2024 Sustainable Investing Report

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Introduction

To understand our approach to investing is to understand our approach to sustainable investing. We view investing and sustainable investing as one and the same; there is no distinction in our view. Applying our bottom-up fundamental research process for our equity and credit strategies, we assess all business issues that we believe are important to evaluate how a company creates differentiated, long-term value for the key stakeholders it was built to serve.

We believe the term environmental, social, and governance (ESG) investing has become confusing for many investors in recent years, as various interpretations have proliferated. We see many of these approaches as reasonable, but there are others with which we disagree. At Polen Capital, our objective is clear: to invest only in businesses that we see delivering favorable stakeholder outcomes, in our pursuit of attractive, long-term risk-adjusted returns for our clients.

We issue our annual Sustainable Investing Report to share our stakeholder-centric approach and how it connects to our research analysis and investment decision-making. We provide more detail with examples of companies we study and engagements we have led to share our feedback with leadership. In addition, we cover why our holistic approach deepens our understanding of how a company creates sustainable value for its key stakeholders over time, which we believe is essential to drive strong and sustainable financial performance.

Finally, we provide summary details of our proxy voting activities and include our Task Force on Climate-Related Financial Disclosure (TCFD) reporting.

For further information on how Polen Capital follows the same stakeholder-centric approach in our own business activities, please see our 2024 Sustainability Report.

Thank you for your interest, and as always, we welcome your feedback and an opportunity to have a conversation.

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About Polen Capital

Polen Capital is a global investment manager delivering active, high-conviction equity and credit strategies to a wide range of clients. For more than three decades, Polen Capital has been dedicated to serving investors to provide financial security and peace of mind to the people and organizations that make up the fabric of our society. The investors we serve are the reason we go beyond what is expected because we know how important it is to help deliver a secure financial future to people who have given us their trust.

We are passionate about our mission to protect and grow client assets while identifying attractive investment opportunities in what we view as durable, competitively advantaged businesses. We adhere to a time-tested process of rigorously researching and carefully selecting the companies we hold in our concentrated portfolios. We aim to deliver distinctive, high-conviction growth and income solutions, following these guiding principles:

1. We invest for the long term with patience and discipline, harnessing the power of compounding;
2. We construct highly selective, active portfolios driven by rigorous, bottom-up fundamental research;
3. We invest with a margin of safety, seeking to deliver lower volatility and enhanced downside protection over time; and
4. We apply a total stakeholder approach in our investment process to understand a company's ability to deliver strong and sustainable outcomes across its key stakeholders.

Sustainable Investing

At Polen Capital, sustainable investing represents a holistic assessment of a company's ability to deliver at high levels for the key stakeholders it was built to serve, today and in the future.

Our research focuses on identifying and analyzing business issues that we believe are material to the long-term interests of a company's stakeholders, including employees, customers, supply chain and other business partners, shareholders, debtholders, communities, and the environment. We believe a company's ability to understand its key stakeholders and the value they seek, along with its effectiveness in amplifying that value and mitigating the issues stakeholders see, provides the clearest path to delivering strong outcomes for its stakeholders holistically, and in turn, achieving financial sustainability.

Financial strength and sustainability can then allow a company to further improve its product and services, attract and retain more talented employees, help strengthen local communities, and gain access to capital from investors who generally seek attractive, risk-adjusted returns.

Our Commitment to Sustainable Investing

To us, sound, fundamental investing and sustainable investing are one and the same. We seek to understand a company's purpose, business model, and value proposition for the various stakeholders it is meant to serve. These insights help us to evaluate the viability of a business and the sustainability of its competitive advantages, as well as its risks, opportunities, and financial strength.

Our internal governance structure provides oversight and strategic direction for our sustainable investing practices across multiple layers, from our CEO and Advisory Board Risk Committee to our Risk & Compliance Committee, Operating Committee, and Sustainability Committee, a cross-functional group that meets monthly to help guide our sustainable investing initiatives.

