

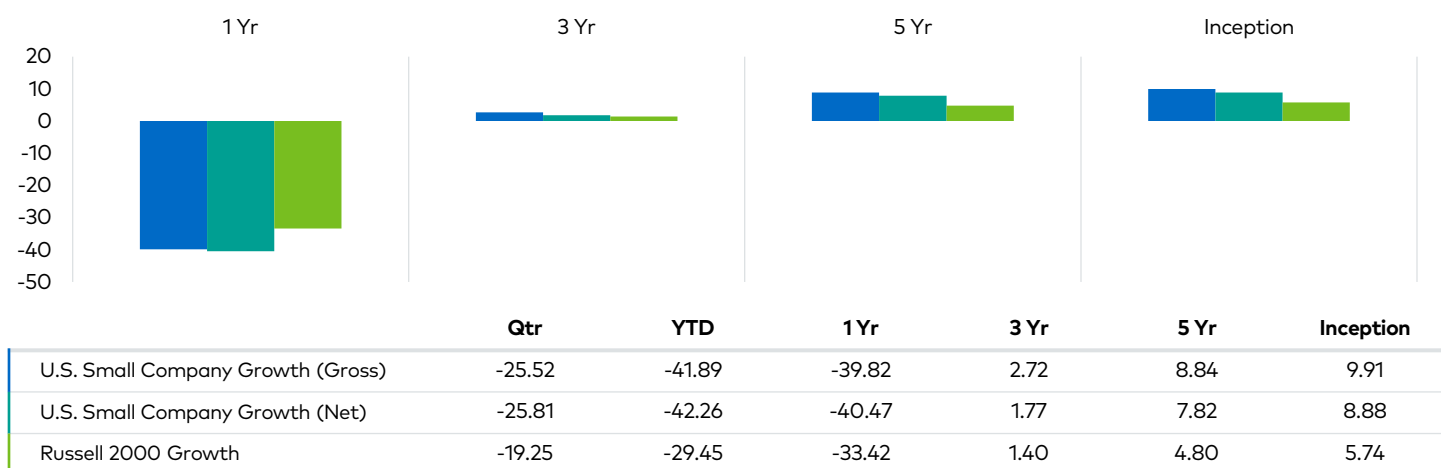
Polen U.S. Small Company Growth

Portfolio Manager Commentary – June 2022

Summary

- In the second quarter, the Polen U.S. Small Company Growth Composite Portfolio (the "Portfolio") returned -25.52% gross and -25.81% net of fees, respectively, underperforming the -19.25% return of the Russell 2000 Growth Index (the "Index").
- The top absolute contributors to the Portfolio's performance in the second quarter were AMN Healthcare Services, Inc., Bumble and Azenta. The most significant absolute detractors from performance were Warby Parker, Revolve Group, Inc., and Progyny.
- One of the key tenants of our Flywheel investment criteria is identifying businesses with strong balance sheets that can self-fund growth. We believe the underlying health of our businesses remains robust, even amidst a worsening economic outlook.
- With a long-term view, we believe opportunities in our investment universe are better than they have been in several years and offer attractive prospects for long-term investors.

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

The Polen U.S. Small Company Growth Portfolio performance was disappointing in the second quarter, on both an absolute and relative basis. Amidst higher inflation, slowing economic growth, tightening monetary policy, and widespread uncertainty, the Russell Growth 2000 Index delivered its worst first-half performance in its more than 40-year history. There was nowhere to hide with most of the Index constituents delivering negative returns. Growth stocks faced the greatest pressure. While we own a range of businesses on a growth-to-safety spectrum within an overall growth-oriented framework, our longer duration, higher multiple investments along with our consumer discretionary holdings were particularly hard hit. We generally avoid cyclical and commodity businesses like energy for several reasons including our core Flywheel investment criteria, ESG (Environmental, Social, and Governance) considerations, and our need for strong balance sheets. It is important to acknowledge that this under-exposure hurt us while still being clear that we do not intend to change our core discipline.

The underlying health of our businesses remains robust, even amidst a worsening economic outlook. As a reminder, in good times and in bad, one of the key tenants of our Flywheel is investing in businesses with strong balance sheets that can self-fund growth. We believe this allows them to invest, grow, and emerge stronger in and following challenging economic or funding environments. However, this does not mean we sit idle. We have been working hard all year to leverage our distinctive collaborative team approach to look at our investments from all angles and perspectives. As we promise, we are unafraid to update our views. We've made some adjustments to manage the evolving risk landscape as detailed later in this note. We are still pleased with the balance and ballast in our Portfolio as it stands today.

