Polen Focus Growth

Portfolio Manager Commentary – March 2020

Summary

- During the first quarter of 2020, the Polen Focus Growth Composite Portfolio (the "Portfolio") returned -13.03% gross of fees compared to -14.10% for the Russell 1000 Growth Index and -19.60% for the S&P 500.

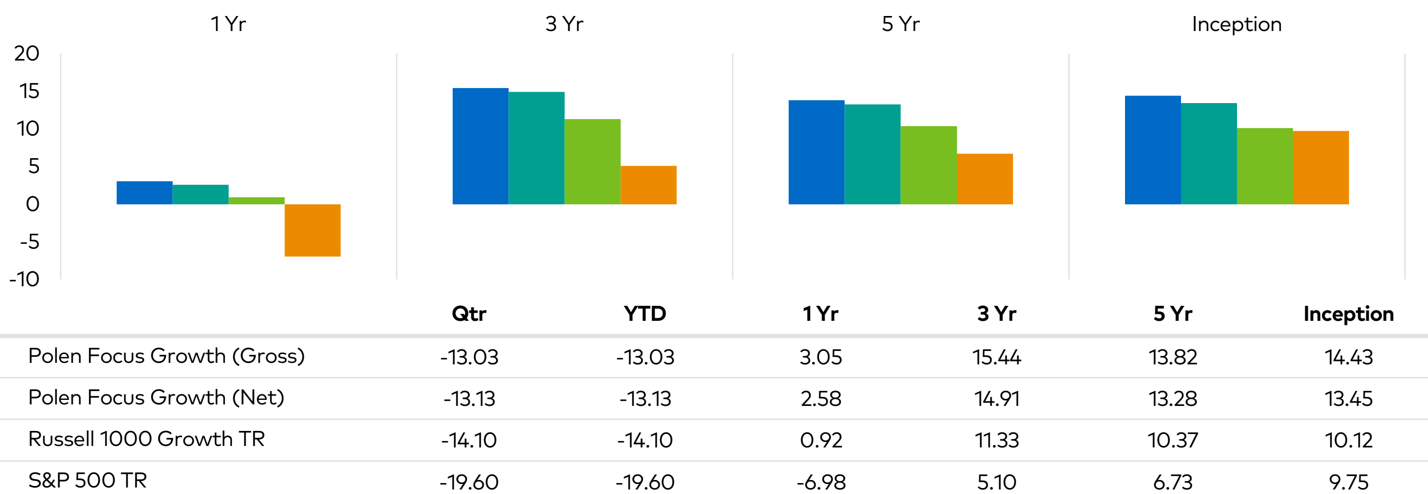
- The COVID-19 pandemic has become a global health crisis that has abruptly and deeply affected the global economy. The equity market's reaction was equally abrupt and deep as this crisis has led to a near stoppage of the global economy in a way that most of us have not seen in our lifetimes.

- The Focus Growth strategy has been battle-tested through many crises over the past 31 years. In our experience, crises that "shock the system" will occur at various points in time for different, usually unpredictable reasons.

- We seek to strictly invest in the highest quality companies that are positioned to not only withstand these shocks but also continue investing for long-term growth to further strengthen their competitive advantages.

- In the first quarter, we had higher than normal trading activity as we used the quick, sharp drawdown to upgrade the quality and growth potential of the Portfolio. Most notably, we exited our positions in Nestle, Booking Holdings, and O'Reilly Automotive while increasing our weightings in Abbott Laboratories and Facebook. We also added a new position in Autodesk.

Seeks Growth & Capital Preservation (Performance (%) as of 3-31-2020)



	Qtr	YTD	1 Yr	3 Yr	5 Yr	Inception
Polen Focus Growth (Gross)	-13.03	-13.03	3.05	15.44	13.82	14.43
Polen Focus Growth (Net)	-13.13	-13.13	2.58	14.91	13.28	13.45
Russell 1000 Growth TR	-14.10	-14.10	0.92	11.33	10.37	10.12
S&P 500 TR	-19.60	-19.60	-6.98	5.10	6.73	9.75

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 reference the supplemental information to the composite performance 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.

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Commentary

The COVID-19 pandemic has become a global health crisis that has abruptly and deeply affected the global economy. The equity market's reaction was equally abrupt and deep as this crisis has led to a near stoppage of the global economy in a way that most of us have not seen in our lifetimes. Despite the circumstances, however, our Portfolio weathered the drawdown better than both the Russell 1000 Growth Index and the broader S&P 500 Index. During the first quarter of 2020, the Polen Focus Growth Composite Portfolio (the "Portfolio") returned -13.03% gross of fees compared to -14.10% for the Russell 1000 Growth Index and -19.60% for the S&P 500.

