Polen International Growth

Portfolio Manager Commentary – March 2025

Summary

- The first quarter saw heightened volatility and a reversal in style leadership—our concentrated quality-growth approach initially outperformed due to strong earnings momentum but was ultimately challenged by weakness in select technology and healthcare holdings and our underweight to developed market banks, leading to returns lagging the Index.

- In the first quarter of 2025, the Polen International Growth Composite Portfolio (the "Portfolio") returned 0.31% gross of fees and 0.03% net of fees. This compares to 5.23% for the MSCI ACWI ex USA Index (the "Index").

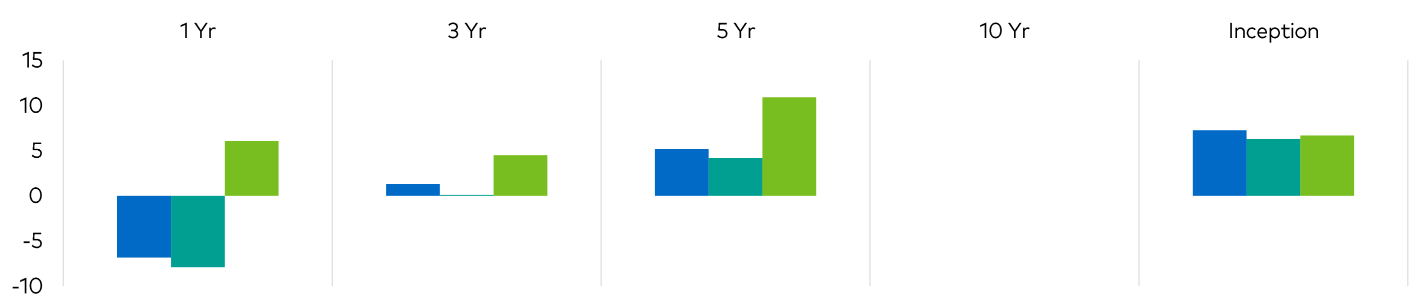
- The top three contributors to the Portfolio's relative performance in the first quarter were Aon, TSMC (not owned), and SAP. Top contributors to absolute performance included Aon, SAP, and MercadoLibre.

- The Portfolio's top relative detractors were Globant, ICON, and Novo Nordisk. The top absolute detractors were Globant, Novo Nordisk, and ICON.

- In the first quarter, we added three new positions and eliminated one. We also added to seven existing positions and trimmed six. New positions included Adyen, Lonza Group, and Tencent Music Entertainment. We eliminated our position in Unilever.

- Despite recent market challenges, we remain confident that our focus on owning high-quality, high-growth international businesses positions the Portfolio well for long-term outperformance—especially as shifting macroeconomic and currency trends may favor non-U.S. equities after a prolonged period of U.S. market and dollar strength.

Seeks Growth & Capital Preservation (Performance (%) as of 3-31-2025)



	Qtr	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception (1-1-2017)
Polen International Growth (Gross)	0.31	0.31	-6.84	1.31	5.19	-	7.25
Polen International Growth (Net)	0.03	0.03	-7.92	0.10	4.20	-	6.28
MSCI ACWI (ex-USA)	5.23	5.23	6.09	4.48	10.91	-	6.69

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

Our concentrated approach to quality growth investing can be rocky at times, as we've seen in the past few years. We believe share prices follow earnings growth over time, but as Ben Graham has stated: in the short run, markets are a voting machine. As such, share prices can disconnect from long-term earnings trajectories for multiple reasons. We remain focused on owning companies with significant growth potential; as such we believe our International Growth Composite Portfolio's constituent holdings are well-positioned businesses geared to deliver growth at above-market rates over the long term.

Our approach struggled in the first quarter as sharp volatility hampered performance. Through the end of the third week of February, the Portfolio's robust relative outperformance in a rising market emanated from earnings momentum. However, relative leadership quickly reversed over the last five weeks of the quarter. Share prices in a few of our technology and healthcare holdings weakened, and an underweighting to developed market banks (an area we tend to avoid) resulted in a headwind. For the entire 13-week period, the Portfolio registered 0.3% returns (gross of fees) versus the MSCI ACWI ex USA Index return of 5.2%.

