

Turning Rate Cuts into Opportunity: Polen's High Income ETF (PCHI)

November 2025

Persistent Yield and Spread Advantage

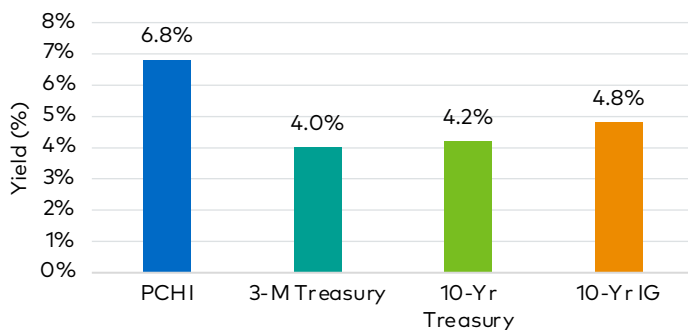
The Federal Reserve's recent actions mark a turning point for income investors. Following the first rate cut in nearly a year in September 2025, the Fed delivered a second 0.25% reduction on October 29, bringing the target range to 3.75%–4%. With policymakers signaling that another cut in December remains on the table, the environment for credit is evolving rapidly. Rather than creating uncertainty, these moves open new opportunities for thoughtfully constructed, actively managed credit portfolios. The Polen Capital High Income ETF (PCHI) stands out as a differentiated and attractive way to capture these advantages—both now and as part of a long-term allocation strategy.

The Case for High Yield: Why Now?

With recent rate cuts pushing yields lower on risk-free assets—such as the 3-month Treasury now yielding 3.92%—investors are experiencing a lower income environment from traditional safe investments compared to the 6.48% yield currently offered by the high yield market.

Against this backdrop, high yield bonds represent a compelling option: offering the potential for greater income while also providing diversification benefits within a broader portfolio.

Figure 1: PCHI's Yield Advantage



Source: As of 09-30-2025. PCHI yield is the 30-Day SEC Yield, reflecting net investment income annualized over the past 30 days. Indexes: 3-Month Treasury (ICE BofA US Treasury Bill Index), 10-Year Treasury (ICE BofA 1–10 Year US Treasury Index) and 10-Year Investment Grade (Bloomberg US Aggregate Bond Index). For PCHI, yield with waivers is 6.83%; without waivers is 6.72%.

The Case for PCHI: Designed to deliver potential price appreciation, enhanced income, and portfolio stability—today and for the future.

#1: Unlocking Price Appreciation

One of the most notable opportunities for high yield investors today lies in the current bond price landscape. PCHI's portfolio includes bonds trading both below and above par, resulting in an average price near \$100. As interest rates fall, prices of fixed-rate bonds generally rise. As a result, the ETF stands to benefit—whether improving prices lift bonds from below par toward par, or push at-par bonds even higher.

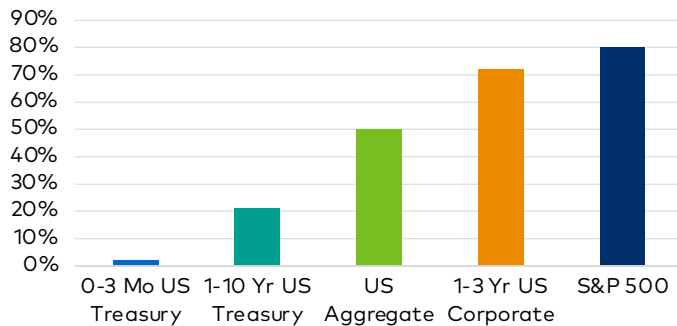
- **For New Investors:** Capture potential price gains as rates decline, alongside the scheduled income benefits.
- **For Existing Investors:** Because bonds are typically fixed rate instruments, falling rates generally lift bond prices, boosting total investment value.
- **In Both Cases:** PCHI offers the dual opportunity for reliable income and capital appreciation—maximizing total return.

