Polen Focus Growth

Portfolio Manager Commentary – March 2024

Summary

- U.S. equity markets started 2024 optimistically. Expected rate cuts by the U.S. Federal Reserve (the “Fed”), a more likely soft landing for the U.S. economy, and all things generative AI-related spurred market enthusiasm. During the period, the Polen Focus Growth Composite Portfolio (the "Portfolio") trailed the Russell 1000 Growth Index (the “Index”) and the S&P 500 Index, net of fees.

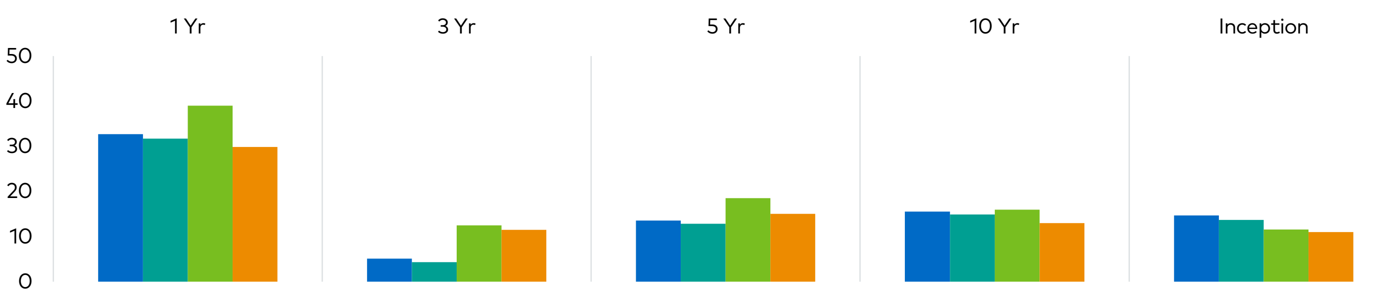
- Valuations of U.S. large-cap equities have been rising, and our research suggests that valuations are on the “higher side of normal.” We also observe that some large Index positions in companies like NVIDIA and Tesla have extremely high valuations relative to the growth we expect from them, which we discuss in detail.

- The top relative contributors to the Portfolio’s performance were Apple, Tesla, and Amazon. The top absolute contributors were Amazon, Netflix, and Microsoft. The largest relative detractors in the quarter were NVIDIA, Adobe, and Meta. The largest absolute detractors were Adobe, Zoetis, and Nike.

- This quarter’s trading activity was higher than usual as we trimmed Adobe and ServiceNow and added to positions in ThermoFisher Scientific, Visa, Nike, Abbott Laboratories, and Zoetis based primarily on valuation. We purchased a new position in Paycom and eliminated our position in PayPal.

- We aim to invest in what we view as more predictable, highly competitively advantaged growth businesses that can drive the earnings growth we require to deliver long-term returns in line with our long-term, mid-teens track record.

Seeks Growth & Capital Preservation (Performance (%) as of 3-31-2024)



	Qtr	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Polen Focus Growth (Gross)	8.29	8.29	32.72	5.10	13.52	15.53	14.65
Polen Focus Growth (Net)	8.09	8.09	31.70	4.34	12.81	14.88	13.68
Russell 1000 Growth	11.41	11.41	39.00	12.51	18.50	15.98	11.55
S&P 500	10.56	10.56	29.88	11.50	15.03	12.96	10.99

The performance data quoted represents **past performance and does not guarantee future results.** Current performance may be lower or higher. Periods over one-year are annualized. Performance figures are presented gross and net of fees and have been calculated after the deduction of all transaction costs and commissions, and include the reinvestment of all income. Please reference the GIPS Report which accompanies this commentary.