While we believe our clients are aligned with our long-term investment horizon, we never like to underperform for any period as has been the case so far this year. We recognize that sometimes macroeconomic factors weigh more heavily on stock prices than fundamental company results, and, there are some steps we could have taken to buffer the impact such as reducing some exposure to consumer discretionary. However, our North Star is to remain focused on long-term intrinsic value creation, and we believe our ability to see through the noise and act with the conviction of our disciplined research process will ultimately drive significant long-term returns.

There remains a lot of uncertainty around how long high inflation will last, whether it will trigger a recession, how bad it will be, and how high rates will need to go. While it's tempting to make predictions, it's far more prudent to recognize that the answers are unknowable.

Instead, we stay focused on what we can understand: the quality of a business, the robustness, and repeatability of the business model, the quality of a management team, and the team's experience navigating difficult environments, and the investments

a company can make to solidify and expand its competitive advantages. Changing macroeconomic and pandemic conditions have the biggest impact on stock prices over the short term. However, over the long term, the value of a business is a function of the compounding of earnings, free cash flow, and high returns on capital. By these metrics, we believe opportunities in our investment universe are better than they've been in several years and offer attractive prospects for long-term investors. We are using the factor driven stock market volatility to our advantage, adding new opportunities in companies in our library that previously did not meet our expected IRR hurdles. We are selling or trimming companies that have held up well but may be more vulnerable to the changing market conditions. With respect to risk management, we have been selling companies with less financial flexibility and focusing on adding more sector breadth where applicable.

We are mindful that in more challenging environments, it can be tempting to sell investments that aren't working and assume continued weakness.

Sometimes this is the best time to own these investments or buy more from a fundamental perspective.

With any changes that we make, our goal is to enhance quality and expected risk-adjusted returns.

It is often good to buy small-cap growth stocks during challenging times like these. Our focus continues to be on finding what we believe to be high-quality companies that benefit from long-term secular trends; are well-positioned in their respective markets; have robust, cash-generative business models; and are run by talented management teams. We believe these qualities provide businesses with the ability to grow in any market environment and are important drivers of long-term performance. We have not changed our view that the stocks in our Portfolio have the potential to at least double in value over a five-year period, with some offering far more upside especially after the recent drawdown. We believe that maintaining our focus high-quality growth companies with the best risk-reward tradeoff that are well positioned to drive cash flow and earnings growth over the next 5 years will generate long-term performance for the Portfolio, regardless of volatility in the underlying economy and shorter-term rotations in the market.

Portfolio Performance & Attribution

Over the second quarter, Polen U.S. Small Company Growth Composite Portfolio (the "Portfolio") returned -25.52% gross and -25.81% net of fees, respectively, compared to the -19.25% return of the Russell 2000 Growth Index (the "Index"). Challenging stock selection in consumer discretionary and financials, where we believe there is a disconnect between the performance of the

underlying businesses and their stock prices, drove Portfolio underperformance. Cyclical sectors (energy, materials) on one end of the spectrum and defensives (consumer staples, utilities) on the other were the only sectors that materially outperformed the benchmark.

Except for consumer staples, our focus on high-quality, sustainable growth makes it easier to steer away from most of these sectors. Our above-benchmark exposure to growth also detracted from performance over the quarter, as did our below-benchmark exposures to the value and dividend yield factors.

The top absolute contributors to the Portfolio's performance over the quarter included **AMN Healthcare**, **Bumble**, and **Azenta**.

AMN Healthcare is a provider of temporary health care staffing in the U.S. A tightened labor market and higher-than-average turnover in the health care industry precipitated by the pandemic are helping to drive pricing and volume growth for the company. We do not believe the company's current results are sustainable, especially the well above average pricing the company is currently benefitting from. Given its relative performance and the wide range of outcomes over the next few years as health care starts to normalize, we trimmed our position in the company.

Online dating company **Bumble** has been successfully executing its core strategic priorities focused on driving scale and engagement, monetization, and profitability. We are excited about the market potential for online dating and believe Bumble can take share and leverage its brand in adjacent categories. This is a category we believe should be resilient no matter what happens with the economy.

