital Alternatives and/or its Advisory Affiliates that rates the quality of the research provided by the brokers and (2) the discretion of the Director of Research of the Advisory Affiliate. CSAs will have surpluses or deficits depending on factors such as the timing of billings for qualifying products or services, the level of trading being executed by Sands Capital Alternatives, and the nature of the executions, among other things. Although agreements with brokers participating in the CSAs typically authorize Sands Capital Alternatives to request that the broker consider using pool credits to pay service providers as recommended by Sands Capital Alternatives, Sands Capital Alternatives does not own the pools of credits maintained with brokers in connection with CSAs. Sands Capital Alternatives uses the eligible research and brokerage products and services furnished by brokers in servicing Clients; not all such products and services will be used exclusively for the benefit of the Clients that pay execution commissions, as described above.

Trade Aggregation and Allocation.

Investment actions (defined as a change in the holdings or weights of a model portfolio) by Sands Capital Alternatives or its affiliates (including the Advisory Affiliates) may result in multiple Clients, accounts, and/or strategies seeking to trade the same security at the same time. When more than one Client seeks to acquire the same security at the same time, it may not be possible to acquire a sufficiently large number of shares or a higher price may be paid. Similarly, when more than one Client seeks to sell a particular security, Clients may not be able to obtain as high a price or as large an execution of the security. Under these circumstances Sands Capital Alternatives generally aggregates or "blocks" orders for accounts for which it and its affiliates have investment discretion if it believes that blocking will result in a more favorable overall execution. In such cases, Sands Capital Alternatives seeks to aggregate transactions before execution of the order; however, in certain instances, the order may not be blocked prior to entering the order. In that event, Sands Capital Alternatives will seek to block the order at the earliest practicable time. Sands Capital Alternatives retains the discretion not to block transactions if it believes blocking will not result in more favorable overall execution.

Clients for whom orders are aggregated receive the average price of the transaction, which could be higher or lower than the price that would otherwise be paid by a Client absent aggregation. Any transaction costs incurred are shared *pro rata* based on each Client's participation in the transaction. In some instances, this procedure could have an adverse effect on a particular Client. In Sands Capital Alternatives' opinion, however, the results of this procedure will, on the whole, be in the best interests of each of the participating Clients.

If an aggregated order is executed in its entirety, it will be allocated in accordance with the allocation established for the trade. If the order is partially filled, Sands Capital Alternatives will, to the extent practicable, allocate the order on a *pro rata* basis among participating Clients, which may be subject to rounding to ensure that accounts receive round lots. When *pro rata* allocation is not practicable, Sands Capital Alternatives will allocate the order in a fair and equitable manner consistent with the factors identified above.

From time-to-time Sands Capital Alternatives may not be able to aggregate Client orders or aggregation may not be in the Clients' best interest. Factors which may preclude order aggregation include country-specific rules which forbid omnibus trading, ID market trading, size of transaction, Client guidelines or restrictions, and prefunding requirements, among others. In cases where order aggregation is appropriate but not possible Sands Capital Alternatives will execute orders on a random basis.

Trading in Public Securities

When trading in publicly listed securities Sands Capital Alternatives generally adheres to the sequencing: (i) Clients that do not have any brokerage restrictions or limitations ("*Free Block Accounts*"), (ii) Clients that have directed Sands Capital Alternatives to trade with a particular broker-dealer ("*Directed Accounts*"), (iii) Clients whose assets are held in custody at a particular broker-dealer that incur additional costs and/or risks if traded away ("*Trade Away Accounts*"), and (iv) proprietary accounts ("*Seeded Accounts*").

Although the foregoing sequence of trading is the general practice during an investment action involving publicly listed securities, Sands Capital Alternatives, at its own discretion will at times aggregate Free Block Account, Directed Account, and Trade Away Account trades. Sands Capital Alternatives also may not follow the foregoing sequence when trading cash transactions, as described below.