The commentary is not intended as a guarantee of profitable outcomes. Any forward-looking statements are based on certain expectations and assumptions that are susceptible to changes in circumstances. Opinions and views expressed constitute the judgment of Polen Capital as of the date herein, may involve a number of assumptions and estimates which are not guaranteed, and are subject to change. Contribution to relative return is a measure of a securities contribution to the relative return of a portfolio versus its benchmark index. The calculation can be approximated by the below formula, taking into account purchases and sales of the security over the measurement period. Please note this calculation does not take into account transactional costs and dividends of the benchmark, as it does for the portfolio. Contribution to relative return of Stock A = (Stock A portfolio weight (%) - Stock A benchmark weight (%)) x (Stock A return (%) – Aggregate benchmark return (%)).

All company-specific information has been sourced from company financials as of the relevant period discussed.

Commentary

U.S. equity markets started 2024 optimistically. Expected rate cuts by the U.S. Federal Reserve (the "Fed"), a more likely soft landing for the U.S. economy, and all things generative AI-related spurred market enthusiasm—these animal spirits persisted despite recent data indicating that inflation remains above the Fed's target. During the period, the Polen Focus Growth Composite Portfolio returned 8.29% and 8.09% gross and net of fees versus 11.41% for the Russell 1000 Growth Index and 10.56% for the S&P 500 Index.

> **Valuations of U.S. large-cap equities have been rising, and our research suggests that valuations are on the "higher side of normal" or just plain "high" for many companies.**

Certain companies' valuations look similar to the second half of 2021 following the COVID-19 re-opening. That said, we would not expect the same subsequent drop-off in earnings growth in 2024 that we experienced with several "growth" companies in 2022.

We believe a key difference between 2021 and today is the current state of interest rates and that longer-term U.S. Treasury rates (like the U.S. 10-year) are unlikely to change dramatically from here. In contrast, by the end of 2021, it was clear that rates would need to rise from historically low levels. The ensuing duration impact from the quick and steep rise in rates was problematic for our Portfolio in 2022, but we do not expect the same kind of valuation headwinds in 2024. That said, we have selectively trimmed holdings where our research shows valuations have slightly outpaced fundamentals, often from AI narratives. We have also been reallocating to holdings where our research points to more attractive valuations, including companies where we expect earnings growth to accelerate.

The Russell 1000 Growth Index, the Portfolio's primary index, has had a sustained period of high returns, far outstripping our analysis of its underlying earnings growth. The Index has also become highly concentrated, and we observe hefty position sizes in certain businesses with extremely high valuations relative to the growth we expect from them. This dynamic could be a precarious situation for passive Index investors. As fundamental investors with a disciplined process for seeking consistent and reasonably valued compounders, it has been frustrating to see an index generate roughly 20% five-year annualized returns with only 9% annual earnings growth, by our calculations, to support it.

NVIDIA and Tesla: Analysis & Review

The 9% growth we estimate for the Index includes the hefty weightings in high-growth names like NVIDIA and Tesla. With NVIDIA in particular, we believe it alone accounted for over four points of the Index's 11.41% return in the first quarter of 2024. Said another way, excluding NVIDIA, the Index would have underperformed our Portfolio by about 100 basis points based on Bloomberg attribution analysis. We have spoken at length about the cyclicality of NVIDIA's business and the potential for significant changes in its revenue and earnings growth from year to year. Still, as long as growth rates remain high and generative AI remains in focus, market participants seem more than willing to continue to rush in to invest.

The current demand for NVIDIA's systems is real, and we believe the company is highly differentiated. Still, given the wide range of potential outcomes we see, its ability to continue growing quickly off these new, very high peaks is hard to know. As we move into 2025, NVIDIA's year-over-year growth comparisons will become more difficult to beat. When conducting our analysis, we constantly ask ourselves, "What will demand look like from the small number of NVIDIA's very large datacenter customers, how will its product portfolio and pricing evolve from here, and what will this mean for its revenue growth after supply finally catches up to this latest wave of GPU demand?"

Our research shows that by the end of 2024, NVIDIA will likely account for nearly half of all datacenter capital expenditures globally, a shockingly high percentage, and eat up a huge percentage of its reasonably available addressable market. As a reminder, many other components are included in datacenter capital expenditures outside NVIDIA GPUs, like electrical equipment, cooling equipment, non-AI chips and servers, and the construction costs of the building. At the same time, most companies today do not have their data appropriately organized to offer generative AI-based products and services to their customers. So, much of the demand for GPUs is to build capacity for what may come well into the future.

