

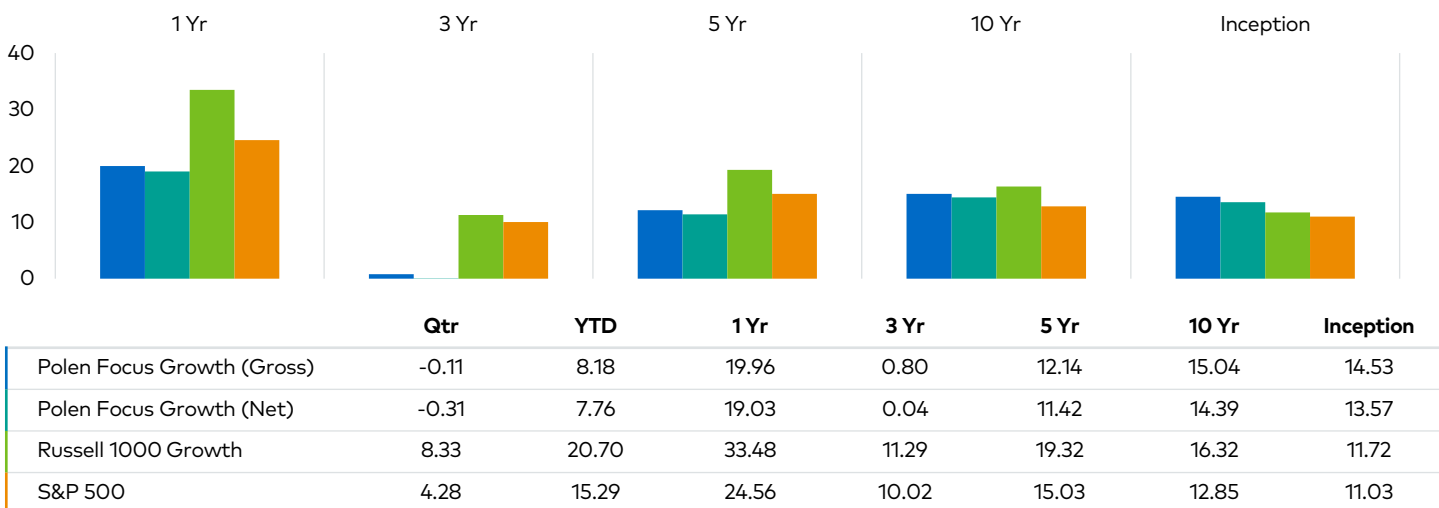
Polen Focus Growth

Portfolio Manager Commentary – As of June 30, 2024

Summary

- In the second quarter, generative AI ("artificial intelligence") continued to be the dominant narrative in markets, evidenced by NVIDIA's meteoric rise to among the largest companies in the world and the Semiconductor and Technology Hardware industries being a disproportionate driver of index returns.
- The Focus Growth strategy has no exposure to these industries, but we calculate that over 50%¹ is invested in companies that will have meaningful and recurring revenue contributions from generative AI, as opposed to Hardware companies that tend to be highly cyclical and lack recurring revenue.
- The Russell 1000 Growth Index (the "Index") rose 8 %, the S&P 500 rose 4%, while the Focus Growth Composite Portfolio (the "Portfolio") was roughly flat in the quarter.
- The top relative contributors to the Portfolio's performance were all names we do not own: Home Depot, Meta Platforms, and AbbVie. The top absolute contributors were Alphabet, Microsoft, and Amazon.
- The largest relative detractors in the quarter were NVIDIA, Apple, and Salesforce. The largest absolute detractors were Salesforce, Autodesk, and Accenture.
- During the quarter, we purchased new positions in Shopify and MSCI and eliminated Align Technology and Autodesk. We also trimmed our weightings in Amazon and Netflix.
- As we've seen over many cycles, investors tend to extrapolate the hypergrowth in Semiconductors and Hardware into the future. The issue comes when that growth slows.
- Taking a step back, we aim to deliver mid-teens earnings growth over time and believe that consistent earnings growth has driven our solid 35-year+ track record.

