

# Polen Credit U.S. Opportunistic High Yield

June 2023

## Investment Objective

Outperform a broad-based U.S. high yield index with similar or lower risk over a full credit cycle.

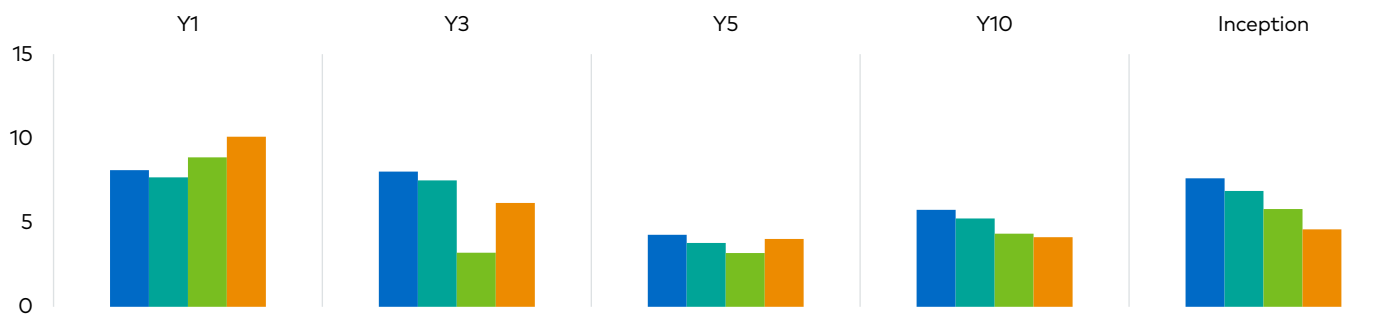
## Why Invest in Polen Opportunistic High Yield?

- **Yield Premium:** Target 200 – 300 bps relative to benchmark
- **Flexibility to invest across the capital structure** in both high yield bonds and bank loans
- **Focus on downside protection** through rigorous fundamental analysis and legal due diligence
- **Limited exposure to stressed or distressed** securities under normal market conditions
- Historically **low correlation of excess returns** to largest institutional high yield managers

## Strategy Profile

<b>Inception Date</b>	03-31-1998
<b>Firm AUM</b>	\$7.1B
<b>Strategy AUM</b>	\$4.6B
<b>Vehicles</b>	Separately Managed Account Commingled Investment Trust (ERISA Eligible) Private Fund (non-ERISA) Mutual Fund
<b>Issuers</b>	70-90 issuers

## Performance (%) (as of 06-30-2023)



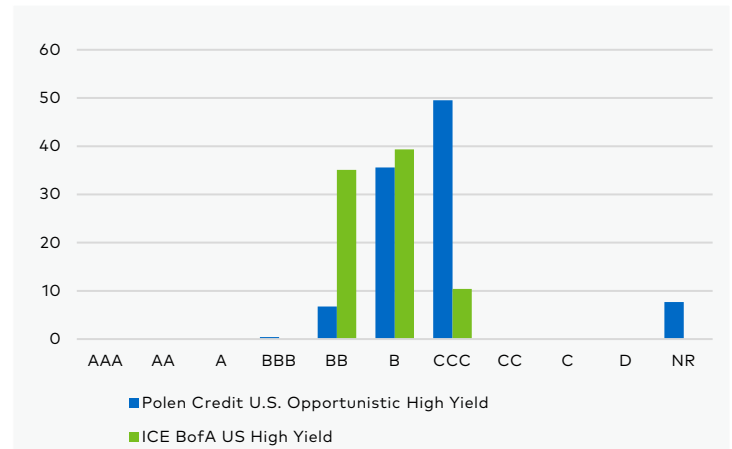
	Qtr	YTD	1Yr	3 Yr	5 Yr	10 Yr	Inception Date (03-31-1998)
Polen Credit U.S. Opportunistic High Yield (Gross) <sup>1</sup>	3.60	7.29	8.12	8.03	4.27	5.76	7.62
Polen Credit U.S. Opportunistic High Yield (Net) <sup>1</sup>	3.45	7.03	7.68	7.50	3.79	5.25	6.88
ICE BofA U.S. High Yield Index <sup>2</sup>	1.63	5.42	8.87	3.21	3.19	4.34	5.81
Credit Suisse Leveraged Loan Index <sup>2</sup>	3.12	6.33	10.10	6.16	4.02	4.13	4.60

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. Please see accompanying Endnotes for important disclosures.

## Portfolio Characteristics

	U.S. Opportunistic High Yield Rep. Account <sup>3</sup>	ICE BofA US High Yield
Number of Issuers	76	885
Top 10 Issuers	33.4%	12.8%
Top 25 Issuers	61.7%	21.2%
Average Rating <sup>4</sup>	B3	B1
Average Coupon	9.35%	5.96%
Avg. Blended Yield <sup>5</sup>	11.29%	8.56%
Average Price <sup>6</sup>	92.33	90.32
Adj. Effective Duration <sup>7</sup>	1.63 years	3.65 years