The Focus Growth strategy has been battle-tested through many crises over the past 31 years. In our experience, crises that "shock the system" will occur at various points in time for different, usually unpredictable reasons. We seek to strictly invest in the highest quality companies that are positioned to not only withstand these shocks but also continue investing for long-term growth to strengthen their competitive advantages further.

Within our investment process, we require, among other factors, companies to meet five strict financial criteria—our "guardrails." By holding companies to a strict standard of quality, we believe we can, first, protect our clients' capital and, second, be in a strong position to grow our clients' assets over time.

Similarities and Differences to the Financial Crisis

The COVID-19 pandemic shares some similarities to the Global Financial Crisis we experienced in 2008-09, including liquidity tremors in the fixed income markets and the need for tremendous fiscal and monetary stimulus. Today's crisis will also lead to a sharp contraction in global GDP and high unemployment rates in many parts of the world, at least for part of 2020.

We also saw stock price correlations in both crises spike within a similarly short window. Correlations approached 1, as they did during the depths of the Global Financial Crisis, in the latter half of 1Q 2020. Over a year ago, we opined that increased trading volumes from passive and trend-following algorithmic strategies had changed the market's structure over the last 20 years. And, we expected it could lead to very high correlations during a market selloff. This appeared to play out in the first quarter as many high-quality companies, in our view, were "thrown out" together with companies that we feel are much lower quality without regard to the magnitude or duration of the pandemic's impact on their respective business results. We expect that most businesses in the S&P 500 and Russell 1000 Growth indices will see a meaningfully negative impact from COVID-19 in 2020 and potentially beyond. But, the magnitude and duration of the negative impact will vary widely across these businesses and be based on their value propositions, competitive positions, financial strength, and ability to continue investing through these challenging times.

Contrarily, a small minority of businesses will likely be unaffected or even benefit from the current situation in some way (Netflix and Zoom come to mind as some of the most obvious beneficiaries), but the magnitude of the benefit can range from immaterial to significant in our view. Interestingly, we observed that share prices for most of these companies have far outperformed together in recent weeks. In an environment where consumers are forced to stay home to get or stay healthy, many companies have been rewarded by the market more for their fortuitous business models rather than their true long-term company fundamentals, in our view. This bipolar view between the COVID-19 haves and have-nots has already presented us with some opportunities, and we may see more before we are fully past this crisis.

There are also some differences to note between the COVID-19 crisis versus the Global Financial Crisis. Central banks and governments have moved much more quickly and significantly to provide stability to the financial system, businesses, and consumers in today's crisis. It is still too early to truly assess the success of these measures, but we are optimistic that at least the severity of the situation is well understood by lawmakers and leaders globally. Their swift action could enable businesses, consumers, and markets to rebound more quickly this time. For now, China is a good model for how global economies could rebound if effective and well-targeted stimulus measures and proper disease mitigation and monitoring programs are in place.

Additionally, the economic impact of this crisis is far broader than during the Financial Crisis. The Financial Crisis was more of a demand-side problem as many consumers became overextended and were forced to disengage from the economy. The COVID-19 crisis has been more of a supply-side problem. Most businesses have been forced to close or operate on an extremely limited basis, and consumers have been forced to stay home due to a public health crisis rather than a financial crisis. For many businesses, this can cause cash flow to dry up relatively quickly. This unique reality prompted our team to quickly re-stress-test all our Portfolio holdings, reevaluate certain holdings, and reexamine investment candidates to ensure they could withstand such an environment.

The New Safeties?

Each of our holdings plays a role in our portfolio, and we typically maintain a balance of growth and safety. We prefer to have an allocation to highly stable and resilient "safety" businesses that we believe will be significantly less impacted during periods of economic stress. These companies often provide ballast during market drawdowns.

In the past, many of these companies have been consumer staples companies like Coca-Cola, PepsiCo, McDonald's, Hershey, and, most recently, Nestle. However, trends like lower barriers to entry from digital advertising and social media, stronger competition from private label offerings, and weakening value propositions due to increasingly health-conscious consumers have made these businesses less attractive investment options.