Industry Commitment

Signatory of:

PRI Principles for Responsible Investment

CDP DRIVING SUSTAINABLE ECONOMIES

Supporter of:

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Member of:

ACGA

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Equity Investment Process

We integrate material business issues into our comprehensive, bottom-up, fundamental research and assessment of a company's risks and opportunities, taking a long-term view consistent with our investment philosophy. The issues we study are explicitly and systematically integrated throughout each phase of our investment process and ongoing company monitoring.

Our sustainable investing framework currently includes numerous business issues we believe are important to assess to determine whether a company is well positioned to deliver effectively for the stakeholders it was built to serve.

We developed an in-house, proprietary framework that maps the issues we believe are important to determine how a business fares with respect to our definition of sustainability.

Some of our investment teams use our in-house application to document relevant facts and develop summarized analyst views on how a company is progressing over time. The tool also enables each investment team member to access issue summaries from a centralized source for each company within our portfolios.

Example of business issues studied and documented within our proprietary application

The following company examples illustrate the stakeholder-centric approach within our equity strategies:

Category	Factor Name
Environmental	Carbon emissions
Social	Customer value proposition
Social	Employee relations
Governance	Quality and depth of management
Governance	Executive compensation practices
Governance	Shareholder rights

Large Company Growth - Mastercard

Mastercard is the second largest payments processor of debit and credit transactions globally behind Visa. Outside of China, Visa and Mastercard are ubiquitous and operate a true global duopoly. They connect consumers, banks and merchants, making commerce safer, faster and more reliable for all parties. Specifically, the company facilitates authorization, clearing and settlement of payment transactions and delivers related products and services, including loyalty and reward programs, security solutions, consulting and business and market insights. To be clear, they do not issue credit or lend money, but collect a small fee based on volume and number of transactions processed. The card payments they provide are convenient, and the price paid by merchants is small relative to the value derived.

Global payment volumes addressable to Mastercard are estimated to be north of $150tn annually. Mastercard's core market, personal consumer expenditures, represent nearly a third of the total addressable market. While Visa and Mastercard dominate carded payment flows in global PCE (excluding China), cash, check and ACH remain their largest "competitor", with global PCE card penetration at roughly 2/3 of total payments. This varies by market, with higher penetration in more developed markets like the US and much lower penetration in both developed economies like Germany, Italy, Japan and Spain (penetration ranges from 50-70%) and emerging markets, where as much as 80-90% of transactions are still done in cash.

Mastercard benefits from global scale, strong network effects and a solid brand. Mastercard enables transactions for customers through its core network in 150 currencies and in 210 countries and territories. With 3.5bn+ Mastercard (or Maestro) branded cards and more than 150mn points of acceptance, Mastercard products and infrastructure are ubiquitous. We believe the company's acceptance network built over the last 50+ years is one of their most valuable assets, operating as a "toll booth" for global commerce. We have owned Mastercard in two of three large cap growth strategies, Focus Growth and Global Growth, for more than a decade, and we believe the company remains well-positioned to continue generating attractive long-term returns for our clients.

The company acknowledges that continued success depends on the workforce, which stands at more than 35,000 employees globally as of 2024, with headcount growing at a mid-teens rate over the last 5+ years. Mastercard's commitment to attracting and retaining talent is highlighted in several ways:

- The company provides on-the-job training and development for every employee. They emphasize and develop skills for the future such as agility, collaboration and flexibility through their talent and leadership development programs.

- Mastercard's new Learning Academies, opened in 2020, are changing how they train and develop employees. The Academies support their corporate business strategy, and offer programs aligned to regional priorities. This provides consistent experience and global access to their learning ecosystem, regardless of which area an individual works in. They have a rich portfolio that includes everything from skill-refreshing courses to college and graduate degree credit. Mastercard supplements employee talent and expertise with mentorship programs as well.

