

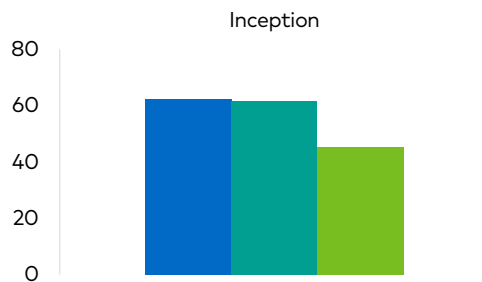
Polen U.S. SMID Company Growth

Portfolio Manager Commentary – September 2020

Summary

- During the third quarter, the Polen U.S. SMID Company Growth Composite Portfolio (the "Portfolio") returned 7.11% gross of fees versus the Russell 2500 Growth Index (the "Index") return of 9.37%. Since inception on April 1, 2020, the Portfolio has returned 62.32% gross of fees compared to the Index return of 45.32%.
- From a company-specific perspective during the quarter, Generac, The Trade Desk, and Epam Systems were the top contributors while Appfolio, Goosehead Insurance, and Alarm.com were the top detractors, based on relative contribution to return.
- The U.S. SMID Company Growth strategy taps into our small cap investing expertise by seeking to capture attractive small cap companies earlier in their lifecycle and allowing us to hold 'winners' for longer.
- We believe having conviction in the quality of our businesses and a focus on the long-term is paramount to navigating periods of heightened volatility. While COVID has spurred significant change, we are confident in our portfolio companies' abilities to meet the challenge.

Seeks Growth & Capital Preservation (Performance (%) as of 9-30-2020)



	Qtr	Inception
U.S. SMID Company Growth (Gross)	7.11	62.32
U.S. SMID Company Growth (Net)	6.56	61.50
Russell 2500 Growth	9.37	45.32

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.

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.

Commentary

During the third quarter, the Polen U.S. SMID Company Growth Composite Portfolio (the "Portfolio") returned 7.11% gross of fees versus the Russell 2500 Growth Index (the "Index") return of 9.37%. Since inception on April 1, 2020, the Portfolio has returned 62.32% gross of fees compared to the Index return of 45.32%.

The third quarter of 2020 started off strong. Investors seemed to focus on favorable economic data, the potential for a fast-tracked vaccine, the possibility of another fiscal stimulus package, and encouraging quarterly reports from companies suggesting that earnings had bottomed. But, after reaching all-time highs in early September, concerns about political, virus, and economic uncertainty set in, driving a change in sentiment, an increase in market volatility, and the first down month since March. Without the above-mentioned risks abating in the near term, we expect further oscillations between defensive and offensive postures on behalf of market participants.

We have been pleased with our portfolio companies' results since portfolio inception earlier this year and are thrilled to report that we believe most of them are successfully turning the present crisis into an opportunity. Their ability to flexibly adjust to the new normal is a hallmark of the high-quality companies we emphasize, those that we think can "survive and thrive in any environment."

One year ago, it would have been hard to imagine today's conditions. This underlies our steadfast insistence on owning what we believe are the best businesses in our category. We seek to focus on companies that benefit from long-term trends, are well-positioned in their respective markets, have strong business models that generate cash, and are run by superior management teams. We believe these features are important to generating long-term returns and serve as protection when circumstances change. While COVID-19 has been a significant change, and we do not have visibility into what the future of the pandemic holds, we are confident in our portfolio companies' abilities to meet the challenge. In this volatile and uncertain environment, we believe having conviction in the quality of our businesses and a focus on the long-term is paramount.

We continue to see significant dispersion across the SMID universe, reflecting a wide divide in companies' performance since the beginning of the COVID-19 pandemic. We see plenty of opportunities for stock selection remaining in this environment, especially in a concentrated portfolio like ours, where each company can have a meaningful impact. That said, performance across companies, industries, and sectors this quarter seemed more reflective of style and changes in investor risk tolerance than underlying company fundamentals in our view.

Overview of the Portfolio

The U.S. SMID Company Growth strategy is built on the same concentrated, high-quality growth investing philosophy founded by Polen Capital over 30 years ago.

The strategy extends our small company growth capabilities by seeking to invest in 25-35 of the best small-to-medium sized businesses in the U.S. This strategy offers clients the ability to access the attractive risk-reward profile of smaller companies, with the benefit of including larger, more financially mature companies in the midcap category, which can provide additional ballast.

We take a long-term approach to investing and typically expect to hold our investments in companies for many years. The U.S. SMID Company Growth strategy taps into our small cap investing expertise by seeking to capture attractive small cap companies earlier in their lifecycle and allowing us to hold 'winners' for longer. In our U.S. Small Company Growth strategy, our commitment to remaining in the small cap category often prompts us to sell some of our most compelling investments due to their growth and success.

