



**EDGEWOOD**  
MANAGEMENT LLC

1<sup>st</sup> Quarter 2024 Update

# Firm Update & Overview

---

- Approximately \$37.8 billion assets under management as of 3/31/2024
- 11 owners / partners
- Privately owned

These materials contain statements which may be considered “forward-looking statements,” which are not historical in nature. Words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “likely,” “may,” “plan,” “potential,” “should,” “target” and “would” are intended to identify such statements. These forward-looking statements include, among other things, projections, forecasts, estimates or hypothetical calculations with respect to income, yield or return, future performance targets, or potential future investments. No representation is made as to the accuracy, validity or relevance of any such forward-looking statement, and actual events are difficult to predict and may be substantially different. All forward-looking statements are based on our view on the date of this report, unless otherwise specified. While reasonable care has been taken to ensure that the information herein is factually correct, Edgewood makes no representation or guarantee as to its accuracy or completeness. The information herein is subject to change without notice. Investing involves risk and you may incur a loss regardless of strategy selected. No information, including performance, contained in these materials may be copied or distributed to any third party without the written consent of Edgewood.

# Investment Team – Edgewood Management LLC

---

<u>Portfolio Managers/Analysts</u>	<u>Years of Industry Experience*</u>
Alan Breed	40
Lawrence Creel	38
Scott Edwardson	25
Alexander Farman-Farmaian	36
Peter Jennison	38
Kevin Seth	40
<u>Analysts</u>	
Scott Robinson	23
Will Broadbent	14
Janet Lynne Knopf	9
Schuyler Stitzer	7
Jennifer Lupica	7
Tyler Grossé	5
<u>Traders</u>	
Raymond Jaeger	31
Angelina Iannuzzi	24
James Schneider	31

\*Years of Industry Experience as of March 31, 2024

# Key Messages

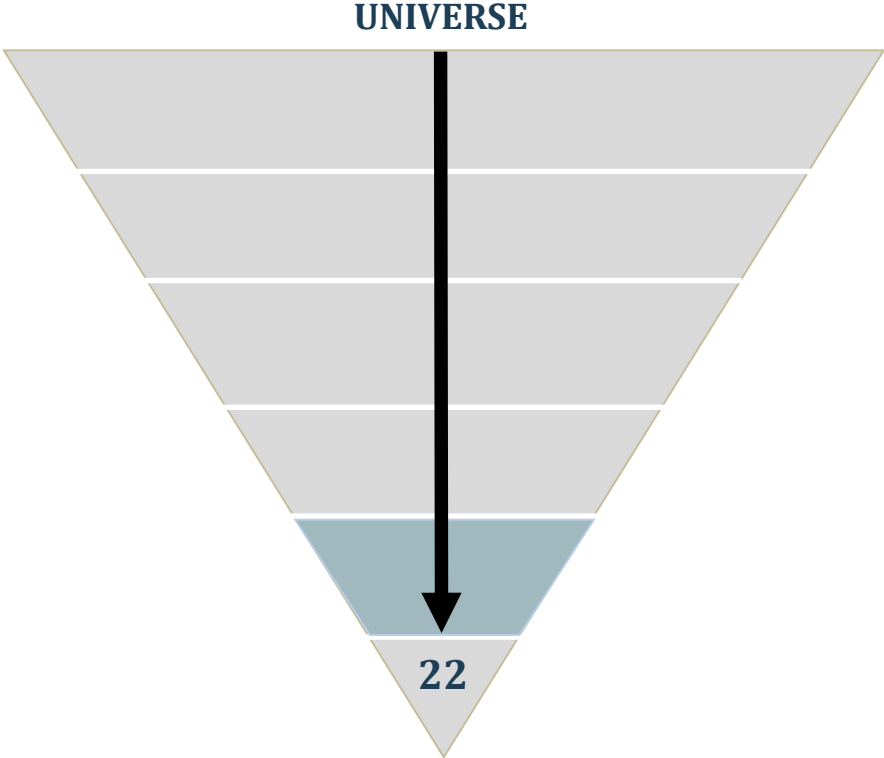
---

- Review of the most recent quarterly earnings reports
- Review of the change in capital allocation during the quarter
- Introduction to the newest additions to Edgewood's portfolio: Synopsys and Copart
- Discussion of the portfolio's exposure to artificial intelligence (AI) and machine learning (ML)

No recommendation is made, positive or otherwise, regarding individual securities mentioned. The specific securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients, and the reader should not assume that investments in the securities identified were or will be profitable.

# Our Approach: Characteristics of Companies We Want to Own

- Financial Model Strength**
  - Growing Cash Flow/Internal Financing
  - High/Rising Profit Margins
  - Low Debt
- Competitive Advantage**
  - Market Leading Position
- Consistent Growth**
  - Unit Volume Increase
  - Fee Based Business Model
  - Recurring Revenue
- Management**
  - Cash Flow Management
  - Process
  - Responsive