- Mastercard's compensation philosophy seeks to set employees up for long-term financial success. They offer competitive pay and stock-based performance incentives. Pay packages throughout the company are aligned with stockholders' interests to in an effort to produce solid performance now and in the future. They are moving toward pay equity across all measures, particularly race and gender. Voluntary workforce turnover (rolling 12-month attrition) was 5% in 2024, which was a 1% increase from 2023.

From a community development standpoint, in 2015, Mastercard committed to bringing 500mn individuals into the financial system, and after accomplishing this goal, they extended the pledge to 1bn by 2025, including 50mn micro and small businesses and 25mn women entrepreneurs. In 2024, working with their partners, they connected an additional 87mn to the digital economy, bringing the total to more than 960mn since 2015. From 2020 to 2024, they connected 65mn micro, small and mid-size businesses to the digital economy through card acceptance. As of 2023 year end, they had provided 37mn women entrepreneurs with solutions to help them grow their business, exceeding their original goal ahead of schedule.

Source: All company-specific information has been sourced from company filings as of the relevant period discussed.

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Emerging Markets Growth - InPost

InPost is a logistics and out-of-home delivery solutions provider headquartered in Poland, with pan-European operations in 10 countries. The backbone of its logistics operations is a network of nearly 50,000 Automated Parcel Machines (APMs) to which it delivered and collected almost 1bn packages in 2024. The company increasingly dominates its domestic Polish market, with a volume share that has grown to almost 50%. Its market role outside of Poland is more of a challenger, although its 2021 acquisition of one of the top three logistics companies in France accelerated the growth in scale of its business there. It has also risen to become a top five player in the UK's highly competitive logistics market. The company is driven by its purpose: to amaze people, using the potential of technology for the good of the planet. InPost has been owned by the Emerging Markets Growth and Global Emerging Markets ex-China Growth strategies since the fourth quarter of 2024.

We believe InPost benefits from the uncommon quality of adding value to all of the stakeholders in its ecosystem. Our analysis highlights several ways it achieves this:

Merchants

- The batching of deliveries and collections to and from APMs and the inability to have failed (missed or lost/stolen) deliveries mean that InPost is up to 30% more efficient than other logistics peers. Its per-parcel APM delivery fees are two-thirds cheaper than its to-door equivalent.

- APMs also benefit from increased efficiency and reduced dwell times relative to other forms of Out-Of-Home (OOH) delivery, like the Pick-Up/Drop-Off (PUDO) service offered by convenience stores.

- InPost's flywheel model creates a self-reinforcing cycle of growth, efficiency, and customer value. The economies of scale and efficiency generated by the flywheel are shared with InPost's merchant customers, in the form of pricing that grows well behind inflation. Since 2017, domestic revenue per parcel has compounded at just 1%, compared to Polish inflation of 5%.

- This efficiency also means that parcels can be delivered more quickly, improving customer service levels and experience, in turn making customers more likely to purchase products online. In Poland, orders made by 8pm are delivered by next-day, and 97% of deliveries are next-day.

- Its cross-border operations connect sellers to customers across the European continent, vastly expanding their addressable market. InPost's cross-border services also cost up to 40-60% cheaper than existing solutions in the market today.

Consumers

- Higher customer service levels and faster delivery translate to a better user experience for consumers, giving InPost the highest NPS of any logistics company in both Poland and France.

- Consumers no longer need to worry about waiting at home for an indefinite amount of time to receive a to-door delivery. APMs are conveniently placed, with >60% of Polish, >50% of English, and >30% of French consumers within a seven-minute walk of their nearest machine. They are positioned in high-traffic areas like high streets and near transport links.

- Reverse logistics (returns) are, in particular, much easier for consumers to organize as they do not have to wait for collections or print labels and then queue in post offices or convenience stores to send off items. The automated nature of the machines means that the average collection time is just seven seconds.

- InPost's high-quality consumer app adds to the convenience further, enabling consumers to increase package "dwell time", share pick-up codes with friends and family, collect parcels contactlessly, and even redirect parcels while en route. Its new InPost Pay functionality enables two-click check-out (similar to Apple Pay) with automatic delivery to the consumer's preferred APM. This drives a 30-70% increase in conversion at check-out.

