

Sustainable Growth Equity

Second Quarter 2026 · Investment Commentary

+22.04%

Portfolio Return (Gross)
Q2 2026

+21.86%

Portfolio Return (Net)
Q2 2026

+16.74%

Benchmark Return
Russell 1000® Growth Index

+512 bps

Outperformance vs. benchmark (Net)

MARKET BACKDROP

The second quarter of 2026 marked a decisive turnaround for U.S. equities, with major indices posting their strongest quarter in six years and reaching new highs across market caps and styles alike. Strong fundamentals kept the market resilient despite ongoing inflation concerns, powered by relentless AI infrastructure spending and an earnings season that kept beating expectations. That resilience was reinforced by a broader global backdrop, as PMIs across developed and emerging markets broke out together to multi-year highs, signaling a recovery in economic momentum more genuine and widespread than the headline numbers suggest. Leadership broadened away from the Mag 7 at the index level, but underneath the surface the rally told a more complicated story of narrow leadership around AI winners, momentum outperformance and low quality. We saw an unprecedented second straight quarter of 30%+ single-sector dominance as Energy collapsed from Q1's top sector to Q2's worst as oil retreated, while Technology roared back to become the quarter's sole outperformer, driven by renewed AI optimism. Small caps resumed leadership, but that leadership was driven by unprofitable, heavily shorted, and speculative names — small cap breadth ran well below historical norms, and not owning the R2000's top performers was costly for active managers.

PERFORMANCE OVERVIEW

Westfield's Sustainable Growth Equity Composite (the "portfolio") returned 21.86% net, outperforming the Russell 1000® Growth Index return of 16.74%. The following discussion reflects relative performance from the representative account. The quarter's benchmark strength was led by a concentrated rally in AI-tied names, particularly across memory and semiconductor capital equipment, which advanced sharply on continued hyperscaler capital spending and positive earnings revisions. Within the portfolio, strong stock selection across Industrials, Information Technology Consumer Discretionary and Health Care drove outperformance, more than offsetting a modest headwind from residual cash in a strong market backdrop.

Industrials (+173 bps): Industrials was the largest contributor to relative performance, powered by the sector's AI and power-infrastructure "picks-and-shovels" theme, as data center and power-related holdings reported a wave of blowout earnings and guidance raises. The portfolio's sizable overweight to the sector further reinforced the contribution, with additional support from select cyclical recovery names as geopolitical tensions in the Middle East de-escalated.

Information Technology (+150 bps): Information Technology contributed strongly despite a modest underweight to several large-cap semiconductor names that advanced sharply during the quarter; positive stock selection within security software and select semiconductor and platform holdings more than offset this allocation headwind.

Consumer Discretionary (+61 bps): Consumer Discretionary contributed positively, primarily reflecting the portfolio's underweight positioning in a segment where broader consumer-facing benchmark holdings lagged.

Health Care (+52 bps): Health Care contributed positively as strong stock selection, led by commercial-stage biopharma holdings, outweighed an allocation headwind tied to the portfolio's overweight positioning. Sentiment shifted meaningfully over the course of the quarter, as a wave of M&A activity and positive clinical data presentations drew technology-oriented capital back into biopharma, particularly in the back half of the quarter.

TOP CONTRIBUTORS

(MRVL-US) **Marvell Technology, Inc.**, a designer of data center and custom networking semiconductors, was the largest contributor to relative performance during the quarter. Shares advanced sharply after the company reported results and raised guidance supported by exceptional AI-related bookings. We believe the company's custom ASIC opportunity remains underappreciated by the market, and an expanding partnership with a large cloud customer on new ASIC designs should help diversify its customer base going forward.

(FIX-US) **Comfort Systems USA, Inc.**, a high-conviction AI "picks-and-shovels" provider of mechanical and electrical installation and service for commercial and industrial buildings, was a top contributing name. The company reported results well above expectations, including a sharp increase in backlog tied to durable data center and chip-plant construction demand.

(PANW-US) **Palo Alto Networks, Inc.**, a provider of enterprise cybersecurity and firewall solutions, was a notable contributor. The company reported a strong quarter with accelerating annual recurring revenue growth and raised guidance well above Street expectations, as security continues to be viewed as a critical layer of enterprise AI adoption.

(SNOW-US) **Snowflake, Inc.**, a cloud-based data platform provider, was a notable contributor and one of the best software performers of the quarter. Shares advanced sharply after the company reported strong revenue growth and expanding margins, and raised full-year guidance, supported by continued enterprise adoption of its platform for artificial intelligence readiness. The company's cross-cloud architecture and usage-based pricing keep it well positioned at a critical, data-readiness layer of enterprise AI infrastructure.