On the other hand, many technology companies, mainly software and services, have become far more stable and resilient than they have been historically. Their businesses have moved to cloud-based, subscription revenue models and away from the more cyclical license models of the past. Increasingly, many consumer product and service businesses also have moved to subscription models and improved their ability to meet consumers wherever they have an internet connection--Amazon Prime and Netflix are obvious examples. While these businesses will still see some impacts in periods of market stress, they are proving to be extremely resilient, especially if they are of central importance to people's professional or personal lives.

In our Portfolio, we believe customers view their subscriptions to Adobe, Microsoft, Salesforce, and ServiceNow software as essential parts of their employees doing business and remaining productive. Under these subscription models, customers can no longer wait to upgrade to the latest software and defer purchases like they could in the past. The software is now updated regularly and included in the cost of the ongoing subscription price. If customers do not pay the subscription price, they cannot use the software. As we expected, these businesses have been more durable and stable than we believe they would have been under prior license-based software models, acting more like "safeties" within the Portfolio thus far.

It is still too early to know the true economic and earnings impact of the pandemic. It will likely depend on the duration of the spread of COVID-19 itself, the degree of success from social distancing and shelter-in-place initiatives, and effective treatments. That said, our insistence on balance sheet strength for all our holdings puts them in strong positions to power through even the toughest of times without running into true financial distress. Additionally, all our companies provide unique products and services supported by big secular tailwinds that we believe will likely remain intact and possibly even strengthen. The companies we seek to own can, and often do, invest heavily in periods of economic weakness to further increase their competitive advantages and growth prospects for when business conditions normalize.

Portfolio Performance & Activity

In the first quarter, we had higher than normal trading activity as we used the drawdown to upgrade the quality and growth potential of the Portfolio. Most notably, we exited our positions in **Nestle**, **Booking Holdings**, and **O'Reilly Automotive** while increasing our weightings in **Abbott Laboratories** and **Facebook**. We also added a new position in **Autodesk**.

We eliminated our position in **Nestle** in the first quarter and redeployed the proceeds to build our position in **Abbott Laboratories** to one of our largest holdings. We've owned Nestle as a "safety" holding for nearly six years. Revenue growth through our holding period has been slower than we hoped, as barriers to entry in the consumer product/food areas have come down in a world of digital advertising and strong private label competition. While we believe that Nestlé has taken positive steps to boost growth, we expect ongoing headwinds to stifle the pace of revenue growth. Nestle no longer seems to possess the unique attributes that we would like to see for our U.S.-focused Focus Growth strategy to continue holding a business domiciled outside the U.S.

We believe our investment in **Abbott Laboratories** is a better allocation of that capital, which is trading at a similar valuation to Nestle. Abbott should be able to grow revenue and earnings meaningfully faster than Nestle without the long-term headwinds. We expect that purchases of certain Abbott medical devices could be deferred for a few months as hospitals focus more exclusively on treating COVID-19 patients. Still, we expect Abbott should see strong revenue and profits growth from most of its businesses over the long term. Additionally, our Abbott position does not ascribe any value to the company's recently launched rapid diagnostic tests for COVID-19. We do not expect this test to change the value of the company significantly over the longer term. At the same time, news of the test's release moved the company's share price higher. This supports the view we expressed earlier that companies seen as having fortuitous business models in the current environment have appreciated together.

We also sold **Booking Holdings** and deployed the proceeds into **Facebook**. Booking was our smallest portfolio weighting because we had been monitoring the company's slowing growth profile amid a maturing European hotel bookings market. The massive impact from COVID-19 and a lingering effect on global travel for at least some period of time added to our concerns. We determined that our remaining investment in Booking would be better deployed into Facebook. Facebook is trading at a similar valuation, has stronger competitive advantages (although to be fair, Booking's competitive advantages are likely strengthening during this period as well), has a much stronger growth profile, and should see far less impact on its business from COVID-19. In addition, Facebook has a pristine, cash-heavy balance sheet and, in our view, excellent long-term growth prospects. We expect that regulatory concerns around Facebook will likely diminish as the U.S. government grapples with more pressing issues surrounding COVID-19. Governments may see more clearly some of the value Facebook can bring to its stakeholders such as the ability to quickly provide COVID-19 information and news from reliable sources to large portions of the population, and the strongest "anti-Big Tech" Democratic presidential candidates have now suspended their campaigns.

