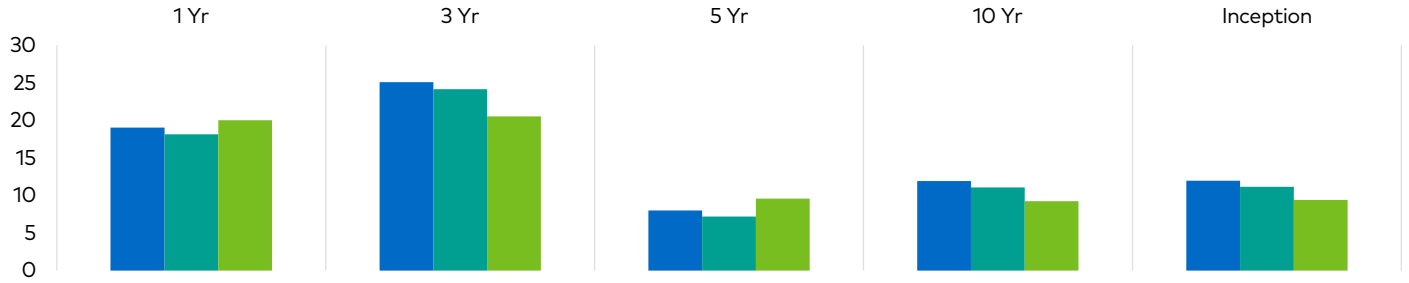
Polen International Equity

Summary

- Major global equity indices continued to advance in the third quarter following pronounced strength in Q2, although the pace of gains slowed considerably. Within international markets, a more risk-averse environment weighed particularly heavily on growth stocks.
- The more challenging environment was driven in part by a renewed energy shock as the U.S.-Iran military conflict re-escalated. At the same time, global interest-rate expectations moved higher amid renewed inflation concerns, contributing to a more risk-averse market environment.
- The Polen International Equity Composite Portfolio (the "Portfolio") lagged the MSCI ACWI ex-US Index (the "Index") in the third quarter, returning -1.99% gross and -2.17% net of fees, respectively, versus 0.48% for the Index. Year-to-date, the Portfolio outperformed the Index, returning 15.99% gross and 15.33% net of fees versus 14.22% for the Index.
- The three largest contributors to absolute return for the quarter were Capcom, Shell and Mizuho Financial Group. The largest absolute detractors were BE Semiconductor Industries, Infineon Technologies and UCB.
- During the quarter, we initiated positions in Asics, Aritzia, National Bank of Greece, Piraeus Bank, Argenx and Sandoz Group. We exited positions in Disco, Kioxia Holdings, Halma, Rentokil, Nokia, Banco Bilbao Vizcaya Argentaria, Cameco, UCB, AstraZeneca and BE Semiconductor Industries.
- We remain focused on bottom-up stock selection and seeking to identify companies undergoing positive fundamental inflection, where we believe improving earnings power, returns or competitive positioning are not yet fully reflected in market expectations.

Seeks Growth & Capital Preservation (Composite Performance (%) as of 9-30-2026)



	Qtr	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception (4-1-2016)
Polen International Equity (Gross)	-1.99	15.99	19.04	25.09	8.02	11.90	11.98
Polen International Equity (Net)	-2.17	15.33	18.15	24.15	7.21	11.06	11.14
MSCI ACWI ex-USA	0.48	14.22	20.00	20.54	9.56	9.25	9.41

Source: Archer. Returns are trailing through 9-30-2026. Current performance may be lower or higher. Annualized returns are presented for periods greater than one year**. Past performance is not indicative of future results**. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee returns are calculated by deducting a model investment management fee of 0.75% (75 bps) annually, applied monthly. The model fee represents the highest fee applicable to the strategy per the current fee schedule and is intended to reflect the fee most relevant to a prospective investor. **Performance shown represents results achieved at prior firms.** Performance shown prior to June 1, 2026 represents results achieved for CastleArk Management ("CastleArk"). The International Equity strategy (the "Strategy") performance from June 1, 2026 onward was achieved at Polen Capital. CastleArk and Polen Capital formed a joint venture co-owned by the Strategy's key personnel in May 2026. This includes Mr. Ajoy Reddi, who has served as the portfolio manager of the Strategy since inception. At all times, Mr. Reddi has had ultimate decision-making authority with respect to the Strategy. Mr. Maneesh Singhal joined the Strategy team on March 1, 2019 and became co-portfolio manager on April 1, 2024. On August 31, 2024, Mr. Singhal left CastleArk and joined Polen Capital. Mr. Singhal rejoined the Strategy team as portfolio manager as part of the joint venture. 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.