Azenta is a health care company that focuses on biological sample management. The company, previously known as Brooks Automation, re-branded as Azenta after selling its semiconductor business earlier this year. The company is the only end-to-end provider of reliable cold-chain sample management solutions and genomic services and benefits from the trend towards sample outsourcing by pharmaceutical and diagnostic companies.

The most significant absolute detractors from the Portfolio's performance over the quarter included **Warby Parker**, **Revolve**, and **Progyny**.

Warby Parker is an omnichannel retailer of prescription glasses, contacts, and sunglasses. The market's rapid shift toward favoring profitable companies posed challenges for the company in the quarter as did weaker results which were pandemic-related. Warby Parker is less profitable at this stage of its lifecycle as it invests in building out its retail footprint. We expect the company to be cash-flow positive within a year as it continues to benefit from scale and as retail foot traffic and productivity of the company's retail stores return to normal as pandemic conditions ease. We may have had the opportunity to add this holding at a more ideal price. However, we remain excited about the long-term growth potential of the business, and the expected IRR.

Revolve is an e-commerce fashion company we believe is executing well. The stock weakness during the period was more sentiment-driven as the market grew increasingly concerned about consumer spending in a recession. We acknowledge that there could be some softness in the company's near-term results as consumers tighten their purse strings, but we believe there remains tremendous long-term potential for this business. We have also observed that Revolve's management team is exceptional when it comes to navigating unprecedented challenges, as they did during the pandemic and have a long history of doing so since being founded in 2003 and bootstrapped by their founders. Management preparedness is an important marker we are looking for during this challenging time and Revolve's management team is unquestionably in this area. We added to our position on this weakness.

Progyny is a fertility benefits manager for self-insured companies and their employees. Like Revolve, the underlying fundamentals of the business remain robust, and we believe the outsized weakness during the quarter was sentiment-driven based on investors' recessionary fears. In our view, this is a short-sighted concern that overlooks Progyny's nascent opportunity to penetrate a large and rapidly growing market with an advantaged, "patient-first" business model. Progyny's comprehensive fertility solutions are top of mind for employers looking to drive better diversity, equity and inclusion efforts and it's also a way for companies to stay competitive in attracting and retaining talent. As a medical benefits provider, they should be relatively insulated should economic conditions worsen, especially compared to more "nice to have" employee benefits.

Portfolio Activity

We had more trading activity than usual in the quarter.

We are using the stock market volatility to enhance the Portfolio's quality and expected risk-adjusted returns while remaining well positioned for the long term.

We took advantage of drawdowns in existing holdings' stock prices over the quarter to add to our positions in cloud-based, e-commerce restaurant brand platform **Olo**, e-commerce fashion company **Revolve**, and insurance brokerage company **Goosehead Insurance**. We also added to our position in investment management services firm **Hamilton Lane** after initiating a smaller position in the company earlier this year.

We have taken advantage of new opportunities in companies in our library that previously didn't meet our expected IRR hurdles, initiating new positions in **Five Below Inc.**, **Azenta Life Sciences Inc.**, **Doximity, Inc.**, and **SiteOne Landscape Supply, Inc.**

Five Below is a leading, high-growth, value retailer in the U.S. with a differentiated and durable customer value proposition. This is a company we had previously owned in both the Polen U.S. Small Company Growth & U.S. SMID Company Growth Portfolio but sold it during the pandemic as we were concerned about the company's ability to thrive during the pandemic with a business model reliant on physical storefronts and foot-traffic.

With more comfort that the economy is reopening and considering the stock's big pullback over the past several months, Five Below is a compelling investment once again. The things that have us most excited are the company's potential to grow its store base, its compelling store economics, the investments the company is making to remodel its stores, and its value orientation in a potentially difficult economy. We are excited about the company's plans to triple its store base by 2030 and double its top and bottom line by 2025. Based on expectations of 15% square footage growth annually, modest store comps, and limited margin improvement over the next eight years as the company grows its store base as planned, we believe there is significant upside from current levels.

