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POLEN INTERNATIONAL GROWTH STRATEGY

Summary

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- During the third quarter of 2018, the Polen International Growth Composite Portfolio (the "Portfolio") returned 3.27% gross of fees. The MSCI All Country World Index (Ex-US) (the "Index") returned 0.71%.

- Year to date the Portfolio returned 7.84% versus -3.08% for the Index. Since inception on January 3, 2017, the Portfolio returned 24.10% annualized gross of fees versus 12.76% annualized for the Index.

- During the third quarter of 2018, our holdings in the information technology, healthcare and consumer staples sectors contributed most to Portfolio returns. Holdings domiciled in China were a headwind. Our underweight to emerging markets was a benefit in the quarter.

Commentary

In the third quarter of 2018, the Polen International Growth Composite Portfolio (the "Portfolio") returned 3.27% gross of fees versus 0.71% for the MSCI All Country World Index (Ex-US) (the "Index"). Year to date the Portfolio returned 7.84% versus -3.08% for the Index. Holdings in the information technology, healthcare and consumer staples sectors contributed most to Portfolio returns this quarter, while holdings in China were among the leading detractors from performance.

The third quarter was an interesting period for non-US stock markets. Although the Index was up slightly in the quarter, it has produced a -3.08% return through the first nine months of 2018. A variety of headwinds are impacting non-U.S. companies. Concerns about weakening economic growth, U.S. dollar strength, trade war fears, central bank accommodation ending in the United States, and soon winding down in Europe, are all issues for investors. Meanwhile, U.S. markets turned in their best quarter in more than five years as the rest of the world looked on with limited participation. At the quarter's close, the valuation gap between U.S. and non-U.S. equities stood at its widest in years – in part due to factors noted above and in part due to fuel from the U.S. tax cut. This table shows the differential in valuations by geography:

	P/E	P/E Fwd
MSCI All Country World Index (Ex-US)	14.9x	12.9x
MSCI All Country World Index	18.4x	14.9x
MSCI USA	22.8x	17.1x

Source: www.msci.com

We are curious to see how the valuation disparity is remedied. Will foreign markets catch-up to the United States, or will the United States catch-down? For readers with more interest in topics discussed in this paragraph, we'd recommend our First Quarter 2018 Portfolio Commentary.

Thoughts on short-term macro issues are a curiosity, if not an outright distraction. Importantly, we continue to see more robust earnings in store for the Portfolio than we do for the Index. This point is a central consideration when faced with the kind of mind-numbing macro talk that the prior paragraph entertains. You could call steady earnings growth from high-quality companies the "true north" of Polen's Investment Philosophy. Pursuit of this aim at the portfolio level reduces the complexity of equity investing to a basic and essential truth, for we believe share prices will follow earnings growth in the long run.

Portfolio Performance & Activity

As of September 30, 2018, the Portfolio was comprised of 25 high quality companies. During the third quarter, the leading contributors to the Portfolio were **ICON Plc** (0.97%), **Amadeus IT Group SA** (0.65%), and **Medtronic plc** (0.54%).

We have written about ICON and Medtronic in recent letters, so we'll shed some light on Amadeus here. Spain-based Amadeus is a leading provider of technology services to the global travel industry. Amadeus was created to facilitate bookings of multi-legged flights involving more than one airline. Let's briefly review an analogue: ***Years ago, Visa and Mastercard were formed by the banking industry to ease the movement of money between banking customers, and quickly became superior businesses to the banks.*** As an unbiased third party, Amadeus provides a critical function to the airline industry and, in our opinion, is a superior business to airlines. There are two core businesses within Amadeus, a global distribution system, or "GDS", and an IT solutions software business. The GDS compiles airline route information globally. Think of this as a database that knows airline flight routes, departure times, seat availability and pricing data. Airlines populate this GDS with their information, while travel planners and online travel sites access that data to enable bookings. Scale matters when you strive to connect the more than 700 airlines operating globally. With more than 40% market share, Amadeus is the largest GDS provider in the world. So, the next time you fly a multi-legged flight somewhere overseas, there is a good chance the booking will be enabled by its GDS. The GDS business is steady and generates cash to fund growth investments in the faster-growing IT solutions business. IT solutions sells software to airlines, trainlines, hoteliers and other players within the travel industry. This software often comes with ten-year contracts and is embedded into customer operations. In addition to growing faster than the GDS, IT solutions also produces higher profit margins. This combination should make for healthy double-digit earnings growth over the next five years.