Facebook's advertising revenue will be impacted significantly in the short term. Nonetheless, we expect the business to rebound quickly when this crisis eventually subsides, just as Google's did post the Financial Crisis. Facebook and Google, now Alphabet, provide high returns on investment for advertisers. We believe that these digital platforms have only become more attractive for advertisers during the crisis because engagement has increased meaningfully, and these platforms have grown even closer to their marketing partners. Facebook should be well positioned to benefit once advertisers are in a position to, once again, accelerate ad spending.

In almost any other environment, we would view **O'Reilly Automotive** as a very stable, safety-like business with solid earnings growth. We consider O'Reilly to be more like healthcare for cars than a retailer. Unfortunately, this pandemic has changed a crucial part of our investment case. Given the stability in the underlying demand for replacement car parts, the company has been managed with a leaner balance sheet, and most of the company's free cash flow has been used for share repurchases. It is unlikely that O'Reilly's profits will be impacted enough to cause issues with its debt covenants, but the leverage on O'Reilly's balance sheet, combined with a much larger impact on the business during a downturn than we could have anticipated, changed our investment case.

To elaborate, the COVID-19 crisis has resulted in significant restrictions on the movement of the U.S. population, and we expect that the number of miles driven will be down significantly for at least some period of time. As people are driving less, fewer will need to visit O'Reilly's stores to repair their cars. Almost all O'Reilly stores remain open, which also means most in-store expenses will remain while in-store revenue will decline. Also, mechanics supplied with O'Reilly parts will likely be impacted as people drive less and look to defer car-related repairs to both save money and shelter-in-place.

Finally, O'Reilly will likely halt or sharply reduce share buybacks in order to pay down debt. While this is prudent from a financial sustainability perspective, share buybacks are a key component of the earnings per share growth we expect from the business. Even before COVID-19, we anticipated O'Reilly's revenue and operating profit growth would slow over time, given the maturity of their store base and the business's already high margins. The unique nature of this crisis, where people are forced to stay inside and drive far less than we could have imagined, is one of the only scenarios in which O'Reilly no longer fits the role of a stable "safety" in our Portfolio and puts the company's balance sheet in a weaker position than we would like.

We purchased a new 2.5% position in **Autodesk**. We owned Autodesk from 2005 to 2008 when the company dominated the computer-aided design (CAD) software market. Architects, engineers, product designers, and many others use Autodesk's software to visualize a product or building digitally prior to production. Over the last decade, Autodesk has become the global leader in providing software to three primary markets: 1) architecture, engineering & construction (AEC), 2) manufacturing, and 3) media & entertainment. The business has improved in many ways, including shifting to a subscription-based business model (revenues are now 95% recurring) and continued progress in the digitization of the construction market.

Particularly within AEC, Autodesk's software is mission-critical and is only becoming a more essential component of the construction process. The construction industry has been slow to adopt digital design and management tools, resulting in significant waste. Today, many building projects are mandating the use of building information modeling (BIM) software to improve efficiencies, and we expect that Autodesk can capitalize on this long-term secular tailwind.

Autodesk has almost no net debt, 30%+ free cash flow margins, returns on capital north of 50%, and revenue growth typically well above 20%. While COVID-19 will affect the business until the economy eventually rebounds, we expect Autodesk to be far more stable than it was during Financial Crisis, to be much less cyclical than its primary commercial real estate end market, and to emerge from this crisis with exceptional growth prospects for many years.

Portfolio Performance and Attribution

Our top performers in the first quarter were Regeneron Pharmaceuticals, MSCI, and Autodesk. The largest detractors in the quarter were Alphabet, O'Reilly Automotive, and Visa.

Regeneron Pharmaceuticals appreciated 30% in a challenging quarter. In recent years, concerns over increased competition for Eylea, Regeneron's most significant drug, have weighed on shares. Early in the quarter, however, a competitor warned that its alternative to Eylea could potentially cause serious side effects, pushing Regeneron stock higher. From our perspective, this news highlights the difficulty in bringing safe eye care drugs to market and potentially extends the period of little competition for Eylea. Shares also received a boost when the firm announced it had identified several potential antibodies that could become the first effective preventative therapy for COVID-19 and that one of its existing products, Kevzara, could potentially be used to treat already sick COVID-19 patients. Regeneron was a strong performer in the first quarter, partly due to potentially premature COVID-19 enthusiasm (although this news helps demonstrate the strength of Regeneron's drug development platform). We will continue to weigh the strength of Regeneron's existing product portfolio and its differentiated drug discovery platform against some of the future headwinds the company could face.