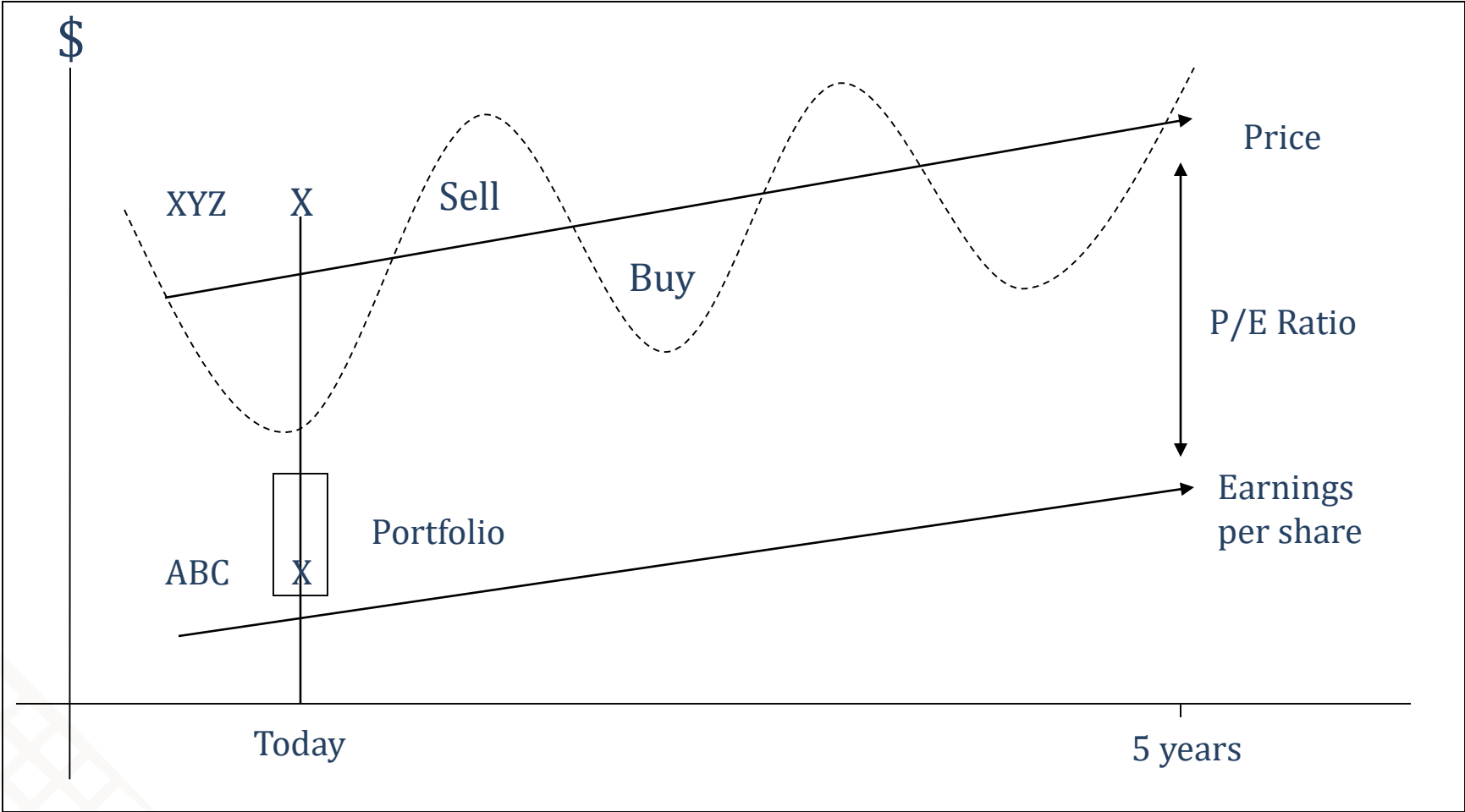
# Edgewood Approach: Portfolio Construction

---

- 22 growth companies Edgewood deems to be of high quality
- Diversified across sectors
- Diversified across growth rates
- Largest weightings represent Edgewood's strongest convictions

For the Large Cap Growth portfolio, Edgewood will not invest in companies where a significant amount of revenues are derived from manufacturing tobacco products, producing pornography, or operating gambling establishments and will not invest in companies that manufacture cluster munitions and landmines. Edgewood applies an up to 5% revenue threshold for screening purposes. Additionally, Edgewood will not invest in companies that derive more than 25% of revenues from the production of energy generated by coal.

# Edgewood Valuation Discipline



This illustration is provided for informational purposes only. All investments are subject to the risk of loss and may not appreciate in price as demonstrated. Edgewood's valuation discipline may not always have positive results. Past performance is no guarantee of future results.

# Net Performance Returns – As of March 31, 2024

	<b>Net 1<sup>st</sup> Quarter Performance Returns</b>	<b>Net 1-Year Performance Returns</b>	<b>Net 3-Year Performance Returns (Annualized)</b>	<b>Net 5-Year Performance Returns (Annualized)</b>	<b>Net 10-Year Performance Returns (Annualized)</b>
<b>Edgewood Large Cap Growth Composite</b>	13.2%	37.5%	4.9%	14.0%	15.2%
<b>S&amp;P 500 Index (TR)</b>	10.6%	29.9%	11.5%	15.1%	13.0%
<b>Russell 1000 Growth Index</b>	11.4%	39.0%	12.5%	18.5%	16.0%

Past performance does not guarantee future results. Net performance returns are calculated after actual management expenses including performance based fees. Net returns are calculated after the deduction of actual trading expenses. Trading expenses comprise trading commissions. Returns are rounded to nearest tenth and include reinvestment of dividends. This information is supplemental to Edgewood's GIPS Report located at the end of this presentation.

S&P 500 (Total Return) Index performance produced by Standard & Poor's. The S&P 500 is an unmanaged index with no expenses which covers 500 industrial, utility, transportation and financial companies of US markets. It is a capitalization-weighted index calculated on a total returns basis with dividends reinvested. Russell 1000 Growth Index performance produced by Russell Investments. The R1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth rates and dividends are reinvested. Indices are unmanaged, cannot be purchased by an investor, and include the reinvestment of dividends.



# Portfolio Profile and Results – as of March 31, 2024

<i>Stock Prices as of March 31, 2024</i>										
COMPANY NAME	Ticker	Portfolio Weighting	Most Recent	2024	2024 PE	2025	2025 PE	Edgewood Est.		Edgewood Est.
			Quarter YoY	Edgewood	Edgewood	Edgewood	Edgewood	Growth Rate		5 Year
			EPS Growth	Estimate	Estimate	Estimate	Estimate	2023 - 2024	2024 - 2025	Growth Rate
NVIDIA	NVDA	7.1%	486%	\$25.00	36x	\$30.10	30x	93%	20%	31%
NETFLIX	NFLX	7.0%	NM	\$16.00	38x	\$20.40	30x	32%	28%	20%
VISA	V	6.1%	11%	\$10.30	27x	\$12.10	23x	14%	17%	15%
ASML	ASML	5.8%	13%	\$21.66	45x	\$34.12	28x	9%	58%	20%
INTUIT	INTU	5.4%	20%	\$17.95	36x	\$21.35	30x	16%	19%	17%
AIRBNB	ABNB	5.3%	58%	\$5.05	33x	\$7.10	23x	4%	41%	21%
MICROSOFT	MSFT	5.2%	26%	\$12.50	34x	\$14.50	29x	17%	16%	15%
SERVICENOW	NOW	4.9%	36%	\$14.17	54x	\$19.01	40x	31%	34%	29%
ADOBE	ADBE	4.8%	18%	\$18.00	28x	\$20.30	25x	12%	13%	16%
ELI LILLY °	LLY	4.8%	34%	\$14.70	53x	\$19.65	40x	56%	34%	31%
INTUITIVE SURGICAL	ISRG	4.3%	30%	\$6.60	60x	\$7.90	51x	19%	20%	19%
CHIPOTLE	CMG	4.3%	25%	\$57.15	51x	\$71.30	41x	30%	25%	24%
BLACKSTONE ^	BX	4.2%	4%	\$5.10	26x	\$6.30	21x	29%	24%	15%
S&P GLOBAL	SPGI	4.1%	23%	\$14.65	29x	\$16.75	25x	17%	14%	14%
DANAHER	DHR	3.9%	(18%)	\$7.89	32x	\$9.16	27x	4%	16%	12%
UBER	UBER	3.6%	128%	\$1.43	54x	\$2.50	31x	88%	75%	52%
SYNOPSYS	SNPS	3.5%	36%	\$13.85	41x	\$16.70	34x	20%	21%	19%
LULULEMON	LULU	3.4%	20%	\$14.55	27x	\$16.81	23x	14%	16%	21%
ESTEE LAUDER	EL	3.3%	(43%)	\$3.70	42x	\$5.80	27x	28%	57%	15%
ILLUMINA ±	ILMN	2.4%	7%	\$3.85	36x	\$4.75	29x	20%	23%	15%
MSCI	MSCI	2.3%	30%	\$14.90	38x	\$17.50	32x	18%	17%	16%
COPART	CPRT	2.2%	10%	\$1.55	37x	\$1.79	32x	19%	15%	15%
<b>WEIGHTED PORTFOLIO AVERAGE</b>			<b>55%</b>		<b>38x</b>		<b>30x</b>	<b>28%</b>	<b>27%</b>	<b>20%</b>
<b>S&amp;P 500 *</b>			<b>3%</b>		<b>23x</b>		<b>21x</b>	<b>11%</b>	<b>14%</b>	<b>10%</b>
<b>Russell 1000 Growth *</b>			<b>15%</b>		<b>31x</b>		<b>26x</b>	<b>13%</b>	<b>16%</b>	<b>13%</b>