While we expect generative AI will likely have an enormous impact in the future, we believe the sustainability of NVIDIA's 2023-2025 revenue growth is hard to know. Beyond 2025, it is even more variable. NVIDIA's valuation looks undemanding at face value. But, according to our analysis, its valuation would prove expensive if there is a meaningful digestion period following the purchases from its large customers in the past two years. The installed base for these customers' datacenters/servers could be so large that it could potentially require time for these customers to grow into their capacity, thus deferring the need to purchase more GPUs from NVIDIA. This has indeed happened in the past.

NVIDIA's competitive advantages in GPU design, its software ecosystem, real demand for its products that continues to reach new peaks, and strong narratives about the future of AI grounds the bullish investment case. Today, NVIDIA seems like the only obvious "AI winner" due to the amount of revenue it is currently generating.

However, our research shows that AI experimentation rather than actual, proven AI use cases drives much of its customer spending. It's one more indication of the wider range of possible outcomes we see for future 3-5 year revenue growth than we are comfortable with, particularly at higher valuations.

Historical data shows that the Portfolio's long-term, mid-teens annual earnings per share growth has been driven by companies with durable and consistent revenue and earnings growth, not those more likely to experience dramatic peaks and valleys. We are long-term owners of businesses who seek more consistent earnings compounding, and we believe this consistency leads to durable and compounding investment returns. Trying to time and then navigate the dramatic peaks for cyclical businesses with limited recurring revenue is more than tricky, in our opinion. We will continue to cover NVIDIA closely to see if its growth versus valuation equation gets easier for us.

Ultimately, we strive to achieve the mid-teens or better earnings growth we seek in the easiest possible way. Warren Buffett said, "[Investing] is not like Olympic diving where there is a degree of difficulty factor where the payoff is higher if you do a more difficult dive. That's not true in investments, you get paid as much for a simple dive if you execute it alright...you get paid just as well for diving off the side of the pool and going in cleanly. We look for 1-foot bars to step over rather than 7- or 8-foot bars to try and set an Olympic record and it's very nice because you get paid just as well for the 1-foot bars."

> **Narratives and cycles of enthusiasm and fear often drive stock prices in interesting directions over shorter periods, which can cause share prices to become untethered from the real fundamentals and economics of businesses.**

For example, our research identified that Apple's iPhone unit growth has been slowly grinding to a halt for years, and the company has now failed to grow its revenue or earnings for the last two years. Yet until recently, the P/E (price-to-earnings) of the company continued to march higher toward an elevated 30x forward earnings multiple on narratives of new iPhone cycles, services revenue growth with commensurate margin expansion, the potential for a self-driving car, and more. Finally, the market seems to be coming around to Apple as a wonderful albeit very slow-growth company that likely wasn't valued appropriately over the past five years.

Tesla's narrative wasn't just about being a great electric vehicle manufacturer. The way we see it, the narrative included Tesla becoming a fully autonomous fleet of electric vehicles ("Robotaxi") soon, the charging platform for all E.V.s soon, an AI play, a global solar utility company soon, a future subscription business, and more. When we research Tesla, we see a differentiated auto business and the potential for many of these interesting "options" to be realized over a long enough period. However, the timing and true viability of many of these options are still unknown and often take much longer than many hope. To justify today's valuation, even after the recent pullback, we see a company that needs to crack the mass market with a $25,000 or less model at acceptable margins. Yet, the company hasn't articulated a clear path to getting there. Interest rates have risen, and competition in China has intensified, tempering demand for its existing, higher-priced cars. Valuation has become more difficult to justify at these levels. We feel the reality of these dynamics has finally started to settle into Tesla stock prices, and we look forward to seeing a more reasonable valuation that reflects the existing product portfolio and any future offerings that demonstrate a very clear path to near-term commercialization.

