

# Polen Global SMID Company Growth

Separately Managed Account - June 2023

## Investment Objective

Our Global SMID Company Growth strategy seeks to achieve long-term growth of capital by building a concentrated portfolio of competitively advantaged businesses with the potential for sustainable, above-average earnings growth.

## Why Invest in Polen Global SMID Company Growth?

- Global SMID growth strategy with a strong emphasis on sustainable earnings growth
- Concentrated portfolio of approximately 30 high-quality growth companies
- Focus on companies with high returns on capital and double-digit earnings growth
- Low portfolio turnover with long-term holding periods

## Product Profile

Inception Date	07-01-2021
Strategy Assets*	\$52.7M
Number of Holdings	25-40
Style	Growth
Benchmark	MSCI ACWI SMID Net

## Experience in High Quality Growth Investing



**Rob Forker**  
Portfolio Manager & Analyst  
22 years of experience

## Seeks Growth & Capital Preservation (Performance (%) as of 6-30-2023)



	Qtr	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Polen Global SMID Company Growth (Gross)	-0.15	8.88	9.87	-	-	-	-18.44
Polen Global SMID Company Growth (Net)	-0.26	8.61	8.97	-	-	-	-19.06
MSCI ACWI SMID Net	3.34	7.76	12.49	-	-	-	-5.45

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.

\*Preliminary assets as of 6-30-2023. Asset figures include discretionary as well as nondiscretionary assets.

## Top Ten Holdings (% of Portfolio)

Five Below Inc	4.61
Tyler Technologies Inc	4.44
Floor & Decor Holdings Inc	4.39
Eurofins Scientific SE	4.25
Goosehead Insurance Inc	4.15
Alight Inc	4.10
Euronext NV	4.02
Align Technology Inc	3.72
Paycom Software Inc	3.67
TMX Group Ltd	3.62
Total	40.97

## Portfolio Characteristics

Weighted Average Market Cap	\$5.4B
Polen Long Term EPS Growth Estimate	18.8%
Net Debt/EBITDA	0.6%
P/E Forward (12m)	26.0x
Return on Equity	18.4%
Active Share	96.6%
Annual Turnover*	30.8%

## Region Exposure (% of Portfolio)

North America	51.41
Europe	29.07
Japan	4.55
Cash	4.55
Asia Pacific ex Japan	4.53
Latin America	1.65

## Portfolio Statistics\*

	Global SMID Company Growth	MSCI ACWI SMID Net
Alpha	-10.55	-
Beta	1.23	1.00
Sharpe Ratio	-0.83	-0.40
Upside Capture	101.03%	-
Downside Capture	137.29%	-
Information Ratio	-1.14	-
Standard Deviation	25.19%	18.67%

## GICS Sector Exposure (% of Portfolio)

Information Technology	24.28
Health Care	17.89
Consumer Discretionary	15.81
Financials	14.28
Industrials	11.12
Real Estate	6.06
Communication Services	3.41
Consumer Staples	2.60
Cash	4.56

All data as of 6-30-2023 unless otherwise noted. \*Since inception.

Polen Capital Management, LLC is an independent registered investment advisor. The firm has been managing large cap growth equity portfolios for institutional and high net worth individual clients since 1989.

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All performance is calculated in U.S. Dollars. **Past performance is not indicative of future results.** Returns are presented gross and net of management fees and include the reinvestment of all income.

The MSCI ACWI SMID Cap is a market capitalization weighted equity index that measures the performance of the mid and small-cap segments across developed and emerging market countries. The index is maintained by Morgan Stanley Capital International. It is impossible to invest directly in an index. The performance of an index does not reflect any transaction costs, management fees, or taxes.

The volatility and other material characteristics of the indices referenced may be materially different from the performance achieved. In addition, the portfolio's holdings may be materially different from those within the index. Indices are unmanaged.

Holdings are subject to change. The top holdings, as well as other data, are as of the period indicated and should not be considered a recommendation to purchase, hold, or sell any particular security. There is no assurance that any of the securities noted will remain in a portfolio at the time you receive this fact sheet. Actual holding and percentage allocation in individual client portfolios may vary and are subject to change. It should not be assumed that any of the holdings discussed were or will prove to be profitable or that the investment recommendations or decisions we make in the future will be profitable. A list of all securities held in this portfolio in the prior year is available upon request.

**Alpha:** the excess return of an investment relative to the return of the benchmark. **Beta:** the measure of systemic risk of a portfolio in comparison to the market as a whole. **Sharpe Ratio:** a ratio of the return on an investment relative to its risk. **Upside Capture:** a statistical measure of overall performance relative to a benchmark during rising markets. **Downside Capture:** a statistical measure of overall performance relative to a benchmark during declining markets. **Information Ratio:** a measurement of portfolio returns relative to a given benchmark. **Standard Deviation:** measurement of the dispersion or volatility of investment returns relative to its mean or average.

**Active Share:** Active share is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. **Weighted Average Market Cap:** a weighted average of the price of each security multiplied by the number of shares outstanding all the securities in the portfolio. **Polen Long Term EPS Growth Estimate** a Polen Capital estimate of projected long-term earnings growth rates (Earnings Growth is not a measure of future performance). **Net Debt/EBITDA:** is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA. **P/E Forward:** denotes the weighted harmonic average of all the P/E's of the securities in the fund's portfolio. **Return on Equity:** assesses a company's net income divided by its shareholders' equity. **Annual Turnover:** the percentage at which a portfolio replaces its security holdings every year.

The Global SMID Company Growth strategy integrates material environmental, social, and governance (ESG) factors into research analysis as part of a comprehensive evaluation of a company's long-term financial sustainability. There is a risk that the investment techniques and risk analyses applied, including but not limited to the integration of ESG factors into the research analysis, will not produce the desired results and that legislative, regulatory, or tax developments may affect the investment techniques available. There is no guarantee that the investment objective will be achieved.