Seeks Growth & Capital Preservation (Performance (%) as of 6-30-2024)



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.

¹Polen Capital estimate. 50% refers to market value weight as of 06-30-2024.

Commentary

In the second quarter, the dominant narrative in markets continued to be generative AI (GenAI). If it wasn't immediately evident from **NVIDIA's** meteoric rise to among the largest companies in the world, one need only look so far as the Semiconductor and Technology Hardware industries as a gauge of sentiment, collectively accounting for greater than 70% of the Russell 1000 Growth ("the Index") and 85% of the S&P 500 headline return quarter to date. The quarterly spread of returns for the major U.S. stock indexes also bears this out—the Dow declined nearly -2%, the S&P 500 rose 4%, and the NASDAQ increased over 8%. The Russell 1000 Growth rose 8%, while our Portfolio was roughly flat in the quarter.

In short, second quarter returns in a given portfolio or index were largely proportionate with its weightings in Semiconductors and AI Hardware.

Style factor data also speaks to this phenomenon, as the momentum factor far outpaced other style factors year to date and illustrates an increasingly crowded trade. Looking deeper, this dynamic can be seen in the continued outperformance of perceived AI winners in Technology and adjacent sub-segments within Industrials and Utilities, which provide the power, cooling, and physical infrastructure required to build data centers.

Our Portfolio has no exposure to NVIDIA or other Semiconductor companies currently benefiting from demand for foundational AI Hardware. That said, we believe that in the long term, most of the economic benefits of GenAI will accrue to IT services and software businesses, where we have many investments. We calculate that over 50%² of the Focus Growth strategy is invested in companies that will have meaningful revenue contributions from GenAI, most of which will be recurring in nature, as opposed to Hardware companies that tend to be highly cyclical and lack recurring revenue.

Another interesting narrative emerged during the quarter, noting that GenAI will be highly negative for software companies. A core component of this narrative is that GenAI will allow companies to automate so many things that they would need fewer employees. And fewer employees would mean a reduced need for software subscriptions, which are usually employee or "seat" based. Given our extensive study of other subscription-based businesses, we think this is unlikely in the medium term. Further, even if GenAI leads to fewer employees and "seats," the software companies owned in the Focus Growth strategy sell mission-critical software for businesses that we believe will remain in high demand. In a world with fewer customer employees, we would expect each of these companies to adjust their subscription models to maintain their revenue growth trajectories by pricing for the value they deliver.

²Polen Capital estimate. 50% refers to market value weight as of 06-30-2024.

We have seen similar dynamics play out when customer captivity exists for essential products or services. Some of our software companies are currently experiencing modest slowdowns. Still, we believe this has more to do with slower macroeconomic growth and budget tightening and/or budget reprioritizations for GenAI, not something bigger or more structural. Over the next few years, we expect durable growth from our software businesses and their GenAI offerings, which should incrementally add to their revenue growth. **Microsoft**, **Adobe**, and **ServiceNow** have already begun offering these enhanced products.

In a sharp departure from this idea of durable, long-term growth, the current environment seems rife with short-term decision-making and hype narratives. To illustrate how extreme this "Semis good, Software bad" narrative has become, consider the following:

- In 2Q24, only 20% of Index constituents outperformed the headline Russell 1000 Growth return of 8.3%. The median constituent delivered a -4.7% return.
- Within this 20% bucket of outperformers, nearly half was comprised of Technology or Technology-adjacent businesses, many of which were in the Semiconductor and Technology Hardware industries.
- Within Focus Growth, we typically only invest in businesses with market caps of >\$30B. Incorporating this threshold in the second quarter, only 9.5% of companies that would fit our large-cap criteria outperformed the overall index. This highlights an extremely narrow market environment.