In our view, the events starting in early April are changing markets. The new administration in Washington delivered on its promised trade war. We see uncertainty everywhere from multinational alliances to trade flows and strategic business planning. Volatility resurged in April as we're witnessing disquiet in the FX markets. Many of you have heard us discuss the U.S. dollar's elevated trade-weighted value. You may also recall our previous observations that, during periods of economic volatility, U.S. equity outperformance has historically reversed in favor of international markets. After 15 years of U.S. equity market leadership and persistent U.S. dollar strength, we believe the sun is rising on international equities.

Rapid changes to the economic landscape are in motion. In our view, volatility could present investors with long-term time horizons with significant opportunities. Our Portfolio currently holds compelling businesses with solid earnings growth prospects, and we will continue to optimize the Portfolio for long-term earnings growth as unfolding events create opportunities to act.

Portfolio Performance & Attribution

In the first quarter of 2025, the Portfolio returned 0.31% gross of fees and 0.03% net of fees. This compares to 5.23% for the MSCI ACWI ex USA Index.

The top three contributors to the Portfolio's relative performance in the first quarter were **Aon, TSMC (not owned),** and **SAP**. Top contributors to absolute performance included **Aon, SAP,** and **MercadoLibre**.

The insurance industry was among the best performers in 1Q25, and **Aon**—one of the world's leading insurance brokerage houses—was no exception. Roughly 80% of Aon's business is non-discretionary due to the recurring nature of business insurance, leading to persistent revenue streams and high client retention. The first quarter's market environment, characterized by more defensive leadership, worked to Aon's benefit. Should we enter an environment of stickier inflation, the resulting tailwind to insurance brokerage fees and commissions, often based on the cost of the underlying insurance policy, would benefit companies like Aon.

TSMC (not owned), the largest constituent in the MSCI ACWI ex US Index, has meaningfully underperformed this quarter amidst mounting geopolitical tensions between the U.S. and China, not to mention some softening in non-AI-related end market demand. The company also suffered broad weakness amidst a flight to safety, as investors rotated away from the "AI winners" of recent years to more defensive, often low-volatility stocks.

SAP reported a robust quarter reflecting solid cloud adoption and disciplined execution of its transformation program. We believe these efforts will enable the company to allocate resources toward its most strategic growth opportunities. Given its mission-critical role in its customers' daily operations, we view SAP as one of the more resilient large-scale software business models. Due to Its solid market position, vast partner ecosystem, balanced growth across new and existing customers, high recurring revenues, and improving margin profile, we see SAP as well-positioned to deliver at least mid-teens earnings growth for many years.

The Portfolio's top relative detractors were **Globant, ICON,** and **Novo Nordisk**. The top absolute detractors were **Globant, Novo Nordisk**, and **ICON**.

Globant was our largest relative detractor during the quarter. The IT spending environment in recent years has been challenging, with concerns about discretionary enterprise IT spend clouding the 2025 outlook. Despite these headwinds, our view on Globant remains positive. Amidst today's weak environment, while many peers have reported negative like-for-like organic revenue growth, Globant continues to project a path to >10% revenue growth. We believe the recent decline in Globant's shares overstates both the slowdown and the broader industry impact. Looking ahead, we see a clear path to solid growth in the years ahead.

ICON, the world's largest contract research organization, continues to experience near-term headwinds from a weaker pharma/biotech spending environment. With that said, we believe we're experiencing shorter-term macro headwinds. In the longer term, ICON remains a best-in-class operator in an outsourcing category, experiencing a favorable secular share shift. We are monitoring the business for signs of an upward turn in its growth trajectory.

Novo Nordisk came under pressure during the quarter following the release of preliminary data related to a trial for its next-generation weight loss drug, CagriSema. While market sentiment on the business soured, we look forward to a comprehensive report on trial results in the short term. We believe CagriSema is still likely to become a multi-billion-dollar drug, and this sell-off in the near term is overdone.