Holdings as of 3/31/2024. NM is not meaningful.

Most recent quarter YoY EPS (year over year earnings per share) growth figures reflect the period ended 12/31/23 with the exception of Adobe, Copart, Intuit, Lululemon, NVIDIA and Synopsys whose fiscal quarters differ. These numbers are calculated based on company earnings reports and exclude the impact of non-recurring items not indicative of the underlying business, where appropriate.

^ Blackstone's EPS figure is Distributable Earnings per share as we believe it is the most relevant valuation metric.

° Eli Lilly's EPS figure excludes the impact of acquired IPR&D charges because we believe it is most representative of Lilly's core business activities. Acquired IPR&D charges may be incurred upon execution of licensing agreements and other asset acquisitions. LLY does not forecast acquired IPR&D charges due to the uncertainty of the future occurrence, magnitude, and timing of these transactions. LLY's most recent quarter YoY adjusted EPS growth rate is 19%.

± Illumina's growth rate in the most recent quarter is calculated using reported adjusted operating profit which removes the effect of Grail dilution on YoY comparisons. We believe this metric is most representative of underlying business growth. ILMN's most recent quarter YoY adjusted EPS growth rate is 0%.

\* 2023-2025 earnings estimates for the S&P 500 and Russell 1000 Growth along with the current quarter year over year earnings per share growth and 5-year estimated growth rates are based on most recently available information provided by Bloomberg. Refer to slide 7 for definitions of the indices.

No recommendation is made, positive or otherwise, regarding individual securities mentioned. Past performance does not guarantee future results. The holdings identified do not represent all of the securities purchased, sold or recommended for advisory clients. This information is supplemental to Edgewood's GIPS Report located at the end of this presentation.

# Net Portfolio Attribution – Q1 2024

Security	Q1 Average Portfolio Weighting	Net Q1 Total Security Return	Net Q1 Contribution to Performance
<b>Top 5 Contributors</b>			
NVIDIA Corp.	7.3%	82.4%	4.8%
Netflix Inc.	6.8%	24.7%	1.6%
ASML Holding NV	5.5%	28.4%	1.4%
Eli Lilly & Co.	4.6%	33.7%	1.3%
Chipotle Mexican Grill, Inc.	4.4%	27.1%	1.1%
<b>Bottom 5 Contributors</b>			
Lululemon Athletica Inc.	3.7%	-23.6%	-1.0%
Adobe Inc.	4.9%	-15.4%	-0.9%
American Tower Corp.	1.9%	-8.6%	-0.3%
S&P Global Inc.	4.2%	-3.2%	-0.1%
Illumina Inc.	2.5%	-1.4%	-0.04%

The attribution is from a representative large cap growth account for the 1<sup>st</sup> quarter 2024. The securities listed above represent a subset of portfolio investments that is not available as a strategy or portfolio. Average portfolio weightings, gross total security return, and gross portfolio contribution figures are provided by Refinitiv. Refinitiv determines portfolio contributors and detractors by multiplying security return by portfolio weight for the period using the time-weighted return method. Edgewood calculates the net total security return and net contribution to portfolio return figures included in the table above by multiplying the 1% management fee per annum (0.25% per quarter) by the average portfolio weighting during the quarter and deducting the amount from the gross total security return and gross contribution to portfolio return figures.

The figures above do not reflect net performance returns for Edgewood's large cap growth composite for the quarter. Refer to Slide 8 for net performance returns of the Edgewood large cap growth composite.

Portfolio contribution figures include reinvestment of dividends. No recommendation is made, positive or otherwise, regarding individual securities mentioned. Past performance does not guarantee future results. The holdings identified do not represent all of the securities purchased, sold or recommended for advisory clients.

To obtain (i) further information about the methodology used to calculate the contribution and performance of each security holding and (ii) a list showing every holding's contribution to the overall account's performance during the above-referenced timeframe, please contact Kitty McBride at (212) 652-9100 or write to Edgewood Management LLC, 600 Steamboat Road, Suite 103, Greenwich, CT 06830 or [Kmcbride@edgewood.com](mailto:Kmcbride@edgewood.com). This information is supplemental to Edgewood's GIPS Report located at the end of this presentation.

## Change in Capital Allocation & Transactions – Q1 2024

---

<b>Bought</b>	<b>Sold</b>
Synopsys Inc.: +2.0%	American Tower Corp.: -2.3%
Copart Inc.: +2.0%	

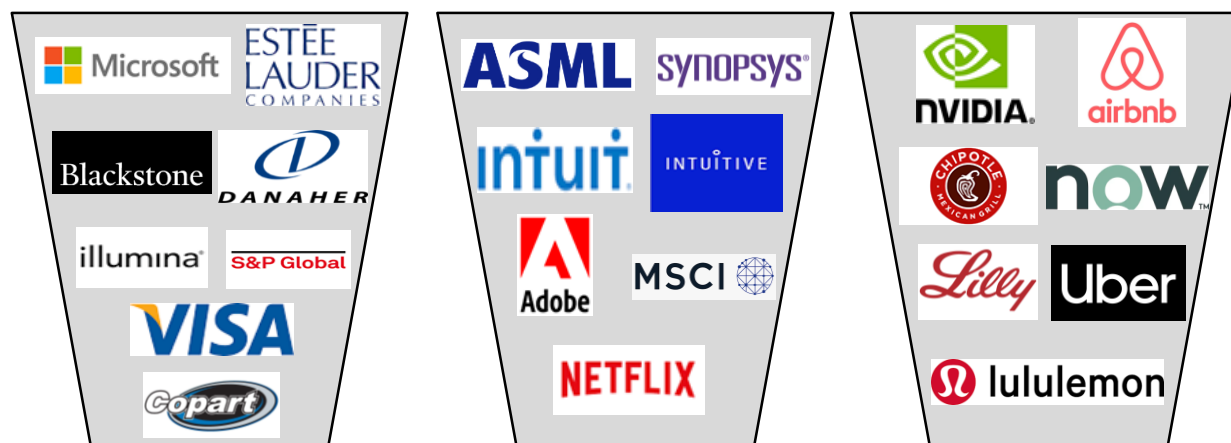
No recommendation is made, positive or otherwise, regarding individual securities mentioned. The specific securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients, and the reader should not assume that investments in the securities identified were or will be profitable.