MSCI also appreciated by double-digits in the first quarter. MSCI is mostly insulated from equity market gyrations because 90% of its revenue is recurring and subscription-based. Also, the company can flex its expense structure in periods of stress. We believe MSCI offers a level of stability similar to our software and services businesses, which have highly recurring revenue, strong customer lock-in, and very little client attrition even in tough times.

Alphabet, along with Facebook, and **Visa**, along with MasterCard, were all significant detractors in the quarter. Efforts to slow the spread of COVID-19 have constrained consumer spending and restrained ad spending, resulting in a meaningful slowdown for these businesses. Visa and Mastercard have already experienced a notable decline in transaction volumes, especially in cross-border activity. That said, we expect that the slowdown will be temporary and that secular growth trends will resume, if not accelerate, when this health crisis passes. The competitive advantages of these businesses are among the strongest we have seen. Furthermore, their cash-rich balance sheets should allow these companies to continue investing for long-term growth and extend their competitive leads.

Conclusion: Reasons for Optimism

We are in the midst of a global pandemic and an extreme short-term decline in economic activity. We cannot say with any certainty how long it will last or how deep the human and economic impact will be. That said, we are optimistic. We are optimistic because we see people across the globe doing the right things to stem the spread of the disease. We see first responders and medical care professionals putting themselves at risk so the rest of us can be safe. We see governments and central banks responding quickly to preserve jobs and keep money flowing. We see companies across the globe working to find vaccines and treatments to stop this disease. And, we have seen that human beings are quite resilient and strong in the face of adversity.

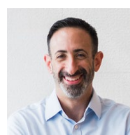
We have all been impacted by COVID-19 in one way or another. We hope this period brings to light how interdependent we are on one another and that vibrant economies cannot exist without healthy people that work together. We hope this period also serves as a reminder that there will always be a number of ways the economy could deteriorate for periods of time, and while we hope future crises will not occur, this is likely not the last crisis we will experience. We believe periods like this demonstrate the importance of owning only the highest quality companies. The high-quality companies we seek to invest in offer products and services that matter to their customers, have almost impervious competitive advantages and are so financially superior that even large shocks to system cannot derail them from investing for the future in most cases.

We are realists grounded in the reality of our world, but we are also optimistic owners of exceptional businesses for the long term.

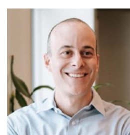
Thank you for your interest in Polen Capital and the Focus Growth strategy. Please feel free to contact us with any questions or comments, and we hope everyone is staying healthy during this period.

Sincerely,
Dan Davidowitz and Brandon Ladoff

Experience in High Quality Growth Investing



Dan Davidowitz, CFA
Co-Head of Team, Portfolio Manager & Analyst
21 years of experience



Brandon Ladoff
Portfolio Manager & Director of Research
7 years of experience

Historical Performance

	Polen (Gross) (%)	Polen (Net) (%)	R1000G (%)	S&P 500 (%)
3 Months	-13.03	-13.13	-14.10	-19.60
YTD	-13.03	-13.13	-14.10	-19.60
1 Year	3.05	2.58	0.92	-6.98
3 Years	15.44	14.91	11.33	5.10
5 Years	13.82	13.28	10.37	6.73
7 Years	15.32	14.74	12.93	9.63
10 Years	14.77	14.13	12.97	10.53
15 Years	11.84	11.11	9.69	7.58
20 Years	9.09	8.31	4.03	4.79
25 Years	13.22	12.32	9.07	8.85
30 Years	14.09	13.12	9.58	9.28
Since Inception (01-01-1989)	14.43	13.45	10.12	9.75

Returns are trailing through 3-31-2020. Annualized returns are presented for periods greater than one-year.
Source: Archer.

GIPS Disclosure

Polen Capital Management
Large Capitalization Equity Composite—Annual Disclosure Presentation