Due to the nature of how trading is sequenced, Directed Accounts, Trade Away Accounts, and Seeded Accounts will experience delays in the execution of Investment Actions in public securities when compared to Free Block Accounts. Because Directed Accounts, Trade Away Accounts, and Seeded Accounts generally trade after Free Block Accounts, it is possible they will not receive as favorable prices on securities trades as received by Free Block Accounts or vice versa.

There are times when Clients with individual investment policies or restrictions will not be able to participate in aggregated transactions and will only be invested in a particular security after compliance with the investment policies or restrictions has been established. It is possible these Clients will receive a less favorable price on such transactions. Additionally, in cases where a passive breach of a market value limitation occurs, the Client will incur additional transaction costs in order to keep the account within the investment guidelines. Not all Client accounts without brokerage restrictions or limitations will trade in the Free Block for every trade. The Managing Director, Head of Trading and Risk Analytics, may remove an account from the Free Block if it is necessary to adhere to regulatory requirements, client-specific investment guidelines or restrictions, or if he otherwise determines it is in the best interest of the Client.

Trading Procedures – Cash Transactions

Cash transactions are defined as trading orders executed for the day-to-day management of contributions to and withdrawals from SMAs and are not transactions resulting from investment actions. Typical cash transactions include: (1) orders executed for SMA deposits or withdrawals; (2) orders executed for the purpose of adherence to SMA guidelines; (3) orders executed for tax considerations at the request of a SMA Client; (4) orders executed to liquidate and close a SMA; and (5) orders executed to open a new SMA.

Orders for cash transactions are sent to the trading desk throughout the day. In general, cash transactions are processed and executed in the order received by the trading desk. To the extent practicable, cash transactions are executed on the same day as the order is received and, to the extent possible or applicable, are aggregated with other cash transactions.

Public Offerings

From time to time, Sands Capital Alternatives will participate in initial public offerings, syndicated/secondary or follow-on offerings, or other investment opportunities expected to be very limited in supply ("*Syndicated Offerings*") and will seek to allocate these trades pro rata. In certain instances where pro rata allocation is not possible due to country specific rules Sands Capital

Alternatives will execute orders on a random basis. Any allocations made outside of the standard pro-rata allocation basis are reviewed by the compliance team. These situations are rare, and the vast majority of trades are either completed in full or pro-rated. Please refer to "*Trade Aggregation and Allocation*" under *Item 12 – Brokerage Practices* for additional information about the allocation of trades. Clients that direct brokerage, including Directed Accounts and Trade Away Accounts, may be constrained from participating in these offerings. These Clients will purchase securities in the secondary market. The price received by these Clients may be higher or lower than that of Clients participating in the Syndicated Offering. Sands Capital Alternatives' Seeded Accounts will not participate in Syndicated Offerings but will typically purchase these securities in the secondary market.

Trade Errors

"Trade errors" are errors in a Client trade by Sands Capital Alternatives or its affiliates that are discovered pre- or post-settlement that have had a financial impact to a Client. In this regard, a Trade Error Committee has been established, comprised of experienced staff members representing relevant functional groups within Sands Capital Alternatives and its Advisory Affiliates to address the resolution of trade errors that may arise, from time to time. Attempts to resolve trade errors are made as soon as reasonably practicable after discovery so that the affected Clients will not suffer a loss. Trades will be adjusted as needed in order to put the Clients in such a position, as reasonably practical, as if the trade error had never occurred. Clients will retain any profit when the trade is reversed. If the trade error is at a loss, Sands Capital Alternatives reimburses the Client for that loss. Sands Capital Alternatives will not use one Client's account to correct a trade error in another Client's account and will not use future brokerage to compensate a broker either directly or indirectly for absorbing the cost of correcting a trade error in an earlier transaction. When a third party is at fault for a mistake that caused negative financial impact, Sands Capital Alternatives may, in its sole discretion, assist to facilitate the reimbursement on behalf of the impacted Client. When a trade error involves more than a single buy or sell, gains/losses owed to a Client from an error will typically be determined on a net basis. Soft dollars are not used to resolve trade errors.