## Change in Capital Allocation & Transactions – Q1 2024

<b>Added</b>	<b>Trimmed</b>
Uber Technologies Inc.: +1.0%	Adobe Inc.: -0.5%
Eli Lilly & Co.: +0.5%	ServiceNow Inc.: -1.0%
MSCI Inc.: +0.7%	Intuit Inc.: -0.5%
Synopsys Inc.: +1.5%	Intuitive Surgical, Inc.: -1.0%
S&P Global Inc.: +0.5%	Chipotle Mexican Grill, Inc.: -1.0%
Adobe Inc.: +1.0%	NVIDIA Corp.: -3.2%
Lululemon Athletica Inc.: +0.5%	

No recommendation is made, positive or otherwise, regarding individual securities mentioned. The specific securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients, and the reader should not assume that investments in the securities identified were or will be profitable.

## Portfolio Allocation by Growth Rate – as of March 31, 2024



	Bucket 1	Bucket 2	Bucket 3
Estimated LT EPS Growth*	10-15%	16-20%	21%+
Average 2024 PE Multiple*	32.7x	40.9x	43.9x
Portfolio Weighting	31.4%	33.1%	33.3%

Holdings as of 3/31/2024. Source: Edgewood

+ Blackstone's EPS figure is actually Distributable Earnings per share as we believe this is the most relevant valuation metric.

\*The Estimated LT EPS Growth figures and the Average 2024 PE Multiples are Edgewood estimates. The Average 2024 PE Multiples included in the table represent the average of the securities in each growth bucket. Edgewood divides its portfolio into three buckets by estimated growth rate over the next five years.

No recommendation is made, positive or otherwise, regarding individual securities mentioned. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for advisory clients, and the reader should not assume that investments in the securities identified were or will be profitable.

# Synopsys (SNPS): Investment Overview

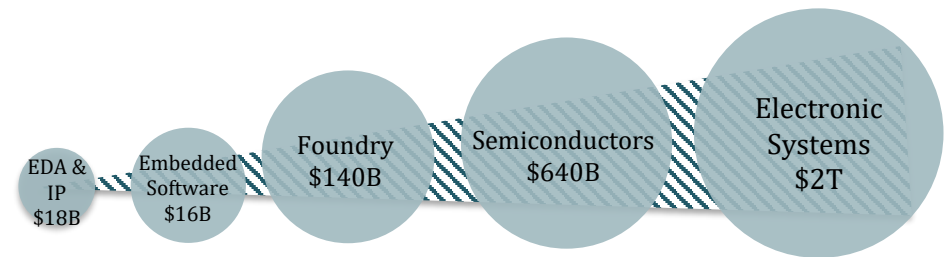
## Business Overview

- Synopsys is a **mission-critical** semiconductor & systems company for chip design
- Provides products and services across the entire Silicon-to-Software spectrum
  - Leader in Electronic Design Automation ("EDA") used to design, validate and test advanced chips
  - Broad portfolio of semiconductor Intellectual Property ("IP"), i.e. predesigned circuits for larger chip designs
- EDA & IP are both essentially duopoly markets
  - Value continues to accrue to the largest players due to cost of investment (~1/3 of SNPS revenue is spent on R&D)
- Diversified customer base
  - Semiconductor companies are 55% of revenue (ex. NVDA, INTC), Systems companies are 45% (ex. TSLA, AMZN)
- Currently acquiring Ansys (ANSS) for \$35B, an engineering simulation software company, while divesting SNPS's software integrity ("SIG") segment

## Industry Opportunity

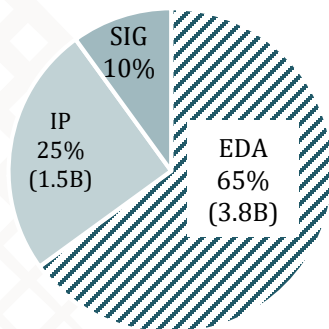
- Long-term tailwinds driving design starts
  - Smart everything = Proliferation of silicon
  - Software-defined systems (auto, mobile, industrial)
  - Artificial Intelligence ("AI") & high-performance compute ("HPC")
- Industry growth & SNPS revenues have accelerated as EDA tools become increasingly critical for advanced nodes

### SNPS Enables a Multi-trillion Dollar Global Value Chain

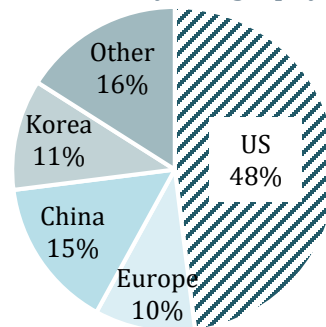


## Business Snapshot

### Revenue by Segment



### Revenue by Geography



## Company Profile

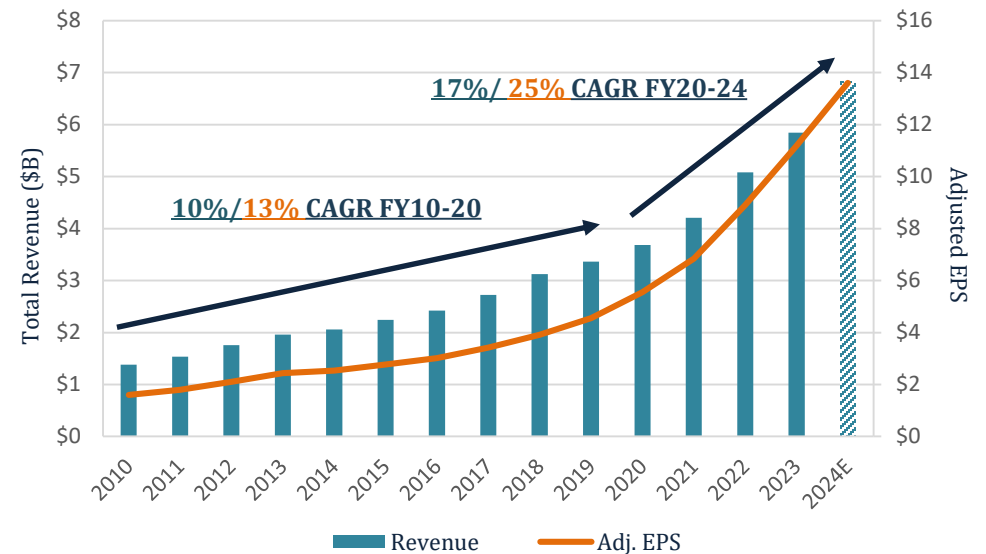
- Market Cap (3/31/24): \$87B
- FY23 Revenue: \$5.8B (+15% y/y) / EBIT: \$2B (35% Margin)
- \$1.3B in cash and no debt (as of 1/31/24)
- CEO: Sassine Ghazi, CFO: Shelagh Glaser
- Operates in 120 countries worldwide
  - 20,300 employees (80% engineers)
- Founded: 1986. Headquarters: Sunnyvale, CA