We believe this ability to hold 'winners' through their ongoing maturity can deliver compelling long-term results.

Portfolio Performance & Attribution

In the third quarter, the market rewarded companies in the most cyclical or COVID-19 depressed industries disproportionately. More cyclical businesses, companies with no earnings, and companies with high debt levels generally outperformed on a relative basis, reflecting optimism for a sharper economic rebound than was initially feared. Industries that had been leading the market for several months, like software and biotech, began to lose ground as investors shifted into more traditionally cyclical industries, like electrical equipment and building products, or those that have been hardest hit by the pandemic, such as hotels and restaurants.

In terms of attribution, sector allocation contributed positively while stock selection contributed negatively to our relative performance during the quarter. Using the consumer discretionary sector as an example, the Portfolio was heavily exposed to this category, which outperformed during the quarter. However, we did not own the most cyclical and/or COVID-19 depressed constituents within the sector. In the information technology sector, our largest sector exposure, we saw a similar but smaller effect. Our positive relative performance in the industrials and healthcare sectors helped to partially offset this.

From a style perspective, the impact of our active exposure to both growth and profitability during the quarter was mixed. Exposure to the growth factor was additive to performance, but exposure to profitability detracted. We believe this reflects investors' willingness for risk-taking in the quarter, with an emphasis on loss-making, lower-quality companies. We are not surprised that our prioritization of profitability was a headwind during the third quarter, as investors seemed willing to tolerate higher risk and lower-quality non-earners.

From a company-specific perspective, **Generac Holdings**, **The Trade Desk**, and **EPAM Systems** were the top contributors during the quarter based on relative contribution to return.

Generac Holdings was a top contributor during the quarter. The company is a leading provider of power generation equipment for residential and commercial customers globally. Generac's main product, home standby generators, has seen strong demand as consumers increasingly value solutions that provide quality and consistent energy sources and clean energy alternatives. Generac's dominant market share (~80%) in the home standby generator market, which it helped to create, is attractive and growing, and market penetration stands at less than 5% in the U.S. today. Customers' dependence on secure power sources has grown during the pandemic as millions of people have been forced to work, educate, and entertain from the confines of their homes. This has led to robust demand for Generac's residential power products. Importantly, we believe management has continued to make thoughtful investments and bolt-on acquisitions to further grow its competitive position and increasingly meet the growing needs of customers.

The Trade Desk was a top contributor in the quarter. The company operates the largest programmatic advertising platform globally that enables data-driven digital advertising for ad agencies and brands. The massive shift to digital media consumption combined with the increasingly fragmented nature of consumers' media behavior make it harder for companies to reach the right consumers in the right places. Programmatic advertising/ad buying helps companies do this more successfully. Digital media is bought in an automated fashion and machine-driven. The advertiser selects the impressions they want to buy, not the publisher. This method helps companies reach more consumers and engage with them across different touchpoints with ads that are more targeted and relevant. Additionally, companies receive more analytics to help them make decisions and measure results.

The Trade Desk has been able to scale its business, and management has been able to balance both growth and profitability. We believe that COVID-19 is a catalyst for advertisers to move in The Trade Desk's direction. Given the increasing importance of data-driven advertising, especially in the current environment, we believe the company's competitive position has been enhanced as a result of the pandemic.

EPAM Systems was another top contributor during the quarter. EPAM is a leading global IT services firm that provides product development and software engineering solutions to clients worldwide. Some of the services and solutions EPAM provides its clients include product research, customer experience design and prototyping, program management, and custom application development services. These solutions are increasingly necessary as companies seek to strengthen their online presence, better leverage technology in their own products and services, and improve the customer experience and engagement. EPAM has

seen its top customers deepen their relationship and spending with the company, highlighting the importance and mission critical nature of the services and solutions EPAM provides. We continue to believe EPAM's competitive position remains strong, its value proposition to clients is attractive, and that the company can grow and compound its value at a mid-teens rate or greater for the foreseeable future.

From a company-specific perspective, **Appfolio**, **Goosehead Insurance**, and **Alarm.com Holdings** were the top detractors during the quarter based on relative contribution to return.

Appfolio, a software solutions provider for real estate and property management, was the top detractor in the quarter. COVID-19 has had a somewhat negative impact on the business, primarily due to interrupted sales and marketing activity. However, Appfolio has exhibited stable growth throughout the pandemic, and management continues to invest heavily in the business. This behavior shows a long-term strategic orientation that we believe will benefit the company for many years to come.