- The consumer benefits of APMs relative to PUDOs are myriad, with 24/7 operations, no arbitrary closures, no queues, and the ability to choose a destination based on greatest convenience.

Government & Society

- As ecommerce penetration increases around the world, the second order impacts can often be quite negative on (particularly urban) society at large and misaligned with governmental climate change goals. This highlights the materiality of efficiency and emissions in logistics.

- Parcels delivered to InPost's APM network generate a massive 98% reduction in carbon emissions on a per-parcel basis relative to to-door delivery in the last mile, and 71% across the whole route.

- The efficiency flywheel that spins as InPost increases in scale has enabled it to reduce its own internal per-parcel emissions by 37% since its IPO in 2021.

- APMs help local areas in reducing not only emissions, but also congestion. A study on the number of trucks on the road in London suggested that the use of APMs can reduce congestion by up to 60-70%.

- The company has also ensured that by 2024 100% of its packaging will come from recycled materials, and the company aims to be 100% climate neutral in scopes 1-2 by 2026, as well as having a scope 3 net zero commitment and roadmap in place.

Source: All company-specific information has been sourced from company filings as of the relevant period discussed.

Disclaimer: InPost exemplifies the type of business that aligns closely with our investment process. It's a company in our investment universe that we've researched extensively given its inclusion in multiple portfolios. Past investments and results are not necessarily indicative of any future investments or results. There is no assurance that the securities discussed will be in the portfolio as of the date of this document or that any securities sold have not been repurchased. The securities discussed do not necessarily represent the composite's entire portfolio. Actual holdings will vary. It should not be assumed that any of the securities transactions or holdings discussed were or will prove to be profitable or that any investment recommendations we make in the future will equal the investment performance of the securities discussed herein. For a complete list of Polen Capital's past specific recommendations holdings and current holdings as of the current quarter end, please contact info@polencapital.com.

Credit Investment Process

At Polen Capital, our credit and equity teams share a congruent approach to sustainable investing, which involves an understanding of a company's relationships with its key stakeholders. The credit team's internal analysis is part of their holistic process designed to understand a company's current and future business prospects.

We believe this approach provides a deeper insight into critical risk factors, including exogenous factors not typically exposed in a traditional business analysis model, which supports sounder investment decisions on behalf of our clients.

Our credit team seeks to identify material factors that may contribute to financial downside. These may include significant event risks that can negatively affect an issuer's creditworthiness and, therefore, its ability to meet its ongoing fixed income principal and interest obligations. We also assess whether market pricing adequately reflects those risks with respect to any proposed investment. Our investment team integrates various considerations that we consider sustainability-related issues, such as transparency in corporate governance, the existence of an independent and experienced board of directors, a commitment to environmental protection, and a track record of product safety, into the bottom-up fundamental analysis of each fixed income investment opportunity. If the research analyst, in consultation with the portfolio manager, believes that an identified factor will have a material positive or negative impact on the business that may disproportionately change the risk/reward profile of an investment, the team will factor that assessment into our investment decision-making process.

At the request of some of our clients and supplemental to the investment team's work, we leverage ESG ratings and data provided by MSCI, a globally recognized provider of sustainability research. The investment team reviews and communicates MSCI rating changes monthly. Given the limited third-party coverage of private high yield debt issuers, we also assign an internal rating that is designed to serve as a substitute for an MSCI rating for holdings that MSCI does not rate. Our analysts generate these ratings based on MSCI methodology with comparable company analysis and their own judgment to determine the critical factors considered under MSCI's methodology that influence the risk profile of each unrated company.

The following summary of Century Aluminum showcases the credit team's research and stakeholder approach.

Credit - Century Aluminum

Century Aluminum is a leading primary aluminum producer with operations located in both the United States and Iceland. The Company operates 3 aluminum smelters in the United States as well as 1 in Iceland. They also operate a joint-venture with the government of Jamaica for the mining and production of alumina. From a sustainability perspective, Polen values the business because of the decarbonization benefits that aluminum provides as well as the fact that the company's Iceland facility, due to the abundance of hydro-electric power, is one of the lowest carbon intensive smelters in the world.