# Synopsys (SNPS): Investment Overview

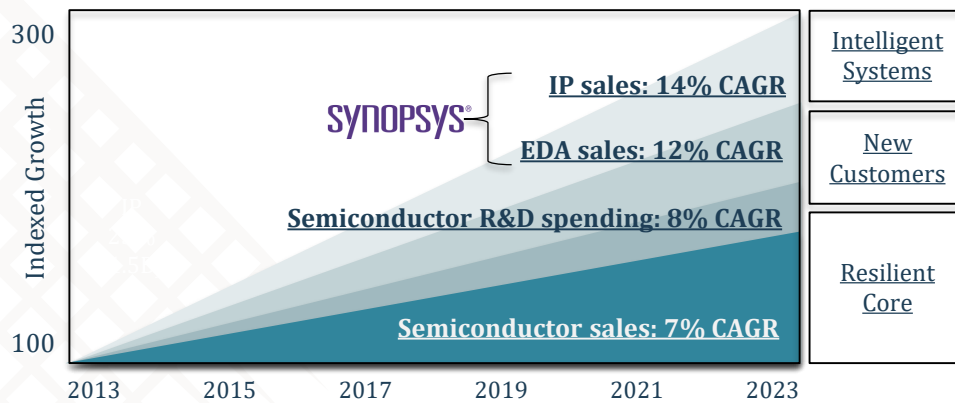
## Key Growth Drivers

- EDA Opportunities
  - Full-flow suite including system architecture, design, verification, implementation, signoff, testing & manufacturing
  - Synopsys.ai was first AI-based EDA tool to market in 2020
  - AI workflow driving share gains in legacy EDA products
  - Tight integration necessary to get full benefits of AI optimization
  - Unlocks pricing potential from license-based to value-based tools
- IP Opportunities
  - Increasing chip complexity, shortening cycles and diversification of customer base is driving greater demand for 3rd party IP
  - Customers want to focus efforts on core differentiators

## Financials are Accelerating



## Capturing TAM beyond Semiconductor R&D



Intelligent Systems

New Customers

Resilient Core

## SNPS + ANSS

- Silicon-to-systems transition is affecting new verticals (healthcare, autos, aerospace & defense, industrial) in addition to legacy semiconductors
  - Ansys brings expertise in physics simulations
- Acquisition expands current \$18B TAM to \$30B+
  - Companies have partnered together since 2017
  - Adds hundreds of Ansys' diversified customers and significantly expands sales force
- Knowledge sharing: SNPS has AI advantage, Ansys leverages the Cloud for workflows



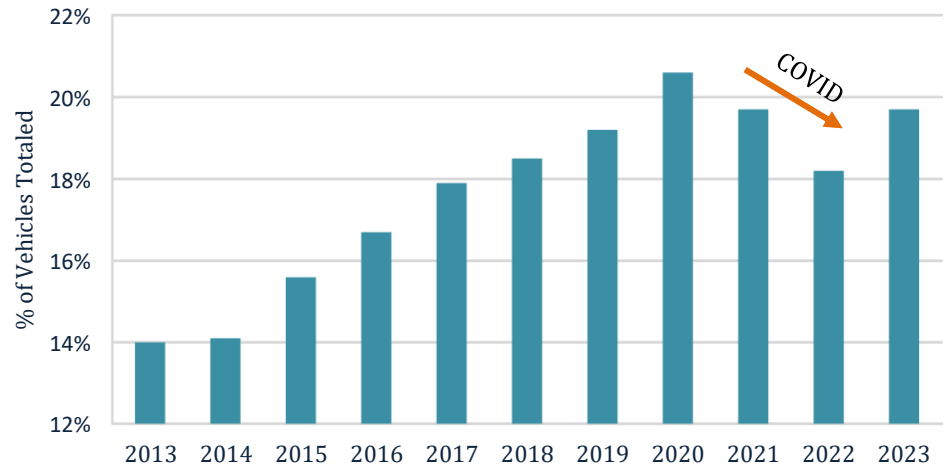
# Copart (CPRT): Investment Overview

## Business Overview

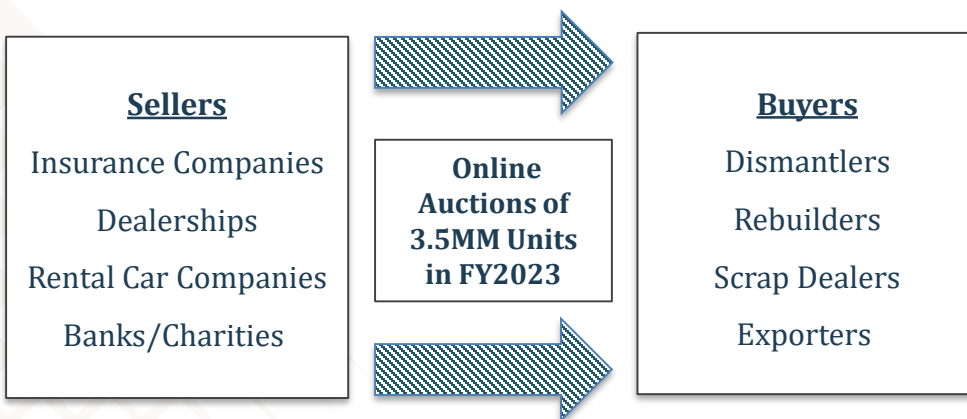
- CPRT is a global leader in online vehicle auctions selling over 3.5m vehicles in FY 2023
- Through its digital auction platform CPRT connects ~1m subscribers in over 190 countries to sellers in the U.S., Canada, UK, UAE, Oman, Bahrain, Brazil, Ireland, Spain, India, and Germany
- CPRT generates the majority of revenue as an agent selling vehicles deemed “total loss” on behalf of insurance companies, with a growing presence in non-salvage vehicles
- The company reports across two segments:
  - Services revenue (83% of rev, ~95%+ of gross profit): seller commissions, buyer fees, marketplace services
  - Vehicle sales (17% of rev, ~5% of gross profit): ownership and sale of vehicle

## Growing Trend toward Totaling a Vehicle

### Insurance Total Loss Rate



## CPRT's Marketplace



## Company Profile

- Market Cap (3/31/24): \$56B
- FY 2023 Revenue: \$3.9B (+11% y/y) / EBIT: \$1.5B (38% Margin)
- \$2.7B in cash and no debt (as of 1/31/24)
- CEO: Jeff Liaw
- Operates in 11 countries with 250+ salvage yards totaling ~18,000 acres
- Founded: 1982. Headquarters: Dallas, TX

Source: CCC Intelligent Solutions, Company SEC Filings, 2023 ESG Report, Edgewood research, Edgewood estimates

No recommendation is made, positive or otherwise, regarding individual securities mentioned. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for advisory clients, and the reader should not assume that investments in the securities identified were or will be profitable.