Goosehead Insurance, a new addition to the Portfolio, was also a top detractor in the period. We took advantage of the soft pricing and added to our initial position toward the end of the quarter, highlighting our enthusiasm for the opportunity ahead as Goosehead continues to disrupt a very large and dormant market in our view.

Alarm.com Holdings, a cloud-based home security and automation service provider, was also a top detractor in the period. Interestingly, in some ways, Alarm.com is a beneficiary of the pandemic as more people move to the suburbs and look to secure their assets. On the other hand, the company continues to see some weaknesses in its commercial and international businesses. Despite this, the company has continued to grow throughout the pandemic, which we view as a testament to its durable business model and innovative services. Management has continued to invest in the business from both a product innovation and a sales and marketing standpoint. They expect demand to rebound meaningfully as the economic environment normalizes. We remain enthusiastic about Alarm.com and expect that the value proposition it provides will continue to drive strong results going forward.

Portfolio Activity

During the quarter, we initiated positions in **Houlihan Lokey**, **Aspen Technology**, and **Goosehead Insurance** and added to our positions in **Alarm.com Holdings**, **Euronet Worldwide**, **Tyler Technologies**, and **Investnet**. We exited our positions in **IDEXX Laboratories**, **Five Below**, and **Texas Roadhouse**.

We started a position in leading global investment bank Houlihan Lokey during the quarter. We also own this company in the U.S. Small Company Growth strategy.

Houlihan Lokey is a leading global investment bank with expertise in mergers and acquisitions, capital markets, financial restructuring, and valuation. The company holds the number one position in most of the markets that it serves, and its diverse mix of revenues has driven strong financial performance across market cycles.

Houlihan Lokey has been able to grow revenues in both strong and more challenging economic environments. Historically, the firm's M&A-related work has driven significant growth in revenues during strong economic periods while its financial restructuring business has driven growth in tougher times, when M&A activity is typically lower. Its market is competitive with larger investment banks in the mix, but Houlihan Lokey has benefitted from companies' interest in hiring independent advisors who are free from corporate conflicts. This factor became an even more important driver of the Houlihan's business after the Global Financial Crisis.

In corporate finance, Houlihan Lokey is also more focused on the middle market where the transactions are smaller, there is less competition from big banks, and there is less cyclicality. In the near to medium term, we believe the company is well positioned to benefit from the meaningful ramp in restructuring activity driven by the pandemic and low oil prices, which is negatively impacting its energy clients. Over the long-term, we think the company should continue to benefit from various tailwinds that include: a shift to independent investment banks, an increase in middle market M&A activity as baby boomers age out their businesses and private equity participation remains high, and a preference amongst high performing investment bankers to join boutique firms that have better cultures and offer more job stability with better economics.

We started a new position in **Aspen Technology** (AZPN). We previously owned this company in the U.S. Small Company Growth strategy, and sold it for market cap reasons. The company is a global leader in asset optimization software. Its solutions address complex, industrial environments where it is critical to optimize the asset design, operation and maintenance lifecycle. Companies in capital-intensive industries can use Aspen Technology's unique set of assets to maximize uptime and push the limits of performance, running their assets safer, greener, longer and faster.

We had considered the company for the inception portfolio but decided to wait and watch it as we had concerns about how low oil prices and macroeconomic uncertainty back in March might affect their business. We have since been impressed with the company's ability to navigate the tough macro environment, and oil prices have improved. We believe it has been able to deliver very attractive growth despite the macro uncertainty, giving us more confidence to start a position during the quarter. We think the company has an outstanding competitive position, a highly recurring business model, robust margins and returns, and a management team that exhibits all the behaviors that we seek, especially value-creating reinvestment.

We started a new position in **Goosehead Insurance** during the quarter. Goosehead is a personal lines insurance broker with a unique franchise model and centralized customer service. Its business model is radically different than the industry status quo.

Goosehead was designed to address two flaws management identified in the traditional personal lines brokerage model. First, the best brokers quickly became bogged down with back-office requirements as the many clients they acquired needed to be serviced. Second, the most successful personal lines brokers typically had a limited number of carriers whose product they could sell. This meant that even when those carriers were not the best option, brokers had to convince clients they were.

Goosehead addresses the first pain point by offloading nearly all the back-office requirements to a centralized service center with licensed brokers who can generally handle all client needs. This allows Goosehead's best salespeople to focus solely on building their business without compromising client service. In fact, Goosehead has a Net Promoter Score twice that of the industry average. On the second weakness, Goosehead leads the industry with >80 carriers on its platform. This allows brokers to provide clients with more options and find the best possible solution for their needs. Goosehead is in the early stages of penetrating the personal lines insurance industry, which is estimated to have a total addressable market of \$300B. Its franchising model leads to extremely high returns on capital and requires almost zero investment to grow the business. Management is laser-focused on capitalizing on its opportunity, and we expect the company to grow its value more than our mid-teens IRR hurdle for many years to come.