As part of the Inflation Reduction Act, which the U.S. Congress passed into law in 2022, certain projects were eligible to receive taxpayer funding, subject to approval by relevant governmental authorities. The intent was for these new projects to play a central role in reducing green-house gases or other deleterious elements in the environment. Century Aluminum was selected for this program and became eligible for funding to build a new "green" aluminum smelter which would be powered by renewable energy. Century is eligible to receive up to $500 million in government grants but would still need to raise external capital to complete construction of the mill. Polen has had a longstanding relationship with the Company, and Polen has engaged with management through the years regarding the business, sustainability matters, and capital markets/financing matters.

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Equity Active Ownership

Engagement

As fundamental investors who think like business owners of the companies in which we invest, ongoing monitoring and engagement with company management across the business issues we study is a notable aspect of our research process. Our long-term mindset and emphasis on making substantial investments in the relatively few businesses that we believe exist at any given time that can deliver at high levels across the issues we study generally resonates with company management teams and helps foster productive discussions.

We typically engage with a company's management on a variety of topics to gain a deeper understanding of a company's strengths and weaknesses, better assess how a company is delivering on behalf of its key stakeholders, and allow us to express our views as appropriate.

> **We focus holistically on a business, and our engagement discussions may address any of the issues we study within our sustainable investing framework. We believe engagement can be useful in assessing the performance and suitability of management teams.**

While we do not typically seek to change the strategy or beliefs of investee management teams, there are situations where we find engagements useful to express differing viewpoints. We may engage with companies as part of our ongoing review of the principal adverse impacts defined under the EU Sustainable Finance Disclosure Regulation (SFDR) or based on other negative consequences of the business we believe have surfaced.

The entire investment team is responsible for continuously monitoring companies and holdings to ensure they remain appropriate for investment based on our philosophy and approach. Meetings are typically held with companies to clarify specific results, discuss events, or discuss other topics such as corporate strategy, financial performance, risk management, corporate governance, executive compensation, capital structure, and other research initiatives.

Below we share engagement examples within our equity strategies.

Large Company Growth – Amazon

Our engagement with Amazon over the last few years has centered on improved transparency and better expense management, which we have viewed as necessary for improving relationships with employees and shareholders alike. Amazon, like many companies whose employees value equity participation rights, utilizes stock-based compensation for certain of its talented employees.

One of the risks of utilizing stock-based compensation is a languishing share price, which can negatively affect employee morale. In this regard, we have engaged with Amazon's management team on more than one occasion to express our views that the company can improve the clarity around its expense disclosures, particularly expense buckets that we term "other bets". These encompass investments in areas outside of the company's core business lines. In our view, more clarity and discipline within these expense areas could not only lead to an improved margin profile that would benefit both employees and shareholders, but could also provide more confidence to employees and shareholders that the business is being managed to achieve the company's long-stated goal of optimizing free cash flow per share over the long-run.

Through our discussions with Amazon's management team, we have found them to be receptive to our ideas and in agreement that better expense management, including increased financial discipline, could help restore employee and investor confidence. Recently, we have seen tangible improvement in these areas.

Relatedly, we have engaged with the company over the last few years on several proxy voting items, including executive compensation. While we have historically voted against management due to sizeable time-vesting stock awards for named executive officers, this year, we decided to vote with management. Amazon's improvement in free cash flow and margins over the last few years demonstrates that performance-based stock awards aren't necessary to drive operational improvement. Further, the company provides academic research which supports the view that performance stock awards don't necessarily lead to better shareholder outcomes and can, in some cases, incentivize short-term thinking from management teams. The use of time-vested stock awards is utilized for all employees, not just named executive officers, and continued innovations provide a proof point that the current structure may properly incentivizes a long-term mindset.