The leading detractors for the quarter were **Tencent Holdings Ltd.** (-1.30%), **Alibaba Group Holding Ltd.** (-0.54%), and I**ndustria de Diseno Textil, S.A. (Inditex)** (-0.34%).

We focus on Tencent and Alibaba, since Inditex was discussed in past portfolio commentaries. Trade war fears and an emerging market slow down were topical all quarter long. We discussed the gathering storm clouds around changing U.S. Federal Reserve Bank accommodation in the First Quarter 2018 Portfolio Commentary and reviewed the ugly history of trade spats in the Second Quarter 2018 Portfolio Commentary. The Portfolio remains underweight in emerging market domiciled companies, which has helped performance. However, it should be noted that our holdings in China represent a meaningful weight in the portfolio, and the country is in the White House's crosshairs for trade policy. We believe that China has reached a stepping-off point economically, wherein its success over the next thirty years will be far less reliant on trade with the United States than it was for the last three decades. Going forward, China's growth could hinge more on Chinese consumer spending and trade with new trading partners. You could read this as an open query about whether the United States is picking a fight, the outcome of which has already been decided. Of course, short term pain for China can follow onerous policies implemented in Washington. As in past letters, we'll note that China's leaders use a calendar that does not coincide with America's political calendar. China's leaders think in decades. More importantly, policy initiatives in the West are unlikely to deter an emergence among China's middle class. Tencent and Alibaba, as the leading Chinese communications network and e-commerce solution providers, respectively, serve hundreds of millions of Chinese consumers and are poised to benefit as China's economy evolves. Both companies are benefitting from strong growth and investing heavily. Investment initiatives will strengthen core operations and broaden their businesses into new areas. Though these stocks underperformed in the third quarter, we remain confident in their potential to drive significant U.S. dollar-based earnings per share growth for the next five years.

During the third quarter we sold **Christian Hansen Holding A/S**, purchased **Siemens Healthineers AG** and added to our positions in Tencent Holdings Ltd., Alibaba Group Holdings Ltd. and **Baidu, Inc**.

Danish bacteria and enzyme producer, Christian Hansen, enjoys lasting competitive advantages like scaled expertise in fermenting, distributing, and serving clients with bacteria and enzyme products created in its production facilities. Growth is supported by lasting secular trends towards healthier eating, removing antibiotics from the food chain, and removing chemicals from crop cultivation. Christian Hansen's products offer healthy, naturally-derived solutions to each of these shifts. While this is a great business with steady low-teens earnings growth potential, the valuation became so full that we had to question our expected return potential. In the 19 months we owned Christian Hansen, the stock's forward P/E multiple has expanded from 30x to 45x at the time of our sale. Getting a >10% annual return from Christian Hansen shares for the next five years would require the stock to remain at a >40x forward P/E multiple and we have no way of knowing if the current valuation can persist. Christian Hansen remains a great business that we'll continue to follow.

Germany-based Siemens Healthineers is the global leader in patient imaging (including MRI, CT scan, and X-ray machinery) and diagnostics medical equipment. Until its initial public offering in March of this year, Siemens Healthineers was a wholly-owned subsidiary of Siemens AG Group, a German engineering and industrials conglomerate. Siemens Healthineers' products offer critical input to the clinicians providing care to patients. In addition to leading market share in its core business lines, Siemens Healthineers has strong services attached to each product it sells. This feature drives high recurring revenue for up to seven years after each machine is sold. With over 100 years of history, and direct operations in more than 70 countries, Siemens Healthineers touches 240,000 patients every hour and influences some of the most important medical decisions made in hospitals. Siemens Healthineers is a stable growth company with more than half of its revenues coming from recurring sources (combining the impact of both services and consumables). We believe this high-quality company should produce double-digit total returns to shareholders for the next five years.