In the early innings of any technological landscape shift, we think it makes sense that the biggest winners come from Hardware and Semiconductors. In the lead-up to the tech bubble, we saw these types of companies experience tremendous stock market gains, like Corning (which then had a monopoly on the production of fiber optic cable), Cisco Systems (the dominant supplier of routers and switches to move data across the internet at the time), and Sun Microsystems (the most reliable maker of servers with proprietary Hardware and Software). With time, though, we saw that the vast tech buildout was overdone, and some of these "obvious" winners saw much lower demand after the fever subsided and a digestion period set in. In some cases, the early winners eventually faced real competition. By contrast, the biggest long-term winners, such as Amazon and Google, used the initial Hardware boom to create bigger, stickier businesses. It was similar to the transition to mobile computing and the shift from on-premise computing to the cloud.

Today's version of this technological shift is NVIDIA, the most obvious AI beneficiary.

But this phenomenon can also be seen in other semiconductor businesses such as Broadcom, Qualcomm, and Applied Materials, as well as hardware names like Super Micro Computer and storage companies like Pure Storage, among others. While getting swept up in the excitement can be easy, we think it's critically important to zoom out and take stock of the larger picture in times like these.

As we alluded to earlier, we've observed that most of the value tends to accrue to companies beyond the Hardware layer of the tech ecosystem, including cloud service providers like Amazon Web Services, Microsoft Azure, and Google Cloud; new and incumbent software application companies; and IT Services firms like Accenture, Globant, Deloitte, etc. That's not to say Hardware companies cannot also be great companies for the long term, as some of them, including NVIDIA, build capabilities beyond Hardware. Yet, we see the most sustainable and durable growth, the compounding engine of earnings growth for our Portfolio, in more predictable and recurring businesses.

As we've seen time and again, investors tend to extrapolate this kind of hypergrowth in Semiconductors and Hardware into the future. The issue comes when growth slows. The nature of Hardware is that customers order a lot to build capacity. Eventually, they pause and evaluate the need for more capacity and add incrementally as needed, but typically not to the same degree as they would during the initial arms race. This causes the boom/bust cycles we have seen in cyclical industries like Hardware. When the cycle hits its peak, the valuation of the cyclical hardware provider is almost immediately called into question. Revenue and earnings may ultimately decline, revealing what was previously viewed as a secular growth company is, in fact, still very much prone to episodes of intense cyclicity.

Taking a step back, it's important not to lose sight of our objective to deliver mid-teens earnings growth over time.

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. By definition, this means it will feel like we're driving in the slow lane at certain points. It happened in 2003-2005 and again in 2012-2014. But this focus on durable mid-teens earnings growth over time has led to our solid track record over 35+ years—not trying to optimize the Portfolio for the prevailing market narrative. This philosophy has underpinned our unwavering compounding mission since the inception of Focus Growth in 1989, and it will continue to be our focus in the future as we look forward to delivering long-term value for our clients.

Portfolio Performance & Attribution

In the second quarter, the top relative contributors to the Portfolio's performance were all names we do not hold: **Home Depot**, **Meta Platforms**, and **AbbVie**. The top absolute contributors were **Alphabet**, **Microsoft**, and **Amazon**.

With **Home Depot**, much of the quarter's weakness came in April, as a higher-than-expected inflation reading caused investors to question the likelihood of imminent rate cuts in 2024. Given Home Depot's sensitivity to interest rates, as it relates to home improvement projects, the stock sold off in the period.

Meta Platforms delivered robust results in the period, with revenue growth accelerating in the first quarter. However, revenue comparisons for Meta will become more difficult from here, and its guidance for 2Q revenue fell below market expectations. After the company's "year of efficiency," where it cut costs in its core business, management is now indicating another ramp-up in GenAI and metaverse spending, spurring concerns about future profit margins. Metaverse spending, by our calculations, is now over \$20 billion per year with little to no expected return on the foreseeable horizon.

AbbVie fell on the back of results that failed to allay concerns around continuing biosimilar threats to its very large, blockbuster arthritis drug, Humira, which went off patent last year.