Azenta is the only end-to-end global provider of reliable cold-chain life science sample management solutions and genomic services. The company is competitively advantaged in a very attractive industry that is growing 10 - 12% as more and more drugs are developed in an increasingly complex environment. Due to the nature of its business, its customer relationships are often enduring. The average sample is stored for three years, with some stored for over a decade. Long term, we believe the company will deliver attractive growth, margin expansion, continued mergers and acquisition opportunities, and the potential for share buybacks over time. From a portfolio management perspective, Azenta gives us exposure to the robust research and development trends in biotechnology and pharma without concentrated FDA risk or earnings losses.

Doximity is a productivity and professional network app for doctors that derives its revenues primarily from advertising dollars spent by biopharma companies on its platform. Its unique value proposition lies in its targeted physician list desired by drug companies. Doximity is an attractive alternative or supplement to an industry that has historically focused its ad spend on sales reps. Doximity is uniquely high growth and already a very profitable business with a 33% operating margin. It has attractive software-like economics without having to spend much to acquire users or customers. While the company clearly had some benefit from the pandemic, it is still early in tapping into a growing, \$8B market with multiple avenues for growth. The sell-off in recent IPOs has created an attractive risk-reward opportunity to start a position.

SiteOne is the largest and only nation-wide wholesale distributor of landscape products in the U.S. Given its scale, SiteOne offers an accessible network for suppliers with limited distribution resources. The company's landscaping focus, which is more recurring in nature than other consumer markets, gives it a

resilient earnings profile even in the event of an economic downturn. SiteOne has also demonstrated success through highly accretive acquisitions of small local players. Given its industry's fragmentation, we believe the company has a long runway for growth. Going forward, we expect earnings per share to compound at a low double-digit rate for the next five years, driven again by +5% organic same store sales growth, +5% growth from acquisitions, flat to expanding margins, and potential returns of capital in the form of share repurchases or dividends. We recognize that some recent margin gains may revert in the near-term, but believe this is a rock-solid, high-quality company that can compound earnings for many years and that the current valuation sufficiently discounts near-term uncertainty.

In the quarter, we reduced our positions in a few existing holdings. This included **Endava**, **AMN Healthcare**, and **AppFolio**.

Our reduced position in IT consulting company **Endava** reflects the above-average risk related to the Russia-Ukraine conflict and the possibility that it extends to Moldova, which represents 9% of Endava's revenues and where 12% of the company's employees are based.

We trimmed our position in property management software company **AppFolio** to redeploy the capital into what we believe to be superior alternatives. The stock held up relatively well this year, and it was a source of funds for adding to new and existing positions.

As referenced above, **AMN Healthcare**, performed well during the quarter. We reduced our position size on the margin due to risk management given a widening range of outcomes over the next few years as the healthcare system returns to a new normal. AMN remains a top holding.

We've completely sold companies that we believe may be more vulnerable to the changing market conditions and those with less financial flexibility including **Malibu Boats LLC.**, **Trupanion**, and **BigCommerce Holding Inc.**

On **Malibu Boats LLC** we are concerned about the considerable demand pull-forward during the pandemic combined with the rise in interest rates and inflationary pressures the consumer is currently facing. The business continues to perform well but we know from past downturns that this is an industry that is more vulnerable to these types of pressures, and that the environment can change quickly. The company's stock has held up better than most companies in our Portfolio in the YTD period, making it a good source of funds to redeploy into companies with less vulnerability to the changing economic conditions and more compelling risk reward profiles.

We sold **Trupanion** because we are concerned about the deteriorating unit economics of the business. Changes in how vets operated during COVID disrupted Trupanion's strategic advantage for onboarding new pets at vet offices.

This forced Trupanion to compete in undifferentiated DTC (direct-To-consumer) sales channels with other pet insurers and increase experimentation for pet acquisition. This significantly increasing per pet acquisition cost and moving away from the discipline we had seen from management historically.

This is a key variable in the unit economics and free cash flow (FCF) generation that Trupanion would be able to earn from each of its covered pets. While the veterinary community has largely overcome the challenges of COVID-19, we lack confidence that management can curb pet acquisition spend in the intermediate term while also investing in future growth channels. This can both hamper growth and is a major obstacle to generating free cash flow FCF. This is a clear and likely persistent Flywheel violation. Management may be making correct and rational decisions to ensure the multi-decade success of the business, but the declining unit economics of the business and lack of FCF makes it less compelling in the current environment and over our investment horizon.