The information included in this slide represents the factors Edgewood's Investment Committee believes to be important for its investment consideration. All data is as of Copart's most recent fiscal year ended July 31, 2023 unless otherwise noted.



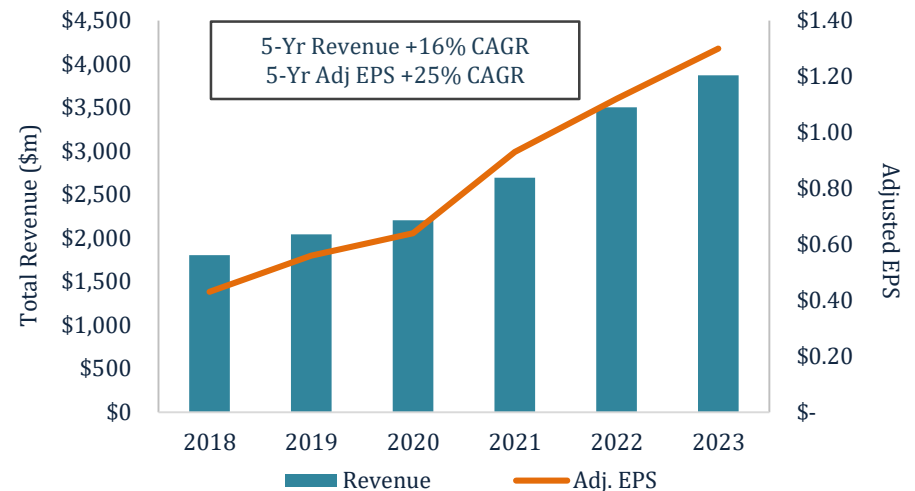


# Copart (CPRT): Investment Overview

## Investment Thesis\*

- **Profitable, growing industry with positive secular tailwinds:** miles driven, aging of the car park, vehicle complexity, increasing salvage rates
- **Duopoly market structure in salvage with significant barriers to entry:** land, buyer base and customer relationships
- **Whole car opportunity:** logical adjacency in offering auction services to “end of life” vehicles and lower priced non-damaged units
- **International greenfield:** represents 18% of CPRT’s revenue with a larger unit opportunity than in the U.S.

## Adjusted EPS & Total Revenue



## Growth Beyond Domestic Salvage

- CPRT is leveraging its global buyer base to grow in:
  - **End of life/heavily-used vehicles:** ~37m U.S. used cars sold annually, with ~1/3 in CPRT’s target market (low priced wholesale)
  - **Non-auto adjacencies:** including recreational vehicles and heavy machinery
  - **International:** Europe’s auto population of ~290m is equivalent to CPRT’s U.S. market and remains a fraction of CPRT’s current business (~mid-teens)

## Investment Characteristics\*

- **Take-rate Business Model:** Agency model with blended commission of ~20% of vehicle sale value
- **Attractive Financial Profile (FY 2023):** operating margins 38% of revenue, net margins 32% of revenue
- **Founder Led Business:** senior management act like owners; high insider ownership
- **Key Debates:** autonomous, whole car unit economics, international

Source: Company SEC Filings, 2023 ESG Report, Edgewood research, Edgewood estimates

\*Investment Thesis and Investment Characteristics sections include opinions based on Edgewood’s research and analysis.

No recommendation is made, positive or otherwise, regarding individual securities mentioned. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for advisory clients, and the reader should not assume that investments in the securities identified were or will be profitable.

The information included in this slide represents the factors Edgewood’s Investment Committee believes to be important for its investment consideration. All data is as of Copart’s most recent fiscal year ended July 31, 2023 unless otherwise noted.

# Copart (CPRT): Investment Overview

## Yard Network

- CPRT has a network of over 250 yard locations (~18,000 acres), ~90% of which are Company owned, that are zoned specifically to hold damaged and salvage vehicles
- Domestic yards are strategically located in high-cars-per-population areas and in regions susceptible to catastrophic weather events (e.g. Hurricanes)
- Growing the yard portfolio increases capacity, lowers towing costs, and decreases unit days on property
  - FY 2023 capital expenditure was ~\$500M, with ~80% of it directed towards land acquisition
- CPRT yards are valued at \$1.8B (book), with market value likely multiples of that given strategic location

### Orlando, FL



### Somerville, NJ

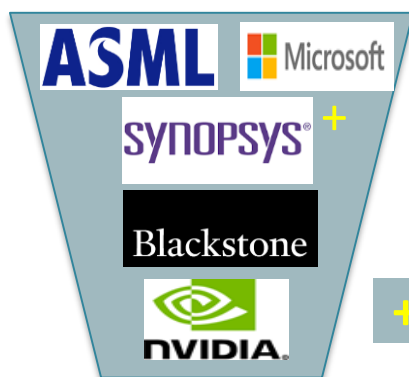


Source: Company SEC Filings, 2023 ESG Report, Edgewood research, Edgewood estimates

No recommendation is made, positive or otherwise, regarding individual securities mentioned. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for advisory clients, and the reader should not assume that investments in the securities identified were or will be profitable.

The information included in this slide represents the factors Edgewood's Investment Committee believes to be important for its investment consideration. All data is as of Copart's most recent fiscal year ended July 31, 2023 unless otherwise noted.