Commentary

Major global equity indices continued to advance in the third quarter following pronounced strength in Q2, although the pace of gains slowed considerably. U.S. equities led global markets for the second consecutive quarter, following strong international equity index leadership in Q1. The S&P 500 and NASDAQ Composite rose 2.3% and 2.6%, respectively, compared with gains of 0.5% for the MSCI ACWI ex-US Index and 2.1% for the MSCI ACWI ex-US Small Cap Index.

Within international markets, a more risk-averse environment weighed particularly heavily on growth stocks. The MSCI ACWI ex-US Growth Index declined 2.5% during the quarter, trailing the 3.5% gain for its value counterpart by almost 600 basis points. The reversal was particularly pronounced within semiconductors. After rising 88% in Q2, the Philadelphia Semiconductor Index declined approximately 12% in Q3, having fallen nearly 29% from its June peak to its late-July low before recovering toward quarter-end.

The more challenging environment was driven in part by a renewed energy shock as the U.S.-Iran military conflict re-escalated. Brent crude increased from roughly $70 per barrel at the beginning of the quarter to more than $100 in September. At the same time, global interest-rate expectations moved higher amid renewed inflation concerns. The European Central Bank raised its deposit rate to 2.50% from 2.25% in September, the U.S. Federal Reserve increased its target range to 3.75%–4.00% in its first rate hike since 2023, and the Bank of Japan raised its policy rate to 1.25%, its highest level since 1995[1]. Together, these developments contributed to a more risk-averse market environment.

The shift had its most significant impact on the semiconductor sector, an important area of overweight exposure in the Portfolio and one of the strongest-performing groups in Q2. During Q3, increasing macroeconomic uncertainty contributed to concerns that weaker economic conditions could eventually slow the AI-related demand supporting the industry's recent earnings growth. The group began to recover toward the end of the quarter as several semiconductor companies reported strong results and forward outlooks that generally exceeded expectations, providing additional support for expectations of continued growth through Q4 2026 and into 2027.

Higher interest rate expectations were also a broad headwind for consumer discretionary stocks, another important area of Portfolio exposure. Even so, company-specific fundamentals remained strong across a number of our holdings, allowing several positions to outperform despite the broader sector backdrop. Banks, our third major sector overweight, responded in a more mixed but ultimately resilient fashion. Higher rates supported expectations for net interest income, while concerns about slower economic growth represented a potential offset.

[1] *Sources: U.S. Energy Information Administration (EIA), Brent Crude Oil Spot Prices, July–September 2026; European Central Bank, Monetary Policy Decisions, September 10, 2026; U.S. Federal Reserve, FOMC Statement, September 16, 2026, and Open Market Operations: Historical Policy Rates; Bank of Japan, Change in the Guideline for Money Market Operations, September 18, 2026.*

Portfolio Attribution

The Polen International Equity Composite Portfolio (the "Portfolio") lagged the MSCI ACWI ex-US Index (the "Index") in the 3rd quarter of 2026 returning -1.99% gross of fees and -2.17% net of fees versus 0.48% for the benchmark. Year-to-date, the Portfolio outperformed the Index returning 15.99% gross of fees and 15.33% net of fees versus 14.22% for the Index.

Both stock selection and sector allocation detracted from relative performance during the quarter. The Portfolio's overweight to Information Technology accounted for most of the negative allocation effect. The overweight to Consumer Discretionary and underweight to Materials also detracted, although relatively less.

Country allocation had a negligible net impact. Japan was the strongest relative contributor, while China and South Korea (both underweights) detracted by similar measure.

The three top individual contributors to absolute return were **Capcom**, **Shell**, and **Mizuho Financial Group**, respectively. The largest absolute detractors were **BE Semiconductor Industries**, **Infineon Technologies**, and **UCB**.

The Portfolio's strongest contributors reflected a combination of company-specific fundamentals and favorable macroeconomic trends.