Portfolio Activity

In the first quarter, we added three new positions and eliminated one. We also added to seven existing positions and trimmed six. New additions included **Adyen, Lonza Group**, and **Tencent Music Entertainment.**

Adyen is a Netherlands-based electronic payments platform with global reach. Since its 2006 founding, Adyen's platform has integrated a full payments stack with a common back-end infrastructure for authorizing. Unlike many of its peers who have grown through acquisition, Adyen's growth has been entirely organic, allowing a single, unified technology stack to sit at the platform's core and enable simpler updating and more efficient operation. Adyen claims faster payment validation and acceptance than its competitors. In our view, these features assure better overall payment acceptance rates and less friction than peers – a key advantage in serving an essential merchant business function. Adyen sees over 80% recurring revenues and benefits globally from secular growth in digital payments and the continued shift towards e-commerce. We view Adyen as an attractive, capital-light, highly cash-generative tollbooth business model with room for significant share gains in one of the largest Total Addressable Markets. They are led by founder owner-operator co-CEO Pieter van der Does, who shares our long-term time horizon view. We have always admired the business, but the valuation has been a sticking point. We believe it has reached a reasonable level more recently, and we estimate Adyen can sustain 20-25%+ earnings per share growth over the next five years.

Lonza Group is a Switzerland-based contract development and manufacturing organization (CDMO) that serves pharma and biotech companies globally, focusing on biotech drugs. Lonza fits our framework for service-based businesses that add value through scale and efficiency. Making biotech drugs is technologically challenging, capital-intensive, and highly regulated. Outsourcing these functions to a specialized partner like Lonza offers clients significant advantages. Today, Lonza manufactures more than 55 approved biotech drugs and supports another 600 in various stages of development. As these drugs gain approval, Lonza will support their commercialization. We believe the company is poised to grow earnings at a mid-teens rate for the next five years.

Tencent Music Entertainment is China's leading online music streaming service, with over 575m active users and 100mm subscribers, giving it ~ 70% share of the China market. It is a subsidiary of Tencent, which owns 53% of the equity and controls 93% of the voting rights. The company benefits from many of the same trends that drive Spotify today, including rising revenue per user, low churn, and rising profitability. With low prices in China (~ $1.30 / month) and low subscription penetration (<20%), we see significant opportunity for ongoing increasing revenue per user. One key advantage is its position as the largest music label in China, which allows for higher profitability than its Western peers. We believe Tencent Music can grow earnings at a mid-teens rate annually over the next five years, making the current valuation of 20x earnings attractive.

We exited our position in **Unilever** after more than eight years. Over our holding period, Unilever has grown slower than we initially expected due to increasing competition and slower-than-expected growth in many emerging markets. Growth has accelerated more recently as the company benefited from higher consumer inflation and renewed focus on its top 30 brands. Though new management appears to be moving in the right direction, we think the slower growth trends will likely be persistent, and margins could come under pressure as management invests more in growth. Throughout our holding period, Unilever has been a ballast to the Portfolio amid market volatility. In the most recent market sell-off, Unilever again protected capital, and its valuations even increased slightly, back to ~ 18x forward earnings. We see this as an attractive exit point as it implies muted future shareholder returns.

Outlook

The Portfolio holds competitively advantaged businesses whose weighted average earnings are expected to grow at a mid-teens rate over time. A Portfolio of well-positioned businesses supports our confidence that short-term disruptions are merely speedbumps on the road to long-term success.

Thank you for your interest in Polen Capital and the International Growth Portfolio. Please contact us with any questions.

Sincerely,

Todd Morris and Daniel Fields, CFA

Experience in High Quality Growth Investing

Todd Morris
Portfolio Manager & Analyst
15 years of industry experience

Daniel Fields, CFA
Portfolio Manager, Director of Research & Analyst
18 years of industry experience

Important Disclosures & Definitions:

Disclosure: This commentary is very limited in scope and is not meant to provide comprehensive descriptions or discussions of the topics mentioned herein. Moreover, this commentary has been prepared without taking into account individual objectives, financial situations or needs. As such, this commentary is for informational discussion 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 (including, but not limited to, any investment vehicle or separate account managed by Polen Capital). Recipients acknowledge and agree that the information contained in this commentary is not a recommendation to invest in any particular investment, and Polen Capital is not hereby undertaking to provide any investment advice to any person. This commentary is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

Unless otherwise stated in this commentary, the statements herein are made as of the date of this commentary and the delivery of this commentary at any time thereafter will not create any implication that the statements are made as of any subsequent date. 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 these slides at any time, but has no obligation to provide the recipient with any supplemental, amended, replacement or additional information.

