

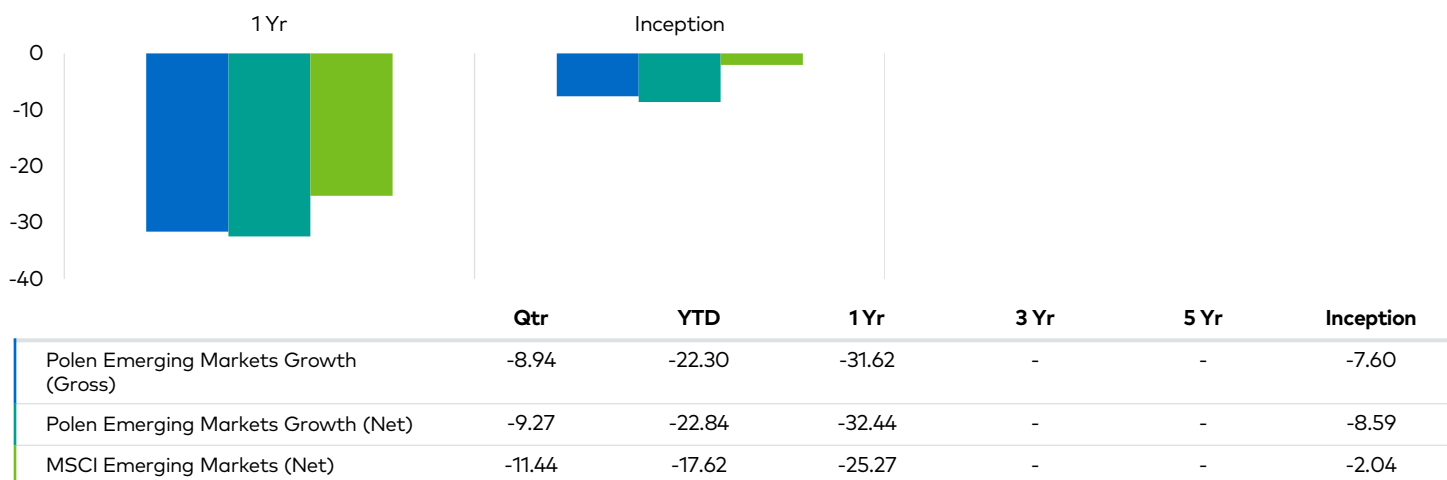
Polen Global Emerging Markets Growth

Portfolio Manager Commentary – June 2022

Summary

- During the second quarter of 2022, the Polen Global Emerging Markets Growth Composite Portfolio (the "Portfolio") returned -8.94% gross and -9.27% net of fees, respectively, versus the -11.44% return for the MSCI Emerging Markets Index (the "Index").
- Heightened geopolitical uncertainty, persistent inflation, U.S. dollar strength, and concerns about slower global growth remained some of the main sources of volatility.
- The top absolute contributors to returns over the second quarter included Autohome Inc., Phu Nhuan Jewelry JSC, and Prosus N.V. The top absolute detractors over the quarter included Mercado Libre, Inc., Karooooo Ltd., and Titan Company Limited.
- We exited President Chain Store Corp. and added to Momo.com.
- While we believe that share prices do not always reflect business fundamentals in the near term, we are confident in our Portfolio holdings' long-term prospects and excited about the opportunities we see in emerging markets.
- Despite the market's short-term preferences and gyrations, we remain focused on finding companies with competitive advantages that we believe can compound earnings and cash flows over the long term.

Seeks Growth & Capital Preservation (Performance (%) as of 6-30-2022)



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

Share prices globally—including those in emerging markets—remained under pressure in the second quarter of 2022, adding to an already challenging start to the year. In our view, some of the reasons for the declines this year have been very rational. With inflation moving higher globally and interest rates following suit, markets are naturally baking in higher discount rates, and some of the frothy valuations of the past years have come home to roost.

As we have previously discussed, we have been concerned for a while about the number of companies in the market with unprofitable business models raising capital on the promise of significant returns tomorrow.

There was no way of knowing when this would unwind; however, history has shown that no matter how painful it can be—and sometimes for a long time—fundamentals tend to win out in the end.

In such unwinding environments, it is not uncommon for markets to throw the proverbial "baby out with the bathwater." We believe this is playing out now. Companies we regard as high quality are selling off as much if not more than those with significantly less solid fundamental underpinnings simply because of the industry they operate in.