We exited our position in **IDEXX Laboratories**. We believe this company remains fundamentally strong and has had solid business performance during the pandemic. However, the company reached \$31B market cap, more than 3x the weighted average market cap of the Portfolio. Given our commitment to stay in the SMID category, it was time to recycle the assets into smaller market cap companies. IDEXX has been a strong performer since the Portfolio's inception, having outperformed the benchmark and contributing to attractive returns.

We exited our positions in **Texas Roadhouse** and **Five Below**. We think COVID-19 related disruption remains a higher-than-average risk for both companies in the near and intermediate term. Both companies are examples of having to update our views because of the pandemic—the combination of disease headwinds, changes in the health of the consumer, and changes in consumer preferences and behaviors make the near, medium, and long-term prospects for each business more fragile than they were pre-pandemic.

Both companies also face longer-term headwinds in our view. For Five Below, the growth of e-commerce continues to accelerate, and the company has yet to demonstrate that its concept transitions well to an online environment. For Texas Roadhouse, the retail footprint of its "Texas Roadhouse" brand is relatively mature, and management, despite its efforts, has yet to develop a successful, second concept. With both positions having gained back much of what was lost initially due to the pandemic, neither stock seems to be fully discounting these risks.

Outlook

We continue to remain focused on what we believe to be high-quality companies that benefit from long-term trends, are well-positioned in their respective markets, have a strong business model that generates cash, and are run by a superior management team. We believe these features are important to generating long-term returns and serve as protection when circumstances change.

The performance of certain segments of the market this quarter shows that investors are currently willing to take on more risk with rapidly growing technology and biotechnology companies without profits. While we agree that COVID may have accelerated several of the long-term trends these companies are exposed to, we continue to believe the companies that will create the most value will typically have robust margins and cash flows to remain leaders should some or any of the variables change. Often, companies that grow rapidly through reliance on capital markets are generally surprised and ill-prepared for a period where financiers de-risk their exposures.

We invest in companies that we think will benefit from long-term trends and have durable business models.

We feel comfortable with our current portfolio holdings, whether we are in a "risk-on" or "risk-off" market. We should not need to make changes to the Portfolio if the variables change.

We are still optimistic about the long-term prospects for smaller companies and will be offering more detailed insight into this view in the coming months. In short, we believe the future for smaller companies is bright, especially for those that use the digital infrastructure created by the tech giants to build brands, scale marketing, and attract, reach, and monetize customers. This creates opportunities for younger companies to compete on the global stage, generate recurring subscription revenues, and use data to better deliver all kinds of services. We view these opportunities on a multi-decade scale, and we think they are best seized with a long-term orientation.

Team Update

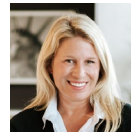
The Small Company Growth Team is operating smoothly in the distributed work environment we find ourselves in today. Our highly collaborative process has not missed a beat, which has been supported by the integration of Microsoft Teams and Zoom into our workflows. Our IT team deserves much of the credit for enabling our seamless transition to a remote world.

We began a search for a full-time analyst at the beginning of October and are excited to find another great teammate. As a reminder, our investment team currently includes three Portfolio Managers and four Research Analysts. Each analyst operates as a global generalist, supporting the three Small Company Growth strategies. An ideal candidate will embody the intersection of our three key characteristics: cultural fit, skill, and cognitive flexibility. The posting is available on our website, and we will keep you updated in future letters about this position.

Thank you for your interest in Polen Capital and the U.S. SMID Company Growth strategy. Please feel free to contact us with any questions or comments.

Sincerely,
Rayna Lesser Hannaway

Experience in High Quality Growth Investing



Rayna Lesser Hannaway
Portfolio Manager & Analyst
24 years of experience

Historical Performance

	Polen (Gross) (%)	Polen (Net) (%)	Russell 2500 Growth Index (%)
3 Months	7.11	6.56	9.37
Since Inception (04-01-2020)	62.32	61.50	45.32

Returns are trailing through 9-30-2020. Annualized returns are presented for periods greater than one-year.
Source: Archer.

Past performance is not indicative of future results. Returns are presented gross and net of management fees and include the reinvestment of all income.

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 portfolio or that the securities sold will not be repurchased. 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 information performance of the securities discussed herein. A complete list of our past specific recommendations is available upon request.

The Russell 2500 Growth Index measures the performance of those Russell 2500 companies with higher price-to-book ratios and higher forecasted growth values.