Capcom, the Japanese video game developer behind franchises including Monster Hunter and Resident Evil, continued to rebound during the quarter as strong earnings results reassured investors. The shares had been pressured earlier in the year amid investor concerns about the potential of advances in AI on traditional game development and content creation. Those concerns appeared to moderate during the quarter, with Capcom returning 50% and ultimately contributing 56 basis points to the Portfolio. Continued sales of Resident Evil Requiem, along with ongoing monetization of Capcom's intellectual-property portfolio, supported our view that the company's creative capabilities and established franchises remain competitive.

Higher energy prices and rising interest rates also supported holdings in the energy and financial sectors. **Shell**, a U.K.-based integrated energy company, rose 23% during the quarter as higher oil prices improved the outlook for earnings and cash generation. **Mizuho Financial Group**, a Japanese megabank, also benefited from a higher interest rate environment, which can support earnings as its loan book reprices at higher yields. We maintained both positions as we believe their earnings momentum can strengthen further.

The strategy's largest detractors to absolute return were concentrated primarily within the semiconductor ecosystem and broader AI complex.

BE Semiconductor Industries, a Dutch semiconductor equipment manufacturer, declined 35% amid signs of delays in the adoption of hybrid bonding for high-bandwidth memory, an area in which the company has established a leading competitive position. We exited the position as our assessment of the timing and magnitude of the earnings inflection weakened and concluded that market expectations had not fully adjusted for the possibility of slower or more limited adoption.

Infineon Technologies, a German analog semiconductor manufacturer with significant exposure to automotive and AI-related power applications, declined 28% during the quarter as its valuation multiple compressed alongside other AI-related semiconductor companies despite continued AI-driven growth. The shares were also pressured by macroeconomic concerns surrounding demand in Infineon's core automotive end market. We continue to hold the position because we believe AI-related demand remains supportive of the company's growth outlook and that automotive semiconductor demand may prove more resilient than currently anticipated, even against a weaker macroeconomic backdrop.

UCB, a Belgian biopharmaceutical company focused on immunology and neurology, declined 22% during the quarter after management confirmed upcoming pricing pressure for its key drug, Bimzelx. While we continued to expect earnings growth, consensus forecasts had risen above our own expectations of the company. We exited the position and reallocated the proceeds to an opportunity where we saw stronger expected earnings growth and a more favorable gap relative to consensus expectations.

Portfolio Activity

During the quarter, we initiated positions in **Asics**, **Aritzia**, **National Bank of Greece**, **Piraeus Bank**, **Argenx** and **Sandoz Group**. We exited positions in **Disco**, **Kioxia Holdings**, **Halma**, **Rentokil**, **Nokia**, **Banco Bilbao Vizcaya Argentaria**, **Cameco**, **UCB**, **AstraZeneca** and **BE Semiconductor Industries**.

Outlook

We remain focused on bottom-up stock selection and seeking to identify companies undergoing positive fundamental inflection, where we believe improving earnings power, returns or competitive positioning are not yet fully reflected in market expectations.

Experience in Growth Investing



Ajoy Reddi
Head of Team, Portfolio Manager & Analyst
27 years of industry experience



Maneesh Singhal, CFA
Portfolio Manager & Analyst
16 years of industry experience

Important Disclosures & Definitions

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.

Any statements made by Polen Capital regarding future events or expectations are forward-looking statements and are based on current assumptions and expectations. Such statements involve inherent risks and uncertainties and are not a reliable indicator of future performance. Actual results may differ materially from those expressed or implied.

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. It is impossible to invest directly in an index. 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:

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 (%)).

Additional Indices:

The MSCI ACWI ex USA Growth Index is a market capitalization weighted equity index that measures the performance of large and mid-cap growth stocks across developed and emerging market countries (excluding the U.S.). The index is maintained by Morgan Stanley Capital International.

The MSCI ACWI ex USA Value Index is a market capitalization weighted equity index that measures the performance of large and mid-cap value stocks across developed and emerging market countries (excluding the U.S.). The index is maintained by MSCI Inc.

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 Nasdaq Composite Index is a market capitalization weighted equity index that measures the performance of domestic and international common-type stocks listed on the Nasdaq Stock Market, including companies across a broad range of sectors and market capitalizations. The index is maintained by Nasdaq, Inc.

The Philadelphia Semiconductor Index (PHLX SOX) is a modified market capitalization-weighted equity index that measures the performance of 30 of the largest U.S.-listed companies involved in the design, distribution, manufacture, and sale of semiconductors. The index is maintained by Nasdaq.

The performance of an index does not reflect any transaction costs, management fees, or taxes. It is impossible to invest directly in an index.