Turning briefly to positions we do own, **Alphabet** represented our top absolute contributor. The stock responded positively to attractive across-the-board results that beat expectations, with excitement around GenAI driving growth in its cloud business. Additionally, the company introduced a dividend and announced an additional \$70B share buyback, beginning to show prudent capital allocation discipline in our view.

Microsoft was another top absolute contributor in the quarter, speaking to a growing appreciation for all the ways the company has an opportunity to monetize GenAI, be it in its Office suite or Azure cloud business. In the latter case, it contributed 7% to Azure's revenue growth in the most recent quarter. We believe Microsoft remains a highly advantaged business with many secular tailwinds driving durable growth for the foreseeable future, even at its immense scale.

Amazon reported better-than-expected results in the quarter, notably showing a re-acceleration in revenue growth in its Amazon Web Services (AWS) segment for the first time in several quarters. Equally impressive, the AWS segment saw margins increase significantly compared to the prior quarter and year, as it's growing into a more structurally profitable business. In addition, Amazon's profit margin is expanding rapidly as its e-commerce business has been re-aligned to produce real profits. Meanwhile, the ongoing mix shift to faster-growing and higher-margin businesses, like AWS and Advertising, are contributing more to the company's bottom line.

The largest relative detractors in the quarter were **NVIDIA**, **Apple**, and **Salesforce**. The largest absolute detractors were **Salesforce**, **Autodesk**, and **Accenture**.

For the second quarter in a row, **NVIDIA** represented the top detractor to relative performance as the stock climbed another 37%, bringing the year-to-date return to +150%. As of this writing, NVIDIA is the third largest company in the world, but for a brief moment, it surpassed Microsoft to become the largest company in the world. Yet again, the company delivered blowout results that surpassed already lofty expectations, reinforcing the narrative that NVIDIA is the only obvious "AI winner" due to the amount of revenue it is currently generating.

However, our research indicates that most businesses are only experimenting with GenAI rather than actual, proven use cases. This means it is possible that the huge infrastructure build out and ravenous demand for GPUs and AI servers may be ahead of the true demand for that infrastructure. 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 at the company's current valuation. In prior commentaries, we have spoken at length about the cyclicity of NVIDIA's business and the potential for significant changes in its revenue and earnings growth from year to year.

We believe NVIDIA is a highly advantaged business, but we observe that much of the demand for their chips and servers is ahead of the need for hardware from real-world businesses. Therefore, we are cautious, especially when considering the company for a concentrated portfolio of durable growth businesses. Market expectations are elevated as the company has already achieved a \$3+ trillion market capitalization. Meanwhile, our research shows that few companies are deploying GenAI beyond pilot projects, and even fewer have earned satisfactory returns on their GPU-related investments to date (graphics processing units).

In a reversal from some of the concerns driving the stock down in the first quarter, **Apple** re-emerged as a top performer in the second quarter. The company reported better-than-feared results in its iPhone segment that quelled concerns over weakness in China. Additionally, the company forecast a return to sales growth and announced a \$110 billion stock buyback plan, the largest in U.S. history. Later in the period, at its Worldwide Developers Conference, Apple introduced long-awaited new AI features that spurred some optimism around an upgrade cycle for the iPhone and, more generally, the important role Apple may be able to play in the emerging AI landscape. We continue to study Apple closely, which we previously owned the company for many years during its growth phase, to determine if it is poised for another significant revenue and earnings growth period.

Salesforce declined nearly 20% due to a slowdown in revenue and bookings growth, part of a wider trend we've observed across enterprise software as companies defer spending on large projects given the uncertain macroeconomic environment. As mentioned, there has been an emerging narrative about prioritized spending on AI, cloud, and security over enterprise software spending that could eventually impair seat-based software over the longer term.

Though there may be some near-term shifts in dollars toward GenAI, we believe the market for mission-critical enterprise software will remain robust well into the future.