(TSM-US) **Taiwan Semiconductor Manufacturing Company Ltd.**, the world's largest contract chipmaker, was a notable contributor. The company reported a solid beat-and-raise quarter, with revenue, gross margin, and earnings ahead of expectations and forward guidance calling for continued growth, as AI-related demand more than offset weakness elsewhere in the business.

BOTTOM CONTRIBUTORS

(LRCX-US) **Lam Research Corporation**, a supplier of semiconductor etch and deposition equipment, was the largest detractor from relative performance driven by not owning the stock for the majority of the quarter. The position is a longstanding underweight reflecting our view on relative valuation, and shares advanced sharply alongside broader strength in semiconductor capital equipment names. We initiated a position during the quarter, though our overall underweight remained a drag on relative results.

(AMAT-US) **Applied Materials, Inc.**, a supplier of semiconductor fabrication equipment, was a detractor driven by not owning the stock for the majority of the quarter. The position is a longstanding underweight reflecting our view on relative valuation and shares advanced as investors grew more constructive on capital spending plans among leading memory manufacturers. We initiated a position during the quarter, but our overall underweight allocation was a drag on relative results.

(NFLX-US) **Netflix, Inc.**, a global streaming entertainment provider, was a detractor. Shares came under pressure driven by concerns around limited near-term catalysts and rising streaming competition and a mixed quarter, in which strong headline revenue and earnings were offset by softer operating margin and cautious forward guidance. As a result, we exited the position during the quarter.

(IOT-US) **Samsara Inc.**, a provider of sensors and software for fleet and physical-operations management, was a detractor, giving back some of its prior gains amid valuation-sensitive rotation across smaller-capitalization software names. We continue to view the company as a beneficiary of bringing measurement and artificial intelligence to physical assets such as vehicle fleets, an area we believe remains only lightly penetrated.

(MASI-US) **Masimo Corporation**, a developer of noninvasive patient monitoring technology, was a detractor during the quarter driven by not owning the stock for the majority of the quarter. We exited the position in May, prior to the announcement that Danaher had agreed to acquire the company at a premium.

POSITIONING HIGHLIGHTS

Information Technology. We remain underweight the sector, with exposure concentrated in higher-conviction semiconductor, security, and platform names we view as near-term beneficiaries of AI, balanced against reduced exposure to the most extended parts of the AI trade.

Industrials. Industrials remain our largest overweight, with positioning anchored in data center and power infrastructure, aerospace and defense, and select quality cyclicals.

Consumer Discretionary. Positioning remains selective and underweight, tilted toward quality brands and experiences.

Health Care. Positioning remains concentrated in commercial-stage biopharma, including obesity-related exposure, where we believe fundamentals are undervalued.

OUTLOOK

Looking ahead, we believe the environment favors selectivity and balance over concentration. We continue to favor the other 493 over the Mag 7 and see potential for a multi-year small cap performance run, as decreasing correlations and a broadening earnings recovery across sectors should prove a tailwind for active managers able to look beyond the largest names. Crowding within AI winners warrants cautious positioning and disciplined risk management, but we don't see a broken thesis — unlike 1999, the earnings underpinning this cycle are real. At the same time, the momentum trade that carried much of the market higher looks extended and is beginning to crack, and we expect capital to keep rotating into laggards like Health Care and Financials as the market broadens. This is an environment where disciplined capital rotation, prudent risk management and deep fundamental research should be rewarded.

Performance Attribution Analysis

Representative Account vs. Russell 1000® Growth Index · April 1, 2026 – June 30, 2026

SECTOR ATTRIBUTION

Source: FactSet. All effects in basis points. Positive = contribution to relative performance (gross). Attribution is based on gross returns: The Sustainable Growth Composite returned +21.86% net of investment advisory fees in Q2 2026.