GIPS Report

Polen Capital Management
Polen International Equity Composite-GIPS Composite Report

		UMA	Firm	Composite Assets		Annual Performance Results				3 Year Standard Deviation	
Year End	Total (USD Millions)	Assets (USD Millions)	Assets (USD Millions)	Assets (USD Millions)	Number of Accounts	Composite Gross (%)	Composite Net (%)	MSCI ACWI ex USA (%)	Composite Dispersion (%)	Composite Gross (%)	MSCI ACWI ex USA (%)
2025	34,364	14,695	19,669	758	5	37.85	36.81	32.39	3.1	13.85	11.56
2024	52,943	21,135	31,808	525	5	10.92	10.09	5.53	N/A	20.94	16.02
2023	58,910	22,269	36,641	55	1	15.72	14.85	15.62	N/A	21.20	16.07
2022	48,143	18,053	30,090	47	1	-29.66	-30.19	-16.00	N/A	24.39	19.26
2021	82,789	28,884	53,905	68	1	12.02	11.17	7.82	N/A	18.05	16.79
2020	59,161	20,662	38,499	75	1	39.91	38.86	10.65	N/A	20.59	17.93
2019	34,784	12,681	22,103	54	1	37.21	36.18	21.51	N/A	14.08	11.34
2018	20,591	7,862	12,729	39	1	-21.54	-22.13	-14.20	N/A	N/A	N/A
2017	17,422	6,957	10,465	12	1	31.53	30.54	27.19	N/A	N/A	N/A
Q2 16 to end Q4 16	11,251	4,697	6,554	9	1	2.40	1.83	4.89	N/A	N/A	N/A

Performance % as of 12-31-2025:
(Annualized returns are presented for periods greater than one year)

	1 Yr	5 Yr	10 Yr	Inception
Polen International Equity Composite (Gross)	37.85	6.87	N/A	11.25
Polen International Equity Composite (Net)	36.81	6.07	N/A	10.42
MSCI ACWI ex USA	32.39	7.91	N/A	8.68

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 Polen International Equity Composite created on June 1, 2026 with inception date April 1, 2016 contains fully discretionary international equity accounts that are not managed within a wrap fee structure and for comparison purposes is measured against MSCI ACWI ex USA Index. Performance shown represents results achieved at prior firms. Performance shown prior to June 1, 2026 represents results achieved for CastleArk Management ("CastleArk"). The International Equity strategy (the "Strategy") performance from June 1, 2026 onward was achieved at Polen Capital. CastleArk and Polen Capital formed a joint venture co-owned by the Strategy's key personnel in May 2026. This includes Mr. Ajoy Reddi, who has served as the portfolio manager of the Strategy since inception. At all times, Mr. Reddi has had ultimate decision-making authority with respect to the Strategy. Mr. Maneesh Singhal joined the Strategy team on March 1, 2019 and became co-portfolio manager on April 1, 2024. On August 31, 2024, Mr. Singhal left CastleArk and joined Polen Capital. Mr. Singhal rejoined the Strategy team as portfolio manager as part of the joint venture.

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 - December 31, 2025**. 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 Polen International Equity Composite has had a performance examination for the periods April 1, 2016 - December 31, 2025. The verification and performance examination reports are available upon request.

The performance examination for the Polen International Equity Composite was conducted while the composite was managed at CastleArk Management.

Polen Capital Management is an independent registered investment adviser. Polen Capital Management maintains related entities which together invest exclusively in equity portfolios. 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.

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 returns are calculated by deducting a model investment management fee of 0.75% (75 bps) annually, applied monthly. The model fee represents the highest fee applicable to the strategy per the current fee schedule and is intended to reflect the fee most relevant to a prospective investor. 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. The 3 year ex-post standard deviation is calculated using net of management fee returns for all periods displayed. The three-year annualized ex-post standard deviation is not presented for periods in which the composite and/or benchmark does not have 36 monthly returns. If 5 or fewer portfolios exist in the composite for the entire year, annual composite dispersion appears as "N/A". 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 (0.75%) on the first $50 Million and 65 basis points (0.65%) on all assets above $50 Million of assets under management.

Past performance does not guarantee future results and future accuracy and profitable results cannot be guaranteed. Performance figures are presented gross and net of 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 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. It is impossible to invest directly in an index. The performance of an index does not reflect any transaction cost, management fees or taxes.

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 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

GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.