Finally, we sold **BigCommerce** due to clear Flywheel violations. We are concerned about the company's deteriorating profitability and reliance on external sources of capital. BigCommerce is facing numerous challenges including developer resources in Ukraine and the potential for staffing challenges in a still challenging labor market for engineers.

Outlook

The macroeconomic environment is complex and unpredictable. This unpredictability stems from interplay between macroeconomic data points, external shocks or their reversal, the Fed's actions, and how consumers and businesses react. This creates a series of junctures in which multiple scenarios are possible. What we are observing in many companies we follow is a natural reaction to uncertainty, which is a slowdown in the front edge of consumer discretionary, a lengthening of sales cycles, and more caution around building inventory. There may be tougher times ahead, and we are prepared for it. We are expecting growth to slow in the face of difficult comparisons and the weakening outlook. This compounds uncertainty around near-term predictions and valuation multiples. Companies that benefited from the pandemic may look particularly volatile with a short-term view.

This is exactly why we stay focused on the long-term. While it may be hard to believe with short-term lens influenced by fear and uncertainty, the long-term picture is far clearer than the market would suggest, and by and large, our long-term view and conviction in our portfolio companies is unchanged. This allows us to confidently sift through the noise and take advantage of price dislocation. This also highlights the benefit of owning Flywheel companies as we define them. These are long-term secular winners, still in the early innings of their growth, with durable

businesses models and balance sheets that are built to keep them robust when others are weak. Time and patience are required for the fundamentals to play out. We cannot predict the short-term even though we believe significant bad news is priced in.

Despite all the challenges, the opportunity set in small-cap is attractive. High-quality, small-cap companies have greater latent potential for growth relative to more mature businesses. The best small cap growth companies can quickly reduce spending and inflect profitability if needed given their high starting levels of investment. We believe the best-of-the-best small-cap companies will take advantage of adjacencies and have a better potential opportunity set for value-added acquisitions. Of course, many companies do not meet this high hurdle, which is why we hold a concentrated portfolio of companies that do not just offer growth and high returns, but also durability, robust financial models, the ability to self-fund growth, and what we believe to be superior management teams.

We believe great investing requires a clear and proven philosophy, a disciplined process and conviction. It also requires great humility and a willingness to change your view when the evidence requires it. We look forward to keeping you updated on our views in future commentary.

Thank you for your interest in Polen Capital and the U.S. Small Company Growth Portfolio. Please contact us with any questions.

Sincerely,

Rayna Lesser Hannaway

Experience in High Quality Growth Investing



Rayna Lesser Hannaway, CFA

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

GIPS Report

Polen Capital Management
U.S. Small 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 2000 G (%)	Composite Dispersion (%)	Polen Gross (%)	Russell 2000 G (%)
2021	82,789	28,884	53,905	83.89	156	18.67	17.69	2.83	0.6	23.54	23.08
2020	59,161	20,662	38,499	48.06	68	56.41	55.08	34.63	1.7	25.52	25.10
2019	34,784	12,681	22,104	8.28	8	22.73	21.62	28.50	0.1	N/A	N/A
2018	20,591	7,862	12,729	3.82	6	3.30	2.31	-9.29	0.0	N/A	N/A
2017 ¹	17,422	6,957	10,466	5.65	4	20.74	19.82	18.22	N/A	N/A	N/A

¹Performance represents partial period (March 9, 2017 through December 31, 2017), assets and accounts are as of December 31, 2017.

²A 3 Year Standard Deviation is not available for 2017, 2018 and 2019 due to 36 monthly returns are not available. Total assets and UMA assets are supplemental information to the GIPS Composite Report.

N/A - There are five or fewer accounts in the composite the entire year.

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. Small Company Growth Composite created on July 3, 2017 with inception date March 9, 2017 contains fully discretionary small company equity accounts that are not managed within a wrap fee structure and for comparison purposes is measured against Russell 2000 Growth. 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. A material error in the 2017 annual performance for the Russell 2000 Growth was corrected as of April 17, 2020. 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. 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.

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 2000® Growth Index is a market capitalization weighted index that measures the performance of the small-cap growth segment of the U.S. equity universe. It includes Russell 2000® Index companies with higher price/book ratios and higher forecasted growth values. The index is maintained by the FTSE Russell, a subsidiary of the London Stock Exchange Group.

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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