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The MSCI ACWI ex USA Index is a market capitalization weighted equity index that measures the performance of large and mid-cap segments across developed and emerging market countries (excluding the U.S). The index is maintained by Morgan Stanley Capital International.The performance of an index does not reflect any transaction costs, management fees, or taxes.

Past performance is not indicative of future results.

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:

Tailwinds: favorable conditions or factors that can propel asset prices or financial markets upwards. These can include economic growth, technological advancements, regulatory changes, or other external influences that enhance the performance of investments.

Contribution to relative return: a measure of a security's 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
International 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 (%)	MSCI ACWI ex USA (%)	Composite Dispersion (%)	Polen Gross (%)	MSCI ACWI ex USA (%)
2023	58,910	22,269	36,641	299.79	4	29.29	27.73	15.62	0.2	20.53	16.07
2022	48,143	18,053	30,090	255.66	4	-29.16	-30.00	-16.00	0.0	19.19	19.26
2021	82,789	28,884	53,905	60.41	2	7.10	6.67	7.82	N/A	14.67	16.79
2020	59,161	20,662	38,499	54.63	2	12.75	12.02	10.66	N/A	14.55	17.94
2019	34,784	12,681	22,104	0.41	1	27.88	26.81	21.50	N/A	10.92	11.34
2018	20,591	7,862	12,729	0.32	1	-4.60	-5.41	-14.19	N/A	N/A	N/A
2017	17,422	6,957	10,466	0.34	1	35.06	33.94	27.19	N/A	N/A	N/A

Performance % as of 12-31-2024:
(Annualized returns are presented for periods greater than one year)

	1 Yr	5 Yr	10 Yr	Inception
Polen International Growth (Gross)	-2.62	1.50	-	7.43
Polen International Growth (Net)	-3.76	0.56	-	6.47
MSCI ACWI (ex-USA)	5.53	4.10	-	6.22

[1]A 3 Year Standard Deviation is not available for 2017 and 2018 due to 36 monthly returns are not available.

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. N/A - There are five or fewer accounts in the composite the entire year. 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 International Growth Composite created and incepted on January 1, 2017 contains fully discretionary international growth accounts that are not managed within a wrap fee structure and for comparison purposes is measured against MSCI ACWI (ex-USA). Effective January 2022, fully discretionary large cap equity accounts managed as part of our International 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 International Growth Collective Investment Trust were included into the International Growth 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, 2023. The verification reports are available upon request. 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. Verification does not provide assurance on the accuracy of any specific performance report.

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. The U.S. Dollar is the currency used to express performance. 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 85 basis points (0.85%) on the first $50 Million and 65 basis points (0.65%) on all assets above $50 Million of assets under management. HNW: Per annum fees for managing accounts are 160 basis points (1.60%) of the first $500,000 of assets under management and 110 basis points (1.10%) 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 International Growth Fund, which is included in the International Growth Composite, is 85 basis points (.85%). The total annual fund operating expenses are up to 135 basis points (1.35%). As of 9/1/2023, the mutual fund expense ratio goes up to 1.33%. This figure may vary from year to year. The per annum all-in fee* schedule for managing the Polen International Growth Collective Investment Trust, which is included in the International Growth Composite, goes up to 70 basis points (.70%). *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. Portfolio returns are net of all foreign non-reclaimable withholding taxes. Reclaimable withholding taxes are reflected as income if and when received. 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 MSCI ACWI ex USA Index is a market capitalization weighted equity index that measures the performance of large and mid-cap segments across developed and emerging market countries (excluding the U.S). The index is maintained by Morgan Stanley Capital International.

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 composite's 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