We aim to invest in what we view as more predictable, highly competitively advantaged growth businesses that can drive the earnings growth we require to deliver long-term returns in line with our long-term mid-teens track record. We do not want or need to make heroic assumptions. Even over the highly unusual last five years that featured lumpy returns from year to year, we delivered mid-teens annualized gross returns—right in line with our historical average—driven by over 20% portfolio weighted-average earnings per share growth. We calculate that the earnings growth of the Russell 1000 Growth Index has been less than half that of our Portfolio over the same period.

Portfolio Performance & Attribution

In the first quarter, the top relative contributors to the Portfolio's performance were **Apple**, **Tesla**, and **Amazon**. The top absolute contributors were Amazon, **Netflix**, and **Microsoft**.

As noted, **Apple** and **Tesla**, which we do not own but are large Index weights, underperformed and were relative contributors to our performance. It seems possible that market participants are finally seeing the economic reality of those businesses versus the hopeful narratives.

Amazon is our largest position. Much of our investment thesis is based on solid and durable earnings growth from its three biggest businesses (e-commerce, AWS, and advertising) and disciplined expense management that has supported robust margin expansion and earnings growth. It was only about a year ago that Amazon's margins bottomed at 1.9%. They are now back to roughly 8%, and we think they can expand significantly.

Netflix is seeing robust subscriber growth from new users and from converting previous password borrowers into paying subscribers. Netflix remains the largest streaming company in the world and the only profitable one we are aware of so far.

Microsoft continues to grow impressively despite its immense size, driven primarily by Azure and related cloud offerings. While we expect generative AI to be a tailwind to growth for Azure and Microsoft's Office and Power Apps businesses, it is still early days on that journey.

The largest relative detractors in the quarter were **NVIDIA**, **Adobe**, and **Meta**. The largest absolute detractors were Adobe, **Zoetis**, and **Nike**.

We discussed our thoughts on the wider range of possibilities for **NVIDIA's** revenue and earnings growth post-2024, but at the moment, revenue is growing fast. The stock appreciated over 80% in the quarter and caused a very large headwind to our relative performance.

We had trimmed **Adobe** before it reported earnings on valuation concerns, which we detail further in the Portfolio Activity section. The stock significantly declined when it reported earnings. We were not surprised by the company's slight slowdown in revenue growth given the economic environment and lead time for customers to adopt new products, like its GenAI-based Firefly solutions.

Meta has been growing revenue above 20% on easy comparisons from the prior year, and its "year of efficiency" reduced expenses, which drove robust earnings growth in 2023. Much of this should continue in the first half of 2024. The data suggests that revenue growth should come down meaningfully from recent levels in the long term. As we see it, the questions now are how much and whether management maintains its expense discipline efforts, which will determine whether the company can continue to compound earnings at a 15%+ rate over time. We remain concerned with the company's Metaverse investments, which continue to grow despite cost cuts in the core business and now exceed $20 billion per year.

Zoetis saw a modest slowdown in its business, mostly due to slower veterinary visits in 2023, but the company is beginning to scale biologic drugs for pain in dogs and cats. We believe these drugs are highly differentiated and should have higher-than-average profit margins that should sustain the company's earnings growth at a low-teens or better rate for many years.

Nike has experienced a prolonged period of cost headwinds, offsetting its increasing revenue from direct-to-consumer channels, which would typically enhance its margins. In addition, a gap in new product innovations in recent years has caused earnings growth to stall temporarily. We see these transient headwinds abating, and the company plans to launch several innovations in footwear commensurate with the Paris 2024 Olympics. We believe this should lead to increased revenue growth as cost headwinds abate, thus accelerating earnings growth.

Portfolio Activity

In our experience, generating returns closely aligned with our Portfolio's mid-teens or better annual earnings per share growth requires maintaining a reasonable weighted-average valuation. This quarter's trading activity was higher than usual as we trimmed and added to positions based primarily on valuation. During the quarter, we purchased a new position in **Paycom** and eliminated our position in **PayPal**. We added to **ThermoFisher Scientific**, **Visa**, **Nike**, **Abbott Laboratories**, and **Zoetis**. We trimmed **Adobe** and **ServiceNow**.