# Investing in AI: First Order Effects (Updated from Q2 2023)



**+** New positions since Q2 2023

## Infrastructure & Enablement

## Data Centric Applications

## Productivity

Q2 2023

<ul style="list-style-type: none"> <li>▪ Cloud based GPU accelerated datacenters</li> <li>▪ High speed data transfer (low latency) &amp; edge compute</li> <li>▪ Leading edge chip design &amp; manufacturing</li> </ul>	<ul style="list-style-type: none"> <li>▪ Proprietary datasets</li> <li>▪ Democratization of content creation</li> <li>▪ Automation &amp; workflow enhancement</li> <li>▪ AI based product optimism</li> </ul>	<ul style="list-style-type: none"> <li>▪ Drug discovery</li> <li>▪ Skilled labor productivity enhancements</li> <li>▪ Manufacturing/production efficiencies</li> <li>▪ Inventory &amp; supply chain management</li> </ul>
--	---	---

## Accelerated Compute

## Data Drives Revenue

## Productivity Drives Margins

Q1 2024

<ul style="list-style-type: none"> <li>▪ <b>Synopsys:</b> Chip &amp; system design</li> <li>▪ <b>Blackstone:</b> AI Datacenters/energy transition</li> <li>▪ <b>NVIDIA:</b> New Blackwell platform</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Netflix:</b> AI based recommendation engine, industry disruption</li> <li>▪ <b>Visa &amp; ServiceNow:</b> Generative AI and customer service</li> <li>▪ <b>Uber:</b> AI route optimization and pricing</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Eli Lilly:</b> Lower the cost of drug discovery</li> <li>▪ <b>Chipotle:</b> Robotics to boost efficiency</li> <li>▪ <b>DanaHER:</b> AI Assisted repair manual</li> </ul>
---	---	--

# Conclusion

---

- We believe we have improved the quality of the portfolio in the last two years by continuously challenging the portfolio positions as we look to identify future growth leaders.
- Most portfolio company management teams issued positive full year guidance for 2024 during their most recent quarterly earnings reports.
- The market is early in the transformative and investable trend of AI. We believe there is a long way to go to realize revenue enhancing and cost leveraging effects. In our opinion, the portfolio is well positioned to take advantage of this potential tailwind.
- If economy slows down, we will likely receive the benefit of the Fed reducing interest rates.
- We are cautiously optimistic for 2024 and beyond, based on current healthy economic growth, moderate inflation, and new market opportunities.

# Our Organization

## PARTNERS

<b>Alan Breed</b> President & Portfolio Manager	<b>Lawrence Creel</b> Partner & Portfolio Manager	<b>Scott Edwardson</b> Partner & Portfolio Manager	<b>Alexander Farman-Farmaian</b> Vice Chairman, Partner & Portfolio Manager	<b>Peter Jennison</b> Partner & Portfolio Manager	<b>Kevin Seth</b> Partner & Portfolio Manager
<b>James Carrier</b> Partner & Director of Marketing	<b>Olivia Fleming</b> Partner & Chief Legal Officer	<b>Fausto Rotundo, CPA</b> Partner, Chief Financial Officer & Chief Operating Officer	<b>Raymond Jaeger</b> Partner & Director of Trading	<b>Nicholas Stephens, CFA</b> Partner & Retired Portfolio Manager	

## TEAM MEMBERS

<b>Michael Voellmicke, CPA</b> Controller	<b>Julianne Mulhall</b> Chief Compliance Officer	<b>Scott Robinson</b> Managing Director & Senior Research Analyst	<b>Angelina Iannuzzi</b> Trader	<b>Nicole Pardo</b> Private Client Service Director	<b>Vito Pignatelli</b> Institutional Client Service Director	<b>Vincent Byrne</b> Portfolio Systems Director	<b>Kitty McBride</b> Executive Assistant	<b>James Chatham</b> Managing Director of IT	<b>John Schaeffer</b> Marketing Associate
<b>Lauren Romao</b> Finance Associate	<b>Irma Mellet</b> Legal & Compliance Officer	<b>Will Broadbent</b> Managing Director & Senior Research Analyst	<b>Jim Schneider</b> Trader	<b>John Nahaczewski</b> Client Service Administrator	<b>Emily Ma</b> Senior Client Service Administrator	<b>Julie Stevenson</b> Operations Associate	<b>Marylynn McKeown</b> Executive Assistant	<b>Rick Brown</b> IT Associate	
		<b>Schuyler Stitzer</b> Senior Research Analyst		<b>Gloria Lee</b> Client Service Administrator	<b>Jared Tronni</b> Client Service Administrator	<b>Matt Perilli, CFA</b> Operations Associate	<b>Monika Gavares</b> Executive Assistant		
		<b>Janet Lynne Knopf</b> Senior Research Analyst				<b>Nate Schaufler</b> CRM Administrator	<b>Lyndsey Baird</b> Client Service Assistant		
		<b>Jennifer Lupica</b> Senior Research Analyst					<b>Kerry McKeown</b> Receptionist		
		<b>Tyler Grossé</b> Research Analyst							

## Net Quarterly Performance – Large Cap Growth Composite as of March 31, 2024

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual	S&P 500	Russell 1000 Growth
<b>2014</b>	-0.64	8.64	0.88	4.45	13.75	13.69	13.05
<b>2015</b>	1.93	3.55	-3.64	9.62	11.49	1.38	5.67
<b>2016</b>	-3.68	-0.94	9.90	-1.39	3.41	11.96	7.08
<b>2017</b>	13.46	8.58	5.56	3.91	35.13	21.83	30.21
<b>2018</b>	6.60	7.14	6.46	-15.58	2.64	-4.38	-1.51
<b>2019</b>	16.25	5.43	0.03	9.50	34.25	31.49	36.39
<b>2020</b>	-11.55	30.00	10.21	12.51	42.58	18.40	38.49
<b>2021</b>	1.52	18.16	0.93	2.30	23.85	28.71	27.60
<b>2022</b>	-17.56	-26.76	-9.42	9.31	-40.22	-18.11	-29.14
<b>2023</b>	15.11	11.24	-5.80	15.94	39.84	26.29	42.68
<b>2024</b>	13.16				13.16*	10.56*	11.41*

Past performance does not guarantee future results. Refer to attached footnotes. Net performance results are calculated after actual management expenses including performance based fees. Net and gross returns are calculated after the deductions of actual trading expenses. Trading expenses comprise of trading commissions.

The Edgewood Large Cap Growth Composite has had a performance examination for the periods January 1, 1992 through December 31, 2022.

\*Performance through March 31, 2024

## Gross Quarterly Performance – Large Cap Growth Composite as of March 31, 2024

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual	S&P 500	Russell 1000 Growth
<b>2014</b>	-0.42	8.86	1.10	4.67	14.72	13.69	13.05
<b>2015</b>	2.16	3.78	-3.43	9.84	12.46	1.38	5.67
<b>2016</b>	-3.45	-0.72	10.12	-1.18	4.31	11.96	7.08
<b>2017</b>	13.69	8.82	5.78	4.14	36.29	21.83	30.21
<b>2018</b>	6.82	7.38	6.68	-15.38	3.54	-4.38	-1.51
<b>2019</b>	16.49	5.66	0.25	9.73	35.40	31.49	36.39
<b>2020</b>	-11.35	30.26	10.44	12.75	43.80	18.40	38.49
<b>2021</b>	1.74	18.40	1.14	2.52	24.90	28.71	27.60
<b>2022</b>	-17.34	-26.56	-9.24	9.53	-39.66	-18.11	-29.14
<b>2023</b>	15.34	11.47	-5.60	16.20	41.02	26.29	42.68
<b>2024</b>	13.39				13.39*	10.56*	11.41*

Past performance does not guarantee future results. Refer to attached footnotes.