We will monitor the position closely, but we continue to believe that Salesforce is well-placed with its mission-critical software and high customer retention rates to weather these headwinds, lean on pricing power, and effectively monetize generative AI in its product suite.

Autodesk and **Accenture** were also notable absolute detractors in the quarter. With Autodesk, most of the stock's price weakness came in April. The company announced that it would delay the release of its earnings and 10-K filing as it launches an internal investigation regarding its practices on some non-GAAP financial metrics. Upon further analysis, we were encouraged to hear that they were taking this very seriously and being very comprehensive in their investigation. Ultimately, Autodesk announced it was closing the investigation and that no re-statements would be required. As discussed in the following section, we chose to exit the position in favor of a more attractive investment.

For Accenture, the past year has proven to be a weak backdrop for the IT services industry as enterprises rationalize their IT budgets and defer spending on discretionary, shorter-cycle deals. Accenture has not been immune to this broader weakness, as evidenced by slowing growth in recent quarters. However, we would note that later in the quarter, the stock responded very positively to results that showcased AI bookings growing rapidly, though still a small portion of overall bookings. Additionally, as we head into 2025, growth comparisons should ease considerably.

Portfolio Activity

In the second quarter, we purchased new positions in **Shopify** and **MSCI** and eliminated our small positions in **Align Technology** and **Autodesk**. We also trimmed positions in **Amazon** and **Netflix**.

Shopify, a leading cloud-native commerce software platform, is a business we've been studying since 2018 and have long admired.

At its core, Shopify's goal is to be the operating system of retail, helping to democratize commerce via lowered barriers to entry, the rise of DTC (direct-to-consumer), and hyper-targeted digital ads.

Shopify's business model combines 1) a mission-critical software business where merchants can run all their business operations from one dashboard and 2) a payments business with a long runway to increase attach rates and grow alongside merchants. Additionally, we believe the business possesses significant optionality to continue attaching existing merchant solutions and adding more merchant services as high-margin cross-sells. With several powerful tailwinds at their back (e-commerce, mobile commerce, social media, digital payments, seamless omnichannel, DTC, cloud software digitization) and a highly scalable business model, we think their growth will likely be stronger for longer than investors expect.

We re-initiated a position in **MSCI** after owning it from 2019 to 2022. When we sold the position in April 2022, we noted that the company was an excellent compounder and would likely continue to compound earnings at a high-teens rate over the next five years. We also noted that we'd be happy to own MSCI again at a good price.

More than two years later, we're buying back a position at a lower price despite 30% higher earnings. The stock sold off recently after MSCI reported a decrease in net new subscription sales during the first quarter. New subscription sales were up modestly compared to the prior year, but there was a bolus of cancellations due to "business events," most notably UBS acquiring Credit Suisse and adjusting their subscriptions. While net new subscription sales might be soft near-term, retention rates remain high for this highly recurring and profitable business. This short-term softness does not change our view on the business's competitive advantages or long-term growth profile.

MSCI has compelling competitive advantages, leadership, and secular growth trends, including the continued move of assets toward passive, international, factor-based, and ESG-related investments. We also like the company's longer-term strategy of being the index provider for private market investments.

After owning **Align Technology** for over eight years, we decided to exit our position. While recent years around the pandemic have been dynamic, the company still delivered underlying earnings per share growth of nearly 20% during this period. We held through the ups and downs during the pandemic, maintaining a longer-term view while monitoring the competitive environment and the rolling two- and three-year growth rates of key performance indicators. Those rolling growth numbers were in line with management's long-term guidance and our expectations until recent quarters, as growth has slowed. Align sells relatively high-priced discretionary products, and while the macro environment has been somewhat uncertain, it is not dire. In short, we expected better growth on easy comparisons. We will continue to monitor the company's progress, but we are stepping aside until we see stronger execution or build more conviction.