Going forward, we have no idea how much further markets can or will fall. However, it looks likely that global interest rates and funding sources will get tighter from here on. This is probably not good news for companies with weak fundamental underpinnings or cash flows to support valuations. Nevertheless, in our opinion, it is a good time to be an active investor. We feel very confident in the companies we own in the Portfolio, their robust business models, and the valuations many of them are now trading on.

Emerging markets were not exempt from global pressures in the second quarter. Yet, the drawdown was less severe than across their developed counterparts. This was partly because China, the largest emerging market, had already been heavily punished during the previous twelve months. It was also probably a reflection of the emerging market asset class as a whole having missed out on some of the exuberance that found its way into global markets in recent years.

Chinese equities closed the quarter higher after the world's second-largest economy relaxed some of its COVID-19-related lockdowns and showed early signs of easing tensions on the regulatory front, particularly within the technology sector.

While easing lockdowns are a favorable tailwind in the short term, we would be cautious in cheering too early as the Chinese government remains committed, albeit in an increasingly isolated way, to a zero COVID-19 policy. Despite the government's efforts, achieving this goal is something that, at least as we stand today, looks unlikely to succeed over the long term.

Portfolio Performance & Attribution

Over the second quarter of 2022, the Polen Global Emerging Markets Growth Composite Portfolio (the "Portfolio") returned -8.94% gross and -9.27% net of fees, respectively, versus the -11.44% return for the MSCI Emerging Markets Index (the "Index").

From an absolute perspective, our most significant contributors to performance over the second quarter were **Autohome**, **Phu Nhuan Jewelry**, and **Prosus**.

Autohome is China's leading online car classified company and one company that, in our view, was unfairly punished in reaction to China's regulatory crackdown last year. Autohome saw a steep decline in its share price in 2021 as most tech-related companies sold off, irrespective of the actual direct impact of regulatory changes or how cash-generative their businesses were.

While earnings of Autohome did soften during the year as the global chip shortage weighed on new car sales, we expect the company to return to the earnings growth levels it has historically delivered. The company's 70% share price decline in 2021 left it trading on levels we considered very attractive, and we took the opportunity to increase our position earlier in the year. Despite the bounce during the quarter, we still view the company as materially undervalued.

Headquartered in Vietnam, **Phu Nhuan Jewelry** produces, sells, and trades jewelry and related products. PNJ is the leading formalized jewelry retailer in a growing industry (and country) still primarily dominated by "Mom and Pop" stores. Year to date, profits are up about 50% year-over-year, which in our view, represents solid growth for a company trading at less than 20x forward earnings. As PNJ rolls out new stores and customers continue to be attracted to purchasing from a brand they trust, we expect PNJ will continue compounding at high rates of return.

Prosus is a Netherlands-headquartered holding company with a 30% stake in **Tencent Holdings Ltd.** We have historically viewed Prosus as an attractive vehicle for investing in Tencent, given that Prosus's market cap—including several other promising businesses—is significantly lower than its direct stake in Tencent.

After trying multiple times to close the discount without much success, the firm's management announced that it would begin to gradually sell down some of its Tencent holdings and use the proceeds to buy back shares, leading to a jump in Prosus's share price.

The most significant absolute detractors from performance over the quarter were **MercadoLibre**, **Karoo**, and **Titan**.

As written in our Q4 2021 commentary, some significant differences exist between the underlying profitability of e-commerce companies in emerging markets. However, **MercadoLibre** was punished during the quarter in part because of the sector it happens to operate in. Given its robust cash flow generation, we believe MercadoLibre is well-poised to continue delivering solid cash flows that will enable it to support its operations fully. Going forward, we expect the business to continue growing and providing value-added services to its customers across the continent. In turn, we capitalized on the weakness during the quarter to opportunistically increase our position in MercadoLibre.

Karoo is a leading South African and Southeast Asian provider of highly precise vehicle tracking services that help its customers improve their logistics operations' efficiency, safety, and security. Despite the price weakness during the quarter and year-to-date, the company continues to deliver solid operating results, with subscribers and revenues for the full year ending February 2021 increasing by 17% and 20%, respectively. During the quarter, we spoke with Zak Calisto, CEO of Karoo, about the business and its plans for the future. Following our discussion, we remain very impressed with the company's strategy, quality of management, and ability to continue compounding cash flows for many years.