We purchased a new position in **Paycom**, a payroll and human capital management (HCM) software company. Paycom manages payroll for over 20,000 companies that employ approximately 7 million people. It focuses on mid-market customers and holds a top-three position as a payroll provider for firms with less than 10,000 employees, behind ADP but roughly equal to UKG based on employee penetration. The company has high recurring revenue, above 90%, and has been adept at cross-selling HCM software to its payroll customers for years. The company has organically built a cloud-native platform where each HCM offering is tightly integrated, not a patchwork of built and bought offerings like most of its peers.

Revenue growth exceeded 20% for years before a self-inflicted wound last year caused a slowdown in cross-selling. In short, Paycom asked its customer relations representatives to pivot their cross-selling efforts to the newer payroll offering, Beti, which caused significant disruption in the company's selling motion. Management realized its mistake and is back to its normal cross-selling activity, allowing customers to upgrade to Beti when ready. We expect Paycom to grow its revenues and earnings at a high-teens or better rate over the next five years from a combination of new clients and increasing revenue per client. Both have been equal contributors to revenue growth in the past.

We eliminated our **PayPal** position after a frustrating holding period. PayPal is the largest digital wallet company in the world, with 400 million users and 35 million merchants, but it has been losing market share over the last 18 months as management has been very slow to innovate and bring a true one-touch checkout experience to its customers. Friction in the checkout experience can be annoying to buyers and financially problematic for merchants, leaving lost sales on the table. Apple Pay (and others) has been winning market share from PayPal as it is a true one-touch checkout experience and is highly integrated into iPhones. We believed that PayPal had finally upgraded its technology last summer and should have been able to deploy it to their merchant customers quickly.

This has proven too optimistic, and based on management's commentary, we now expect it may take up to another two years for full deployment. This is far too long given the competitive landscape, and further market share losses feel inevitable to us.

We trimmed our positions in **Adobe** and **ServiceNow** earlier in the quarter as we believe positive AI narratives had driven the valuations of both companies higher than we felt was comfortable relative to their weighting in the Portfolio. We believe both companies will likely have incremental revenue and profits from generative AI products they incorporate into their offerings, such as Firefly for Adobe and Now Assist for ServiceNow. However, we do not expect them to be substantial revenue contributors in the near term. As such, we felt it was prudent to reduce the weightings and reallocate to other positions at better valuations.

We increased our positions in **ThermoFisher Scientific**, **Visa**, **Zoetis**, **Nike**, and **Abbott Labs**. Each of these companies is durable and available at attractive valuations, in our view, for the growth we see ahead. In fact, in the case of ThermoFisher, Nike, and Abbott Labs, we expect accelerating earnings growth in the back half of 2024 after more difficult earnings growth periods pass for each of these companies. ThermoFisher and Abbott will finally wind down most of their COVID-19 testing and vaccine-related efforts due to a lack of demand, so these should no longer be revenue growth headwinds. Nike will likely be free of transient cost headwinds that have recently held back margin expansion opportunities.

Outlook

While valuations are creeping higher, we have found opportunities to add a new holding and reallocate weightings, aiming to position Focus Growth for continued long-term, mid-teens or better earnings growth that will drive our long-term investment returns. We are proud of the stability of that earnings growth over many different market cycles and environments.

Thank you for your interest in Polen Capital and the Focus Growth strategy. Please feel free to contact us with any questions or comments.

Sincerely,

Dan Davidowitz, Brandon Ladoff, and Damon Ficklin

Experience in High-Quality Growth Investing

Dan Davidowitz, CFA
Portfolio Manager & Analyst
24 years of experience

Brandon Ladoff
Head of Sustainable Investing, Portfolio Manager & Analyst
11 years of experience

Damon Ficklin
Head of Team, Portfolio Manager
22 years of experience

Additional Disclosures:

Price-to-earnings (P/E) ratio: The price-to-earnings (P/E) ratio is the ratio for valuing a company that measures its current share price relative to its per-share earnings.

Earnings per share (EPS) is a company's net income subtracted by preferred dividends and then divided by the average number of common shares outstanding.