We sold our small position in **Autodesk** to help fund our purchase of Shopify. We still think Autodesk is an advantaged business, with 95%+ recurring revenue, dominant in its end market, and nice tailwinds behind digitization in that end market. It should be a durable grower over time, perhaps with continued fits and starts, but we found the risk-reward around Shopify to be more compelling.

We trimmed our position in **Amazon** purely as a function of risk management, limiting the position size from growing beyond a 15% weighting. Our ongoing analysis underpins our optimism for the business, its competitive advantages, growth runway, management team, and valuation relative to its long-term growth prospects, hence why it remains our largest position.

Finally, we trimmed **Netflix** mostly due to valuation but also as a source of funds to add to the new position in Shopify. As a reminder, we added to our position in August 2022 amid broad concerns about the company's ability to grow and monetize shared passwords.

We expected Netflix to show progress in monetizing shared passwords, leading to robust free cash flow generation. This is now playing out and is appreciated by the market.

Hence, given the balance of growth and valuation, we felt it was appropriate to reduce our exposure to a more normal weight.

Outlook

We sit at a unique moment where the valuation on Focus Growth, as measured by its forward P/E multiple, trades at parity with the Russell 1000 Growth Index versus its typical 10-30% premium. The last occurred in 2005, nearly 20 years ago. In and of itself, that does not necessarily mean our Portfolio is "cheap." That said, we believe our Portfolio should be able to deliver earnings growth consistent with its mid-teens, 35-year track record. At the same time, we think the Index will likely have difficulty achieving earnings growth anywhere near that rate over the next five years. Over the long term, our experience tells us that earnings growth drives share prices.

We believe the Focus Growth strategy is well-positioned to deliver 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. Delivering mid-teens earnings growth and returns over multiple decades requires the discipline to stick to a time-tested investment strategy, and our team is laser-focused on doing exactly that.

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, Damon Ficklin, and Brandon Ladoff

Experience in High Quality Growth Investing



Dan Davidowitz, CFA

Portfolio Manager & Analyst

24 years of experience



Damon Ficklin

Head of Team, Portfolio Manager

22 years of experience



Brandon Ladoff

Head of Sustainable Investing, Portfolio Manager & Analyst

11 years of experience

Important Disclosures & Definitions:

Disclosure: This commentary has been prepared without taking into account individual objectives, financial situations or needs. As such, this commentary is for informational purposes only and is not to be relied on as, legal, tax, business, investment, accounting or any other advice. Recipients of this commentary should seek their own independent financial advice. Investing involves inherent risks and any particular investment is not suitable for all investors; there is always a risk of losing part or all of your invested capital. No statement herein should be interpreted as an offer to sell or the solicitation of an offer to buy any security. Unless otherwise stated in this commentary, the statements herein are made as of the date of this commentary. Certain information contained herein is derived from third parties beyond Polen Capital's control or verification and involves significant elements of subjective judgment and analysis. While efforts have been made to ensure the quality and reliability of the information herein, there may be limitations, inaccuracies, or new developments that could impact the accuracy of such information. Therefore, this commentary is not guaranteed to be accurate or timely and does not claim to be complete. Polen Capital reserves the right to supplement or amend the content contained herein, but has no obligation to provide the recipient with any supplemental, amended, replacement or additional information. Any statements made by Polen Capital regarding future events or expectations are forward-looking statements and are based on current assumptions and expectations that are susceptible to change. Such statements involve inherent risks and uncertainties and are not a reliable indicator of future performance. 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. Statements regarding Polen Capital's research should be interpreted as either forward-looking statements or understood as Polen Capital's opinion. The commentary is not intended as a guarantee of profitable outcomes.

Source: All data is sourced from Bloomberg unless otherwise noted. All company-specific information has been sourced from company financials as of the relevant period discussed.

Definitions: 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.

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.

GIPS Report

Polen Capital Management
Focus Growth Composite—GIPS Composite Report

Year End	UMA		Firm	Composite Assets		Annual Performance Results					3 Year Standard Deviation		
	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	0.7	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.

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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

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