Item 13. REVIEW OF ACCOUNTS

The investment team of Sands Capital Alternatives monitors the portfolio holdings of each Client on a continuous basis. Reviews evaluate portfolio holdings, as applicable, to: (i) that of the associated strategy model; (ii) Client-specific (or Fund investor-specific) restrictions; (iii) Client investment objectives; (iv) types of securities authorized under Client Documentation; (v) the investment process; (vi) performance; and (vii) other similar matters. Employees of Sands Capital Alternatives or its affiliates have assumed, and likely will continue to assume, seats on portfolio company boards of directors and serve as observers to boards. In conjunction with such positions, Sands Capital Alternatives may provide operational, strategic, and scientific support to the companies.

Sands Capital Alternatives generally will provide underlying investors in the Funds with periodic written status reports on investments then held by a Fund, to the extent permitted or required under the applicable Client Documentation. In addition to the reporting provided to all investors,

Sands Capital Alternatives expects to provide certain investors with additional or more frequent information that other investors will not receive (e.g., under a Side Letter, investment management agreement, or in response to diligence or other requests). Sands Capital Alternatives will generally provide to Fund investors: (i) annual GAAP audited and quarterly unaudited financial statements, (ii) annual tax information necessary for each limited partner's tax return and (iii) at least annual reports providing a narrative summary of the status of each portfolio company. Notwithstanding the foregoing, Sands Capital Alternatives does not provide GAAP audited financial statements to underlying investors in Funds for certain co-investment vehicles. Designated intermediaries of SMAs typically receive a report of their accounts showing account holdings, performance information, and, as applicable, compliance with investment guidelines on a monthly or other interim basis, and investment commentary on a quarterly or other interim basis.

Item 14. CLIENT REFERRALS AND OTHER COMPENSATION

Neither Sands Capital Alternatives nor any related person directly or indirectly compensates any person who is not a supervised person for client referrals. For details regarding economic benefits provided to Sands Capital Alternatives by non-Clients, including a description of the related material conflicts of interest and how they are addressed, please see *Item 11 – Code of Ethics, Interest in Client Transactions, and Personal Trading.* In addition, Sands Capital Alternatives and its related persons may, in certain instances, receive discounts on products and services provided by portfolio companies and/or the customers or suppliers of such portfolio companies.

Sands Capital Alternatives expects from time to time to engage one or more persons to act as a placement agent for a Client in connection with the offer and sale of interests to certain potential investors. Such persons generally receive a fee in an amount equal to a percentage of the capital commitments for interests made by such potential investors to such Client that are subsequently accepted. Management Fees received by Sands Capital Alternatives are generally reduced by the amount of such fees paid by the Client. As some Clients or co-investment vehicles may not pay Management Fees, any such reduction will not benefit such Clients or vehicles (or their underlying investors). In addition, Sands Capital Alternatives expects from time to time be engaged to provide sub-advisory services to investment funds sponsored by unaffiliated third parties. In such circumstances, the third parties or their affiliates will generally be entitled to fees or other remuneration from the relevant investment fund, which will not reduce the amount of fees paid to Sands Capital Alternatives.

Sands Capital Alternatives pays nominal fees to be listed and include information about its investment strategies in consultant registries or databases that describe services provided by investment managers including Sands Capital Alternatives.