## Credit Quality Allocation<sup>3</sup> (%)



## Portfolio Managers



**Dave Breazzano**  
Head of Team, Portfolio Manager  
43 years of experience

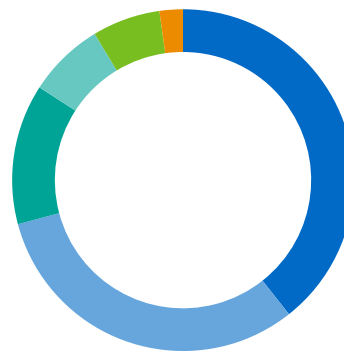


**Ben Santonelli**  
Portfolio Manager  
19 years of experience



**John Sherman**  
Portfolio Manager  
19 years of experience

## Debt Allocation Type<sup>3</sup> (%)



Term Loans	39.4
Senior Unsecured Notes	31.5
Secured Notes	13.3
Holdco/Subordinated Debt	7.2
Equity	6.4
Cash & Equivalents	2.2

## Going Beyond with Polen Capital

The Polen High Yield Team is comprised of proven credit specialists who apply a collaborative approach to strategy and security selection, focused on fundamental research and discerning analysis. We build concentrated, actively managed portfolios of bonds and loans. Our goal is to deliver compelling investment returns over full market cycles by identifying areas of the leveraged credit market where we believe inefficiency signals opportunity. Our high-conviction approach aims to create a significant and durable yield advantage. By focusing on the companies that our research indicates have a margin of safety and the potential to grow into their balance sheets, we seek to reduce risk and amplify the benefits of yield premium compounding. At Polen Capital, we have built a culture of results, and in this, an inherent belief in going beyond what's expected for the people and communities we serve.

**The accompanying Fact Sheet is intended solely for use by clients or prospective clients of Polen Capital Credit, LLC ("Polen Credit"), and may not be redistributed or retransmitted without the written permission of Polen Credit. All information in the accompanying Fact Sheet is as of 06-30-2023 unless otherwise noted.**

1. The Polen Credit U.S. Opportunistic High Yield Composite (the "Opportunistic Composite") includes portfolios that follow the Opportunistic Composite strategy, which seeks to generate capital appreciation and income primarily by investing in high yield bonds and bank loans. Portfolios within the Composite will be permitted to invest in lower rated debt securities, equity securities, bank debt, small issues and direct private investments, but allocations to these security types will vary. Portfolios within the Opportunistic Composite will generally invest at least 25% of assets in bank loans and will invest in illiquid securities. A complete list and description of the firm's composites and performance results is available upon request. The Opportunistic Composite was inceptioned on March 31, 1998. Accordingly, the returns of the Opportunistic Composite since inception as well as the returns for the indices are calculated beginning as of such date. Returns are calculated using daily time-weighted rates of return, and cash flows are recognized at the beginning of the day. Gross returns do not reflect the deduction of the investment management fees, but are net of trading expenses, deal-related legal expenses and foreign withholding tax. Net returns reflect the application of actual management and, if applicable, performance-based fees to gross returns. Returns presented for periods greater than one year are annualized returns.
2. The benchmark, the ICE BofA U.S. High Yield Index, is a broad, unmanaged high yield index. Like the investments of the benchmark, the Opportunistic Composite consists primarily of bonds and notes rated BB or lower (commonly referred to as "high yield"). However, the benchmark does not include any private (non-144A) obligations, convertible bonds, bank loans, and preferred and common equity. Accordingly, investments made by Polen Credit on behalf of the portfolios within the Opportunistic Composite will differ from those of the benchmark and will not have the same investment strategy. As a result, investment results for the Opportunistic Composite will differ from those of the benchmark. The ICE BofA U.S. High Yield Index data referenced herein is in the property of ICE Data Indices, LLC, its affiliates ("ICE Data") and/or its Third Party Suppliers and has been licensed for use by Polen Credit. ICE Data and its Third Party Suppliers accept no liability in connection with its use. Please contact Polen Credit for a full copy of the Disclaimer. The benchmark data is used for comparative purposes only. The Credit Suisse Leveraged Loan Index, which returns are also provided for comparative purposes given the Opportunistic Composite's typically high exposure to bank loans, is constructed to reflect the investible universe of U.S.-dollar denominated leveraged loans. These indices do not bear any fees and expenses. An investor cannot directly invest in such indices, and therefore the index returns are comparable to the Opportunistic Composite's returns calculated on a fully gross, and not net, basis.
3. The Polen Credit U.S. Opportunistic High Yield representative account is an account within the Opportunistic Composite that Polen Credit has deemed the most representative of the Opportunistic Composite strategy of all the Polen Credit-managed accounts within the Opportunistic Composite. Contractual investment guidelines and length of track record are the most important factors in determining a representative account for the Opportunistic Composite strategy. The Opportunistic Composite strategy statistics provided are based on a representative account and are included as supplemental information and complement a GIPS Composite Report, which has been provided or is available upon request.
4. The average rating characteristic, with respect to the representative account, is determined internally by Polen Credit pursuant to a consistent methodology. It is not an S&P credit rating or a rating issued from a ratings agency, and is not a credit opinion.
5. With respect to the representative account, blended yield is a market value weighted average of (i) for securities trading at or above par, yield to worst for bonds, and yield to three year take out for loans, and (ii) for bonds and loans trading at a discount, yield to maturity. With respect to the benchmark, yield is shown as yield to worst.
6. With respect to the representative account, the average price statistic provided is a market value weighted average price which is calculated only for the fixed income portion of the account.
7. With respect to the representative account, the adjusted effective duration statistic provided is calculated by taking a weighted average of (i) modified duration to next reset date for all floating rate instruments, and (ii) effective duration for all fixed coupon instruments. With respect to the benchmark, duration is shown as effective duration.