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GIPS Report

Polen Capital Management
Focus Growth Composite—GIPS Composite Report

		UMA	Firm	Composite Assets		Annual Performance Results					3 Year Standard Deviation		
Year End	Total ($Millions)	Assets ($Millions)	Assets ($Millions)	U.S. Dollars ($Millions)	Number of Accounts	Composite Gross (%)	Composite Net (%)	S&P 500 (%)	Russell 1000 G (%)	Composite Dispersion (%)	Composite Gross (%)	S&P 500 (%)	Russell 1000 G (%)
2023	58,910	22,269	36,641	20,007	1646	40.05	38.99	26.29	42.68	0.6	22.25	17.29	20.51
2022	48,143	18,053	30,090	16,657	1886	-37.51	-38.02	-18.11	-29.14	0.3	23.47	20.87	23.47
2021	82,789	28,884	53,905	14,809	2387	24.71	24.04	28.71	27.61	0.3	17.25	17.17	18.17
2020	59,161	20,662	38,499	12,257	1904	34.64	34.00	18.40	38.49	0.4	18.16	18.53	19.64
2019	34,784	12,681	22,104	8,831	939	38.80	38.16	31.49	36.40	0.3	12.13	11.93	13.07
2018	20,591	7,862	12,729	6,146	705	8.99	8.48	-4.38	-1.51	0.2	11.90	10.95	12.12
2017	17,422	6,957	10,466	5,310	513	27.74	27.14	21.83	30.22	0.3	10.66	10.07	10.54
2016	11,251	4,697	6,554	3,212	426	1.72	1.22	11.96	7.09	0.2	11.31	10.74	11.31
2015	7,451	2,125	5,326	2,239	321	15.89	15.27	1.38	5.68	0.1	10.92	10.62	10.85
2014	5,328	1,335	3,993	1,990	237	17.60	16.95	13.69	13.06	0.2	10.66	9.10	9.73

Performance % as of 12-31-2023:
(Annualized returns are presented for periods greater than one year)

	1 Yr	5 Yr	10 Yr	Inception
Polen Focus Growth (Gross)	40.05	15.32	14.69	14.50
Polen Focus Growth (Net)	38.99	14.62	14.05	13.53
Russell 1000 Growth	42.68	19.51	14.86	11.29
S&P 500	26.29	15.70	12.03	10.76

Some versions of this GIPS Report previously included assets of the Firm's wholly-owned subsidiary in the 2022 Firm Assets figure, in error. The figure above has been corrected to no longer count assets at the subsidiary level.
Total assets and UMA assets are supplemental information to the GIPS Composite Report.
While pitch books are updated quarterly to include composite performance through the most recent quarter, we use the GIPS Report that includes annual returns only. To minimize the risk of error we update the GIPS Report annually. This is typically updated by the end of the first quarter.

GIPS Report

The Focus Growth Composite created on January 1, 2006 with inception date April 1, 1992 contains fully discretionary large cap equity accounts that are not managed within a wrap fee structure and for comparison purposes is measured against the S&P 500 and the Russell 1000 Growth indices. Effective January 2022, fully discretionary large cap equity accounts managed as part of our Focus Growth strategy that adhere to the rules and regulations applicable to registered investment companies subject to the U.S. Investment Company Act of 1940 and the Polen Focus Growth Collective Investment Trust were included in the Focus Growth Composite.

Prior to March 22, 2021, the composite was named Large Capitalization Equity Composite. The accounts comprising the portfolios are highly concentrated and are not constrained by EU diversification regulations.

Polen Capital Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Polen Capital Management has been independently verified for the periods April 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 Focus Growth Composite has had a performance examination for the periods April 1, 1992 through December 31, 2022. The verification and performance examination reports are available upon request.