		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 (%)	S&P 500 (%)	Russell 1000 G (%)	Composite Dispersion (%)	Composite Gross (%)	S&P 500 (%)	Russell 1000 G (%)
2019	34,784	12,681	22,104	8,831	939	38.80	38.16	31.49	36.40	0.3	12.13	11.93	13.07
2018	20,591	7,862	12,729	6,146	705	8.98	8.47	-4.38	-1.51	0.2	11.90	10.95	12.30
2017	17,422	6,957	10,466	5,310	513	27.74	27.14	21.83	30.22	0.4	10.66	10.07	10.69
2016	11,251	4,697	6,554	3,212	426	1.72	1.22	11.96	7.09	0.2	11.31	10.74	11.31
2015	7,451	2,125	5,326	2,239	321	15.89	15.27	1.38	5.68	0.1	10.92	10.62	10.85
2014	5,328	1,335	3,993	1,990	237	17.60	16.95	13.69	13.06	0.2	10.66	9.10	9.73
2013	5,015	1,197	3,818	1,834	245	23.77	23.07	32.39	33.49	0.3	11.91	12.11	12.35
2012	4,527	889	3,638	1,495	325	12.43	11.75	16.00	15.26	0.1	16.01	15.30	15.88
2011	2,374	561	1,812	555	171	9.04	8.25	2.12	2.63	0.2	15.98	18.97	18.01
2010	1,181	322	860	316	120	15.65	14.70	15.06	16.72	0.2	20.16	22.16	22.42
2009	626	131	494	225	120	39.71	38.50	26.45	37.21	0.3	16.99	19.91	20.01
2008	266	10	256	137	112	-27.81	-28.42	-37.01	-38.44	0.3	15.26	15.29	16.63
2007	682	-	682	491	149	10.78	9.86	5.49	11.81	0.2	8.36	7.79	8.66
2006	730	-	730	524	219	15.00	14.04	15.80	9.07	0.1	7.25	6.92	8.43
2005	1,849	-	1,849	945	419	-0.53	-1.43	4.91	5.26	0.2	8.08	9.17	9.67
2004	2,017	-	2,017	1,124	665	8.72	7.76	10.88	6.30	0.2	10.08	15.07	15.66
2003	1,617	-	1,617	907	513	17.73	16.67	28.68	29.75	0.7	12.98	18.32	22.98
2002	970	-	970	518	407	-6.69	-7.53	-22.10	-27.88	0.9	13.15	18.81	25.58
2001	703	-	703	408	289	-4.61	-5.50	-11.89	-20.42	1.0	13.58	16.94	25.56
2000	622	-	622	359	236	-3.50	-4.44	-9.10	-22.42	0.7	16.52	17.67	23.11
1999	640	-	640	377	228	23.89	22.65	21.04	33.16	0.6	18.27	16.76	19.27
1998	418	-	418	257	202	31.61	30.19	28.58	38.71	0.7	17.95	16.23	18.15
1997	252	-	252	145	158	37.14	35.63	33.36	30.49	0.9	13.17	11.30	12.79
1996	140	-	140	89	118	31.94	30.40	22.96	23.12	0.7	10.61	9.72	10.49
1995	70	-	70	45	61	48.07	46.33	37.58	37.18	1.0	9.72	8.34	9.26
1994	32	-	32	17	27	10.13	8.96	1.32	2.62	1.6	-	-	-
1993	24	-	24	16	26	13.07	11.85	10.08	2.87	2.9	-	-	-
1992	16	-	16	11	24	-	-	-	-	-	-	-	-

Total assets and UMA assets are supplemental information to the Annual Disclosure Presentation.

GIPS Disclosure

The Large Capitalization Equity Composite created on January 1, 2006 contains fully discretionary large cap equity accounts that are not managed within a wrap fee structure and for comparison purposes is measured against the S&P 500 and the Russell 1000 Growth indices. 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, 2019. A verification covering the periods from April 1, 1992 through December 31, 2015 was performed by Ashland Partners & Company LLP, whose report expressed an unqualified opinion thereon. Ashland Partners & Company LLP was acquired by ACA Performance Services, LLC.

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. The Large Capitalization Equity Composite has been examined for the periods April 1, 1992 through December 31, 2019. The verification and performance examination reports are available upon request.

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. From July 1, 2002 through April 30, 2016, composite policy required the temporary removal of any portfolio incurring a client initiated significant cash outflow of 10% or greater of portfolio assets. The temporary removal of such an account occurred at the beginning of the month in which the significant cash flow occurred and the account re-entered the composite the first full month after the cash flow. Additional information regarding the treatment of significant cash flows is available upon request. 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.

Past performance is not indicative of future results. 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 75 basis points (.75%) on the first $50 Million and 55 basis points (.55%) 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 S&P 500® Index is a widely recognized, unmanaged index of 500 common stocks which are generally representative of the U.S. stock market as a whole. The Russell 1000® Growth Index is an unmanaged index that measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values.

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 composites' 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