Item 15. CUSTODY

Sands Capital Alternatives generally does not have physical custody of Client funds or securities. However, Sands Capital Alternatives or its affiliates will generally be deemed to have

custody of the funds and securities of one or more Funds under Advisers Act Rule 206(4)-2 (the "*Custody Rule*"), subject to certain exceptions set forth in the Custody Rule and related guidance. In such cases, (a) the funds and securities will be held with a "*qualified custodian,*" as defined in the Custody Rule (generally a bank or broker-dealer) independent of Sands Capital Alternatives; and (b) the Funds will be subject to either an annual audit in accordance with generally accepted accounting principles or actual examination at least once during each calendar year by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. Notwithstanding the foregoing, Funds that are subject to an annual audit may have certain privately offered securities recorded only on the books and records of the issuer (if the security is uncertificated) or held in a safe location on Sands Capital Alternatives' premises (if the security is certificated in accordance with applicable SEC guidance). Investors in a Fund that is not subject to an annual audit receive at least quarterly statements from the Fund's qualified custodian and should review such statements carefully. SMAs engage custodians directly to maintain custody of their funds and securities, and Sands Capital Alternatives does not have custody of such funds or securities. Sands Capital Alternatives is neither party to, nor responsible for, the terms of any contract between a SMA Client and its custodian.

Item 16. INVESTMENT DISCRETION

Sands Capital Alternatives generally provides its investment advisory services to Clients on a discretionary basis, subject, in the case of Funds, to the direction and control of the general partners of the Funds. Such authority, and any policies, restrictions or limitations relating to such authority, are set forth in the Client Documentation.

Item 17. VOTING CLIENT SECURITIES

Sands Capital Alternatives has adopted policies and procedures with respect to the voting of securities held by Clients and has authority to vote proxies on behalf of Clients unless otherwise stated in Client Documentation. Sands Capital Alternatives' policy is to evaluate and vote in a manner consistent with a Client's best interests. Sands Capital Alternatives believes that it acts in the best interests of a Client when it votes in a manner that maximizes the economic value of the Client's holdings. Prior to a voting deadline, Sands Capital Alternatives determines whether and how to vote on each proposal based on its analysis of the information received. In voting, Sands Capital Alternatives is not an automatic supporter of management. Further, there may be times when it determines that refraining from voting is in a Client's best interest, such as when the cost of voting exceeds the expected benefit to the Client. Clients and investors in a Fund are not able to direct the vote of Sands Capital Alternatives, unless the Client Documentation states otherwise.

If a material conflict exists, Sands Capital Alternatives takes steps to ensure that its voting decision is based on the best interests of the relevant Client and is not a product of the conflict. If the Chief Compliance Officer determines that a material conflict of interest exists, then Sands Capital Alternatives may, at its discretion: (a) disclose the conflict of interest to the Client or a committee thereof (or investors in a Fund, as applicable) and consult with such persons (or committee) or defer

to such persons' (or committee's) voting recommendation; (b) defer to the voting recommendation of an independent third party provider of proxy voting services; or (c) take such other action that Sands Capital Alternatives in good faith believes would serve the best interests of the relevant Client. Depending on the particular circumstances involved, the appropriate resolution of one conflict of interest may differ from the resolution of another conflict of interest, even though the general facts underlying both conflicts may be similar (or identical).

If a Client participates in a securities lending program, Sands Capital Alternatives will not be able to vote the proxy for shares out on loan. Sands Capital Alternatives will generally not seek to recall for voting shares on loan. However, under rare circumstances, for voting issues that may have a particularly significant impact on the investment, Sands Capital Alternatives may request a Client to recall securities that are on loan if Sands Capital Alternatives determines that the benefit of voting outweighs the costs and lost revenue to the Client and the administrative burden of retrieving the securities.

Clients may obtain information regarding how Sands Capital Alternatives voted proxies relating to securities held by a Client or request a copy of Sands Capital Alternatives' proxy voting policies and procedures, by contacting the Chief Compliance Officer at (703) 562-4000 or writing to 1000 Wilson Blvd., Suite 3000, Arlington, VA 22209.

Item 18. FINANCIAL INFORMATION

Sands Capital Alternatives does not believe that there are any financial commitments that are reasonably likely to impair the ability of Sands Capital Alternatives to meet its contractual commitments to Clients. Further, Sands Capital Alternatives has not been the subject of a bankruptcy petition at any time during the past 10 years.

Item 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Not applicable.