Polen Capital Management is an independent registered investment adviser. Polen Capital Management maintains related entities which together invest exclusively in equity portfolios consisting of high-quality companies. A list of all composite and pooled fund investment strategies offered by the firm, with a description of each strategy, is available upon request. In July 2007, the firm was reorganized from an S-corporation into an LLC and changed names from Polen Capital Management, Inc. to Polen Capital Management, LLC.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Effective January 1, 2022, composite policy requires the temporary removal of any portfolio incurring a client initiated significant net cash inflow or outflow of 10% or greater of portfolio assets, provided, however, if invoking this policy would result in all accounts being removed for a month, this policy shall not apply for that month.
From July 1, 2002 through April 30, 2016, composite policy required the temporary removal of any portfolio incurring a client initiated significant cash outflow of 10% or greater of portfolio assets. The temporary removal of such an account occurred at the beginning of the month in which the significant cash flow occurred and the account re-entered the composite the first full month after the cash flow. The U.S. Dollar is the currency used to express performance. Certain accounts included in the composite may participate in a zero-commission program. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using either actual management fees or highest fees for fund structures. The annual composite dispersion presented is an asset-weighted standard deviation using returns presented gross of management fees calculated for the accounts in the composite the entire year. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The separate account management fee schedule is as follows:
Institutional: Per annum fees for managing accounts are 75 basis points (.75%) on the first $50 Million and 55 basis points (.55%) on all assets above $50 Million of assets under management. HNW: Per annum fees for managing accounts are 150 basis points (1.5%) of the first $500,000 of assets under management and 100 basis points (1.0%) of amounts above $500,000 of assets under management. Actual investment advisory fees incurred by clients may vary.

The per annum fee schedule for managing the Polen Growth Fund, which is included in the Focus Growth Composite, is 85 basis points (.85%). The total annual fund operating expenses are up to 125 basis points (1.25%). As of 9/1/2023, the mutual fund expense ratio goes up to 1.23%. This figure may vary from year to year. The per annum all-in fee* schedule for managing the Polen Focus Growth Collective Investment Trust, which is included in the Focus Growth Composite, goes up to 60 basis points (.60%). The per annum all-in fee* schedule for managing the Polen Capital Focus Growth Fund, which is included in the Focus Growth Composite, goes up to 65 basis points (.65%).
*The all-in fee (which is similar to a total expense ratio) includes all administrative and operational expenses of the fund as well as the Polen Capital management fee.

Past performance does not guarantee future results and future accuracy and profitable results cannot be guaranteed. Performance figures are presented gross and net of management fees and have been calculated after the deduction of all transaction costs and commissions. Polen Capital is an SEC registered investment advisor and its investment advisory fees are described in its Form ADV Part 2A. The advisory fees will reduce clients' returns. The chart below depicts the effect of a 1% management fee on the growth of one dollar over a 10 year period at 10% (9% after fees) and 20% (19% after fees) assumed rates of return.

The Russell 1000® Growth Index is a market capitalization weighted index that measures the performance of the large-cap growth segment of the U.S. equity universe. It includes Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values. The index is maintained by the FTSE Russell, a subsidiary of the London Stock Exchange Group. The S&P 500® Index is a market capitalization weighted index that measures 500 common equities that are generally representative of the U.S. stock market. The index is maintained by S&P Dow Jones Indices.

The volatility and other material characteristics of the indices referenced may be materially different from the performance achieved. In addition, the composite's holdings may be materially different from those within the index. Indices are unmanaged and one cannot invest directly in an index.

The information provided in this document should not be construed as a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in the composite or that the securities sold will not be repurchased. The securities discussed do not represent the composites' entire portfolio. Actual holdings will vary depending on the size of the account, cash flows, and restrictions. It should not be assumed that any of the securities transactions or holdings discussed will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein.

A complete list of our past specific recommendations for the last year is available upon request.

Return	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
10%	1.10	1.21	1.33	1.46	1.61	1.77	1.95	2.14	2.36	2.59
9%	1.09	1.19	1.30	1.41	1.54	1.68	1.83	1.99	2.17	2.37
20%	1.20	1.44	1.73	2.07	2.49	2.99	3.58	4.30	5.16	6.19
19%	1.19	1.42	1.69	2.01	2.39	2.84	3.38	4.02	4.79	5.69