Polen U.S. SMID Company Growth

Portfolio Manager Commentary – September 2021

Summary

- Markets were volatile in the third quarter of 2021, reflecting challenges seemingly related to COVID-19 variants, broad-based supply chain issues, the resulting impacts of inflation, and cracks in the Chinese economy.

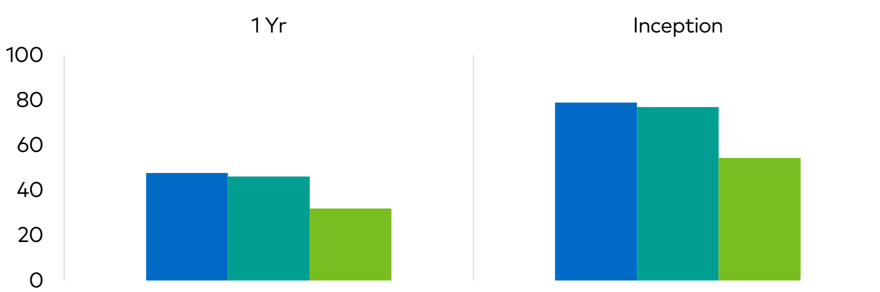
- In the third quarter, the Polen U.S. SMID Company Growth Composite Portfolio ("the Portfolio") returned 1.71% and 1.42% gross and net of fees, respectively, and outperformed the Russell 2500 Growth Index (the "Index") return of -3.53%.

- The top relative contributors during the quarter were Paycom, Globant, and Dynatrace. The bottom three relative detractors were Trupanion, Farfetch, and FICO.

- During the quarter, we initiated a position in Olo, added to Farfetch and Progyny and trimmed Generac and EPAM.

- The direction of interest rates, inflation, and supply chain shortages can drive market volatility over the shorter term. That said, we believe the companies we own are well-positioned to manage these challenges and become two to five times larger than they are today.

Seeks Growth & Capital Preservation (Performance (%) as of 09-30-2021)



	Qtr	YTD	1 Yr	3 Yr	5 Yr	Inception
Polen U.S. SMID Company Growth (Gross)	1.71	16.61	47.72	-	-	78.85
Polen U.S. SMID Company Growth (Net)	1.42	15.61	46.10	-	-	76.94
Russell 2000 Growth	-3.53	4.84	31.98	-	-	54.31

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 GIPS Report 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.

Commentary

Global markets continued to be volatile in the third quarter of 2021 as investors seemed increasingly worried about an economic slowdown. Markets appeared to fixate on challenges related to COVID-19 variants, broad-based supply chain issues, the resulting impacts of inflation, and cracks in the Chinese economy.

The Polen U.S. SMID Company Growth strategy fared well in this environment, benefitting from increased volatility and dispersion. We believe this is because our Portfolio companies are positioned on the right side of change and have greater financial flexibility

The global pandemic cemented permanent behavior changes related to the new digital landscape, which we view as a structural, long-term trend.

This shift has led to an exponential acceleration in business activity for many of our Portfolio companies. Ultimately, individual stock selection drove the Portfolio's returns in the quarter. As a reminder, all the companies we own are financially sound, cash flow producing businesses that we believe can compound earnings at a high rate of return for many years.

Regarding supply chain shortages and inflation, we have increasingly seen their impact on consumers' daily lives. That said, we believe the current shortages are likely transitory and longer-term inflation should remain low given the advances in technology and its broad deflationary effect.

Supply chain shortages and input cost inflation have been less of an issue for our Portfolio companies in aggregate. However, the tight labor market and its effect on wages is something we are monitoring closely. Many Portfolio companies are facing these challenges and must raise compensation to remain competitive. At the same time, their financial flexibility and operating leverage is high, leaving them better positioned relative to small cap peers, which are often unprofitable and/or highly indebted. Our research also shows that our companies prioritize culture. In turn, we think this positions them well to attract and retain talent.

The trajectory of interest rates has also been an overriding concern for many investors. While this may challenge some companies, we believe our Portfolio companies are not particularly vulnerable. They have relatively low levels of leverage and are not reliant on external capital to grow.

At the same time, rising rates could result in a slowdown in consumer spending. This may extend the timeline for some companies to achieve our target return expectations but does not increase the risk of permanent loss of capital, in our view.

Any short-term deceleration in consumer spending is likely to be offset by favorable, long-term structural demand trends driven by digital transformation.

While concern about interest rates, inflation, and supply chain shortages can drive market volatility over the shorter term, we continue to remain focused on the long-term and on investing in high-quality compounders. We believe that each of our Portfolio companies can potentially be at least two to five times larger than they are today and are all underpriced relative to their long-term potential.

Portfolio Performance & Attribution

The top relative contributors during the third quarter were **Paycom, Globant**, and **Dynatrace**. The bottom three detractors were **Trupanion**, **Farfetch**, and **FICO**.

In terms of contributors, **Paycom** reported that its growth accelerated 33% year over year, driven by increased advertising spend, upsells, and improving employment trends. We believe Paycom's growth runway remains attractive with ongoing reinvestments, a growing total addressable market, and enhancements in its existing solutions.

Globant, a provider of digital transformation to enterprises worldwide, reported a 67% increase in revenue year over year. The company continues to expand its capabilities, has a robust customer pipeline, and expects demand to increase.

Globant reached more than $1 billion in revenues for a trailing twelve-month period for the first time in the company's history.