Our long-term view gives us a unique perspective in a world consumed with short-term thinking. It is with this perspective that we like to frame volatility, a term Wall Street associates with risk, as a source of opportunity. So, while many companies operating in China sold off in the third quarter for reasons already addressed, we took the opportunity to add to each of our holdings in China. Our thinking here has nothing to do with the trade war and everything to do with three competitively advantaged companies. Tencent, Alibaba and Baidu are investing in their own operations to drive future growth. Given our sanguine long-term view of the consumer economy in China, we feel the current valuation on offer for Tencent, Alibaba and Baidu are among the best value propositions in the large capitalization universe today.

International Growth Team Update

We are excited to announce the promotion of Daniel Fields as co-Portfolio Manager on the International Growth strategy, effective January 1, 2019. Daniel joined Polen Capital in 2017 and brought a wealth of experience working in Asia and investing in international markets with a very similar investment philosophy to ours. Daniel will bring his talent and perspective to the International Growth strategy and we look forward to continued success with him.

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

Sincerely,

Todd Morris

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Historical Performance

Polen International Growth (SMA) Composite as of 09-30-2018			
	Polen (Gross)	**Polen (Net)**	**MSCI ACWIxUS**
Sep-18	-0.94	-0.94	0.46
3 Month	3.27	3.06	0.71
YTD	7.84	7.17	-3.08
1 Year	12.04	11.11	1.77
Since Inception (1/3/17)	24.10	23.07	12.76

Source: Archer

Returns are trailing through: Sep-30-2018

Annualized returns are presented for periods greater than 1 year.

GIPS Disclosure

Polen Capital Management
International Growth Composite-Annual Disclosure Presentation

		UMA	Firm	Composite Assets		Annual Performance Results				3 Year Standard Deviation*	
						Composite					
Year End	Total (millions)	Assets (millions)	Assets (millions)	U.S. Dollars (millions)	Number of Accounts	Gross	Net	MSCI ACWI	Composite Dispersion	Polen Gross	MSCI ACWI (ex-USA)
2017	17,422	6,954	10,468	0.3	1	35.06%	33.94%	27.19%	N/A	-	12.04

Total assets and UMA assets are supplemental information to the Annual Disclosure Presentation.
**A 3 Year Standard Deviation is not available for the composite due to the composite's January 1, 2017 creation date.*

GIPS Disclosure

The International Growth Composite created 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). Polen Capital invests exclusively in a portfolio of high-quality companies.

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 by ACA Performance Services, LLC for the periods January 1, 2016 through December 31, 2016. A verification covering the periods from April 1, 1992 through December 31, 2015 was performed by Ashland Partners & Company LLP, which was acquired by ACA Performance Services, LLC, whose report expressed an unqualified opinion thereon.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Polen Capital Management is an independent registered investment adviser. The firm maintains a complete list and description of composites, which 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. Past performance is not indicative of future results. Effective January 1, 2018, accounts must be fully invested at the market open on the first business day of the month, in order to be included in that month's composite.

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 actual management fees. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The 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 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.

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 MSCI ACWI (ex-USA) Index is a market capitalization weighted index designed to provide a broad measure of equity-market performance throughout the world (excluding the United States). The MSCI ACWI (ex-USA) is maintained by Morgan Stanley Capital International, and is comprised of stocks from both developed and emerging markets.

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%	1.1	1.21	1.33	1.46	1.61	1.71	1.95	2.14	2.36	2.59
9%	1.09	1.19	1.3	1.41	1.54	1.68	1.83	1.99	2.17	2.39
20%	1.2	1.44	1.73	2.07	2.49	2.99	3.58	4.3	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