SECTOR	PORT. WT.	BENCH. WT.	PORT. RET. (GROSS)	BENCH. RET.	ALLOCATION EFFECT	SELECTION EFFECT	TOTAL EFFECT
Industrials	17.7%	6.6%	+28.2%	+21.3%	+53 bps	+120 bps	+173 bps
Information Technology	48.0%	51.8%	+25.2%	+21.8%	-16 bps	+166 bps	+150 bps
Consumer Discretionary	6.2%	12.6%	+12.8%	+11.8%	+37 bps	+24 bps	+61 bps
Health Care	11.2%	7.1%	+20.5%	+11.5%	-57 bps	+109 bps	+52 bps
Communication Services	9.8%	12.5%	+12.8%	+10.0%	+9 bps	+33 bps	+41 bps
Consumer Staples	--	2.6%	--	+0.2%	+40 bps	--	+40 bps
Financials	4.5%	5.4%	+11.4%	+8.3%	+6 bps	+15 bps	+21 bps
Energy	--	0.4%	--	-1.8%	+9 bps	--	+9 bps
Real Estate	--	0.4%	--	+4.0%	+6 bps	--	+6 bps
Utilities	--	0.3%	--	+3.2%	+4 bps	--	+4 bps
Materials	--	0.3%	--	+8.2%	+3 bps	--	+3 bps
Cash	2.7%	--	+0.6%	--	-33 bps	--	-33 bps
Total	100.0%	100.0%	+22.01%	+16.74%	+60 bps	+466 bps	+527 bps

Attribution based on the representative account. Allocation and selection effects may not sum exactly to Total Effect due to rounding and interaction terms.

TOP 5 CONTRIBUTORS

Representative account, Q2 2026

SECURITY	AVG. WT.	TOTAL EFFECT
(MRVL) Marvell Technology, Inc.	2.08%	+213 bps
(FIX) Comfort Systems USA, Inc.	3.59%	+82 bps
(PANW) Palo Alto Networks, Inc.	1.55%	+77 bps
(SNOW) Snowflake, Inc.	1.49%	+64 bps
(TSM) Taiwan Semiconductor Mfg. Co.	2.57%	+62 bps

BOTTOM 5 DETRACTORS

Representative account, Q2 2026

SECURITY	AVG. WT.	TOTAL EFFECT
(LRCX) Lam Research Corporation	0.02%	-90 bps
(AMAT) Applied Materials, Inc.	0.02%	-49 bps
(NFLX) Netflix, Inc.	1.77%	-26 bps
(IOT) Samsara Inc.	1.41%	-24 bps
(MASI) Masimo Corporation	0.61%	-23 bps

COMPOSITE TRAILING PERFORMANCE

Sustainable Growth Equity Composite · As of June 30, 2026 · Annualized for periods greater than one year

	QTD	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPT.
Composite (Gross)	22.04%	15.60%	25.34%	25.05%	13.55%	18.84%	17.97%
Composite (Net)	21.86%	15.24%	24.57%	24.30%	12.85%	18.07%	17.20%
Russell 1000® Growth Index	16.74%	5.33%	17.71%	22.58%	13.71%	18.58%	17.77%

Composite inception date: January 1, 2016. Returns are preliminary and unaudited. Past performance is not indicative of future results. Source: FactSet.

Disclosures & Important Information

Specific securities identified do not represent all of the securities purchased, sold or recommended. The top 5 and bottom 5 securities mentioned have been selected by calculating the average weight invested in each holding in the representative account multiplied by the rate of return for that holding during the period noted and then comparing each to the respective benchmark return during the same period to obtain a relative return contribution. A list showing the relative contribution of each holding in the representative account during the period is available by contacting Westfield's Marketing and Client Service department via email at clientservice@wcmgmt.com or 617-428-7100.

Past performance is not indicative of future results. Returns are preliminary and unaudited; the attribution table and the relative contribution tables are presented gross of management fees and include the reinvestment of all income and the deduction of transaction costs. Actual net returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. The collection of fees produces a compounding effect on the total rate of return net of management fees. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 1.00% annual investment advisory fee would be \$10,416 in the first year, and cumulative effects of \$59,816 over five years and \$143,430 over ten years. The net return for the time period referenced can be found within the first paragraph of this commentary. Our current disclosure statement and fee schedules are set forth in Part 2A of Form ADV, which is available upon request. A GIPS Compliant Presentation also is available upon request.

The product is evaluated against the Russell 1000® Growth Index, which is designed to measure the large-cap segment of the U.S. growth equity universe. We have chosen this benchmark as it most closely represents the investment strategy discussed in this commentary. The product's holdings, characteristics, and performance may differ substantially from the benchmark and will therefore have different risk and reward profiles. Stock performance is based on price movement during the quarter or for the time held during the quarter in our representative account. Due to differences in investment restrictions, account holdings, account funding periods, timing and frequency of contributions and withdrawals, as well as other factors, client account performance may differ substantially from the composite performance and/or the representative account performance that is discussed in this commentary. Existing clients can request their account performance and holdings by contacting your Marketing & Client Service representative.

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