Dynatrace outperformed during the quarter as the company reported earnings results that handily beat expectations. The company continues to increase its customer base and has expanded net revenues with existing customers.

Conversely, **Trupanion** reported mixed earnings results, mostly due to higher-than-expected costs of new pet acquisition. The increased spending is intended to drive future growth. We continue to believe Trupanion's long-term growth prospects and competitive positioning remain compelling in an underpenetrated U.S. pet insurance market.

Farfetch, an e-commerce luxury retailer, traded down during the quarter despite beating earnings expectations. We continue to believe Farfetch is well-positioned to capitalize on growth in e-commerce luxury retail because of its scale and carefully cultivated partnerships with leading luxury brands. We added to our position. **FICO** shares also underperformed during the quarter, despite beating earnings expectations.

Portfolio Activity

During the quarter, we initiated a position in **Olo.** We added to **Farfetch** and **Progyny** and trimmed **Generac** and **EPAM.**

Olo is the premier B2B software partner for restaurants transitioning to the new normal of digital ordering.

Olo's scalable go-to-market strategy, which targets enterprise brands, results in highly efficient sales and marketing expense, consistent average revenue per unit (ARPU) growth, and little need to tap capital markets to fund long-term goals. The company operates a repeatable subscription-based model with a solid margin and cash flow structure, has a customer-centric and visionary management team, and has a solid track record of product line expansion. We think the company has a leading competitive position in a large total addressable market and the ability to expand its solutions across various verticals over time.

We trimmed **Generac** and **EPAM** to fund the purchase of Olo. We took the opportunity to increase our weightings in **Farfetch** and **Progyny** at attractive valuations.

Outlook

We continue to see an exciting and attractive growth runway for our Portfolio companies. We believe digital transformation is breaking down barriers to scale for small companies and that this transformation is still in its early stages. Based on our research, we own competitively positioned companies with the financial strength to reinvest in their growth and have an outsized impact in driving this change. With our long-term time horizon, we believe that we are well-positioned to capitalize on what we anticipate being a period of continued high levels of growth, differentiation, and compelling investment opportunities.

Team Update

We are pleased to announce that Iris Chipendo has joined our team as a Research Associate. Iris is a recent MBA graduate, and we had the wonderful opportunity to first work with her as an intern last spring. During the internship, we discovered that Iris has a great aptitude for our style of investing, a growth mindset focused on continuous improvement, and strong personal character. As a reminder, we have built this team one-by-one, hiring individuals based on their ability to uphold our core values, which include prioritizing a team-first mentality, cognitive flexibility, and skill. We are very excited and lucky to have Iris on board.

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.

Sincerely,
Rayna Lesser Hannaway

Experience in High Quality Growth Investing

Rayna Lesser Hannaway
Portfolio Manager & Analyst
24 years of experience

GIPS Report

Polen Capital Management
U.S. SMID Company Growth Composite—GIPS Composite Report

		UMA	Firm	Composite Assets		Annual Performance Results				3 Year Standard Deviation[2]	
Year End	Total ($Millions)	Assets ($Millions)	Assets ($Millions)	U.S. Dollars ($Millions)	Number of Accounts	Composite Gross (%)	Composite Net (%)	Russell 2500 Growth (%)	Composite Dispersion (%)	Polen Gross (%)	Russell 2500 Growth (%)
2020[1]	59,161	20,662	38,499	2.51	1	105.23	103.70	82.91	N/A	N/A	N/A

[1]Performance represents partial period (April 1, 2020 through December 31, 2020), assets and accounts are as of December 31, 2020.
[2]A 3 Year Standard Deviation is not available for 2020 due to 36 monthly returns are not available.
N/A - There are five or fewer accounts in the composite the entire year. Total assets and UMA assets are supplemental information to the GIPS Composite Report. While pitch books are updated quarterly to include composite performance through the most recent quarter, we use the GIPS Report that includes annual returns only. To minimize the risk of error we update the GIPS Report annually. This is typically updated by the end of the first quarter.

GIPS Report

The U.S. SMID Company Growth Composite created and incepted on April 1, 2020 contains fully discretionary small and mid-cap company equity accounts that are not managed within a wrap fee structure and for comparison purposes is measured against the Russell 2500 Growth Index. The accounts are highly concentrated and unconstrained with regard to the number of the highest-conviction positions (i.e., positions of greater than 5%) comprising the portfolios. 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 for the periods April 1, 1992 through June 30, 2021. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

Polen Capital Management is an independent registered investment adviser. A list of all composite and pooled fund investment strategies offered by the firm, with a description of each strategy, 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.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of fees and include the reinvestment of all income. Net of fee performance was calculated using actual fees. The annual composite dispersion presented is an asset-weighted standard deviation using returns presented gross of management fees calculated for the accounts in the composite the entire year. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The management fee schedule is as follows:

Institutional: Per annum fees for managing accounts are 100 basis points (1.00%) on the first $50 Million and 85 basis points (0.85%) on all assets above $50 Million of assets under management. HNW: Per annum fees for managing accounts are 175 basis points (1.75%) of the first $500,000 of assets under management and 125 basis points (1.25%) 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 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 Russell 2500 Growth Index measures the performance of those Russell 2500 companies with higher price-to-book ratios and higher forecasted growth values.

The volatility and other material characteristics of the indices referenced may be materially different from the performance achieved. In addition, the composite's holdings may be materially different from those within the index. Indices are unmanaged and one cannot invest directly in an index.

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%	1.10	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

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