Titan is the leading jewelry retailer in India. While it has made a solid recovery operationally since the early days of the pandemic, so has its share price. With valuations under the limelight, it is not surprising to see some profit-taking action. Though our team remains confident in the company's long-term structural growth story, we reduced our holding late last year to reflect more demanding near-term valuations.

Portfolio Activity

During the quarter, we increased our positions in **Momo.com**, **Wizz Air**, **MercadoLibre**, **Tencent Music Entertainment Group**, and **Alibaba Group Holding** and exited **President Chain Store**. We also reduced our positions in **Raia Drogasil SA**, **United Spirits Limited**, and **Colgate-Palmolive (India) Ltd**.

We used share-price weakness over the quarter to increase our positions in Taiwan-based e-commerce company **Momo.com**, low-cost airline **Wizz Air** and online marketplace **MercadoLibre**. We have discussed these three businesses in recent quarterly commentaries, and we believe in each case that the share price movements we have seen this year are not reflective of their underlying solid fundamentals. We also added to our position online music platform **Tencent Music Entertainment Group** and Chinese e-commerce company **Alibaba**.

To fund some of these additions, we reduced our position in **Raia Drogasil**. Raia had performed very well due to the robust year-to-date performance of the Brazilian Real. While we still think this is a very good business, we didn't believe the growth/valuation trade-off was sufficient to justify a top ten position in the fund.

We also reduced our positions in beverage company **United Spirits** and oral-care company **Colgate-Palmolive** as the slower growth levels we have been seeing are not reflected in current valuations.

Finally, we exited **President Chain Store** entirely. Given some of the price dislocations, we see better opportunities for capital to be invested elsewhere within the fund.

Outlook

As investors, we focus our attention on long-term fundamentals rather than market gyrations which can either work for or against the Portfolio in the short term. This is particularly true in emerging markets, where unique risks arise from time to time that can create bumps in the road. These headwinds are often difficult to predict in both timing and scale, so we focus our research on long-term structural themes that have the potential to prevail over multiple years regardless of the near-term backdrop.

Our conviction in our businesses' competitive advantages, sustainability, and durability remains high, and we believe the Portfolio is well-positioned to navigate the future. Looking ahead, we remain dedicated to finding companies with competitive advantages that we believe can compound earnings and cash flows over the long term, independent of commodity swings or economic cycles. Given the power of compounding over time, we think that once we invest in great businesses, the best path forward is to stay the course through a long-term approach.

Thank you for your interest in Polen Capital and the Global Emerging Markets Growth strategy. Please contact us with any questions you might have.

Sincerely,

Damian Bird and Dafydd Lewis

Experience in High Quality Growth Investing



Damian Bird, CFA

Head of Team, Portfolio Manager & Analyst
14 years of experience



Dafydd Lewis, CFA

Portfolio Manager & Analyst
17 years of experience

GIPS Report

Polen Capital Management
Global Emerging Markets Growth Composite—GIPS Composite Report

Year End	UMA		Firm	Composite Assets		Annual Performance Results				3 Year Standard Deviation ¹	
	Total (\$Millions)	Assets (\$Millions)	Assets (\$Millions)	U.S. Dollars (\$Millions)	Number of Accounts	Composite Gross (%)	Composite Net (%)	MSCI Emerging Markets (%)	Composite Dispersion (%)	Polen Gross (%)	MSCI Emerging Markets (%)
2021	82,789	28,884	53,905	2.28	1	-8.97	-9.87	-2.53	N/A	N/A	N/A
2020	59,161	20,662	38,499	2.51	1	16.05	14.90	18.33	N/A	N/A	N/A

¹A 3 Year Standard Deviation is not available for 2020 and 2021 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 Global Emerging Markets Growth Composite created and inception on January 1, 2020 contains fully discretionary emerging markets growth equity accounts that are not managed within a wrap fee structure and for comparison purposes is measured against the MSCI Emerging Markets 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 December 31, 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 portfolios, calculating investments, 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. HNWI: 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.

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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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. Portfolio returns are net of all foreign non-reclaimable withholding taxes. Reclaimable withholding taxes are reflected as income if and when received. 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 MSCI Emerging Markets Index is a market capitalization weighted equity index that measures the performance of the large and mid-cap segments across emerging market countries. The index is maintained by Morgan Stanley Capital International.

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.