The Edgewood Large Cap Growth Composite has had a performance examination for the periods January 1, 1992 through December 31, 2022.

\*Performance through March 31, 2024

## Large Cap Growth Composite

	Gross Annual Return	Net Annual Return	S&P 500	Russell 1000 Growth	Number of Portfolios	Composite Dispersion	Total Assets in Composite (\$MM)	% of Firm Assets	GIPS Firm Assets (\$MM)
2014	14.72	13.75	13.69	13.05	404	0.24	3,310.1	29.7	11,141.8
2015	12.46	11.49	1.38	5.67	470	0.42	3,701.0	26.6	13,906.8
2016	4.31	3.41	11.96	7.08	525	0.24	3,964.4	25.4	15,578.2
2017	36.29	35.13	21.83	30.21	609	0.22	5,482.0	23.4	23,430.1
2018	3.54	2.64	-4.38	-1.51	632	0.25	5,409.8	21.6	25,044.9
2019	35.40	34.25	31.49	36.39	690	0.53	7,358.4	21.5	34,207.6
2020	43.80	42.58	18.40	38.49	802	0.55	10,456.4	20.3	51,392.0
2021	24.90	23.85	28.71	27.60	864	0.25	12,876.2	20.8	61,873.6
2022	-39.66	-40.22	-18.11	-29.14	643	0.38	6,427.5	22.4	28,756.7
2023	41.02	39.84	26.29	42.68	660	0.58	8,386.9	23.5	35,717.0

Past performance does not guarantee future results. Refer to attached footnotes.

The Edgewood Large Cap Growth Composite has had a performance examination for the periods January 1, 1992 through December 31, 2022.

Performance results are expressed and calculated in U.S. dollars. Gross performance results are calculated before deduction of management fees. Net performance results are calculated after actual management expenses including performance based fees. Net and gross returns are calculated after the deduction of actual trading expenses. Trading expenses comprise of trading commissions.

Annual composite dispersion presented is an asset-weighted standard deviation of gross returns for accounts in the composite the entire year.



## Footnotes for Large Cap Growth Composite

Edgewood Management LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Edgewood Management LLC has been independently verified for the periods January 1, 1992 through December 31, 2022. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Edgewood Large Cap Growth Composite has had a performance examination for the periods January 1, 1992 through December 31, 2022. The verification and performance examination reports are available upon request. Edgewood Management LLC is an SEC registered investment advisor. Past performance is no guarantee of future results. The performance data presented here should not be taken as any guarantee or other assurance as to future results. The value of any investment may increase or decrease over time. Performance results are expressed and calculated in U.S. dollars. Gross performance results are calculated before deduction of management fees. Net performance results are calculated after actual management expenses including performance based fees. Net and gross returns are calculated after the deduction of actual trading expenses. Trading expenses comprise of trading commissions. The management fee as disclosed in Part 2A of Edgewood's Form ADV is 1%. Actual investment advisory fees incurred by clients may vary.

The Large Cap Growth Composite is comprised of individual and institutional accounts that invest in Edgewood's Large Cap Model of generally 22 large capitalization growth companies chosen by using fundamental analysis and an internal valuation discipline. Edgewood strives to beat the S&P 500 and Russell 1000 Growth indices annually and over the long-term. The composite was created in January 2001 and the composite inception is January 1987. Composites are valued monthly and portfolio returns have been weighted by using beginning of quarter market values plus weighted cash flows. Performance results reflect the reinvestment of dividends and other earnings. Trade date accounting has always been used. No alteration of composites as presented here has occurred because of changes in personnel. A complete list and description of the Firm's composites is available upon request. Depending on the custodian's treatment of foreign withholding taxes on dividends, interest, and capital gains, Edgewood's performance figures reflect the performance of accounts which may be gross or net of foreign withholding taxes on dividends, interest, and capital gains.

Only discretionary accounts are included in the Large Cap Growth Composite. Effective January 1, 2021, Edgewood changed the minimum portfolio size for inclusion in the composite from \$250,000 to \$1,000,000. Effective July 1, 2013, Edgewood changed the minimum portfolio size for inclusion in the composite from \$500,000 to \$250,000. Additional information regarding previous composite minimums is available upon request. From inception to December 31, 2000, the performance results shown represent the Institutional Large Cap Growth Composite, which has the same strategy as the Large Cap Growth Composite, but it only includes tax exempt accounts. This composite is presented because taxable portfolios prior to 2001 typically held restrictions and legacy holdings that were not representative of the strategy. As of January 1, 2001, the results shown include taxable and tax exempt accounts that follow the composite strategy. The composite represents approximately 22.7% of the firm's assets under management as of March 31, 2024.

From January 1, 1992 to December 31, 1997 accounts were included in the composite the first full month after opening. From January 1, 1998 to December 31, 2004 accounts were included in the composite at the end of its second quarter after opening. As of January 1, 2005 accounts are included in the relevant composite the first full quarter after their opening. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The composite returns are benchmarked to the Standard & Poor's 500 Index ("S&P 500") and the Russell 1000® Growth Index ("R1000 Growth"). The benchmarks are used for comparative purposes only and generally reflects the risk or investment style of the investments reported on the schedules of investment performance. Investments made for the portfolios Edgewood manages according to its Large Cap Growth strategy may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of the aforementioned indices. Accordingly, investment results and volatility will differ from those of the benchmarks. The S&P 500 is an unmanaged index with no expenses, which covers 500 industrial, utility, transportation and financial companies of US markets. It is a capitalization-weighted index calculated on a total return basis with dividends reinvested. The R1000 Growth measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth rates and dividends are reinvested. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

<b>Three Year Annualized Standard Deviation</b>										
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Large Cap Growth Composite</b>	11.12%	11.94%	13.45%	12.68%	13.84%	12.96%	17.88%	16.66%	24.91%	24.62%
<b>S&amp;P 500</b>	8.98%	10.48%	10.59%	9.92%	10.80%	11.93%	18.53%	17.17%	20.87%	17.29%
<b>Russell 1000 Growth</b>	9.59%	10.70%	11.15%	10.54%	12.12%	13.07%	19.64%	18.17%	23.47%	20.51%

The Three Year Annualized Standard Deviation measures the variability of the composite gross returns and the benchmark returns over the preceding 36-month period.