#2: Diversification at the Asset Allocation Level

High yield offers more than income—it has historically shown low correlation with stocks and Treasuries. Adding high yield, such as PCHI, to a diversified portfolio can be attractive for two key reasons:

- **Enhanced Portfolio Resilience:** High yield's distinct return profile can help cushion a portfolio's volatility and keep performance on track, both today and through future rate cycles.
- **Smarter Diversification:** A high yield allocation can potentially act as both a performance driver and a risk mitigator, making your portfolio less reliant on any single market—no matter the environment.

Figure 2: Correlation



Source: As of 09-30-2025. 0-3 Mo US Treasury (ICE BofA US Treasury Bill Index), 1-10 Year US Treasury (ICE BofA 1-10 Year US Treasury Index), US Aggregate (Bloomberg US Aggregate Bond Index), 1-3 Year US Corporate (ICE BofA 1-3 Year US Corporate Index), and Equities (S&P 500).

Why PCHI?

PCHI brings together:

- Potential for capital appreciation
- Income advantage over traditional fixed income
- Diversification benefits as an asset allocation tool
- Proactive risk management

As the rate environment changes, PCHI stands out as a flexible, high-conviction solution—and a durable building block for long-term portfolios.

#3: Reliable Yield in a Lower-Rate World

As yields shrink on traditional safe assets, PCHI's focus on quality high yield names can potentially deliver a meaningful income "pickup" for investors:

- **Yield Advantage:** High yield markets offer higher coupons than government or investment grade bonds, enabling you to meet income needs as rates fall.
- **Consistent Income:** Polen Capital's bottom-up, research-driven process targets issuers with reliable cash flows, aiming for steady income while actively managing credit risk.

Disclosures

The performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance, please call 1-888-426-7515 or visit the Fund's website at PCHI. Polen Capital Credit ("Polen Credit") has contractually agreed to limit the amount of the Fund's Total Annual Fund Operating Expenses, exclusive of interest and other costs of borrowing; taxes and other governmental fees; brokerage expenses, trading expenses and other expenses in connection with the execution of portfolio transactions or in connection with creation and redemption transactions; acquired fund fees and expenses; accrued deferred tax liability; extraordinary expenses and other non-routine expenses of the Fund; payments under the Fund's 12b-1 Plan (if activated); and the management fee payable to Polen Credit, to an annual rate of 0.56% of the Fund's average daily net assets for all share classes. Polen Credit has contractually agreed to waive 0.10% (10 basis points) of its management fee, which fee waiver will remain in place until August 31, 2026, unless the Board of Trustees approves its earlier termination.

Shares of any ETF are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

ETF investing involves risk and principal loss is possible. With fixed rate securities, a rise in interest rates typically causes a fall in values. The yield

earned by the Fund will vary with changes in interest rates. Debt securities in which the Fund invests are subject to several types of investment risk, including market or interest rate risk, credit risk, call or income risk, and event risk. High yield securities (also known as junk bonds) are generally considered riskier than investment grade, fixed income securities.

This material must be preceded or accompanied by a prospectus:

PCHI is distributed by Foreside Funds Distributors, LLC.

Definitions:

Correlation is a statistical measure that indicates how closely two variables move in relation to each other.

Indexes:

0-3 Month US Treasury: The ICE BofA US Treasury Bill Index tracks the performance of U.S. Treasury bills with maturities between 0 and 3 months.

1-10 Year US Treasury: The ICE BofA 1-10 Year US Treasury Index measures the performance of U.S. Treasury securities with maturities from 1 to 10 years. **Bloomberg US Aggregate:** The Bloomberg US Aggregate Bond Index is a broad-based benchmark that represents the U.S.

investment grade bond market, including government, corporate, mortgage-backed, and asset-backed securities. **1-3 Year US Corporate:** The ICE BofA 1-3 Year US Corporate Index tracks the performance of U.S. dollar-denominated investment grade corporate bonds with maturities between 1 and 3 years. **S&P 500:** The S&P 500 Index is a market capitalization-weighted index of 500 leading publicly traded companies in the U.S. equity market.