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Emerging Markets Growth – MercadoLibre

MercadoLibre, founded in 1999, is an ecommerce and payments platform. It is the dominant digital retailer and one of the largest payment processors in Latin America with a well-recognized brand, an extensive logistics network in key markets, and a strong track record of innovation and execution. In 2024, it sold more than USD 50bn of goods to 100mn unique buyers and processed almost USD 200bn in payments volumes. We have engaged with the evolving management team many times since then, through emails, calls, and meetings. Our engagement has focused on strategy, value creation, employee incentive plans, climate impact management measures, particularly in its logistics network, and other corporate governance factors.

Engagement is a long process that requires patience and the building of trust. It is also a two-way street; yes, we want to highlight areas of concern, but we also want to find solutions and add value in our role as minority shareholders when and where we can. We believe our global footprint (both in terms of team and investments) exposes us to innovative business models, technologies, and strategies in different regions that, in some cases, could be successfully adopted in others.

In this way, in 2024 we highlighted to MercadoLibre's Investor Relations the existence of the Automated Parcel Machine (APM), which another holding of ours, InPost has effectively leveraged this approach in building a profitable and distinctively positioned business.

APMs bring several advantages to ecommerce logistics, both in terms of efficiency and, for related reasons, per-parcel environmental impact. Batching last/first-mile deliveries and collections increases logistical throughput and lowers costs. This is particularly relevant for returns, which are a huge cost for ecommerce platforms given the inefficiency of collecting items from end customers. They also solve the problem of informal addresses and failed deliveries, which are a particular problem in emerging markets in general. This increased efficiency augments system capacity and, as such, speeds up pan-network delivery times, in turn driving greater customer service levels and usage. Increasing delivery speeds has been a big focus for MercadoLibre's management team over the years, which is why from 2018 it decided to build its own internal logistics network. In 2024, it reached the milestone of delivering more than 70% of shipments across the continent within 48 hours. As MercadoLibre considers opening up its logistics network to third-parties, we believe a locker network would deepen the unique value proposition it would offer its retailer customers.

Moreover, MercadoLibre has been investing substantially in building a network of Pick-Up/Drop-Off (PUDO) locations, or MELI Places using its internal terminology. It now operates thousands of these operated by partner stores. But these partner stores suffer from the same drawbacks as the PUDOs that InPost is displacing, including erratic opening hours, queues, the need for printed labels, lack of technological infrastructure, lower throughput and longer dwell times. All of these detract from their utility as nodes and the efficiency of the logistics network as a whole. From our perspective there is a clear business case to be made for the company to adopt widespread use of APMs in its logistics network.

From an environmental perspective, as MercadoLibre's real-world impact has grown with its expanding real-world footprint, management has been swift to adopt best environmental practices. It operates the most significant electric vehicle fleet in the Latin American ecommerce sector (numbering over 3,600 vehicles) and in 2024 sourced nearly 44% of its energy from renewable sources. But APMs can reduce its environmental impact further: as mentioned in our write-up of InPost above, its APM network reduces per-parcel last-mile carbon emissions by 98% relative to to-door, and by 71% across the whole route; they can also reduce local congestion by up to 60-70%. There is a clear environmental case to be made for the company to adopt widespread use of APMs in its logistics network.

With MercadoLibre's massive regional scale and management's forward-thinking appetite to push for sustainable growth, we believe it is in a unique position to have a material, positive impact on reducing the environmental impact of logistics in Latin America. In the same way it has done for the economic empowerment of its userbase, for 1.8mn of whom it provides the main source of income, and to another 80,000 of whom it directly provides jobs. This makes it one of the largest employers in the continent. As such, it was reassuring, and entirely in keeping with our constructive engagement with management historically, that the company took our suggestion seriously and passed on the information to its Commerce Corporate Development team to explore further. This provides further evidence of everything that we like about MercadoLibre as a company and an investment: innovation, openness, collaboration, curiosity, humility, and a desire to improve and make a positive difference.

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Proxy Voting (Equity Strategies)

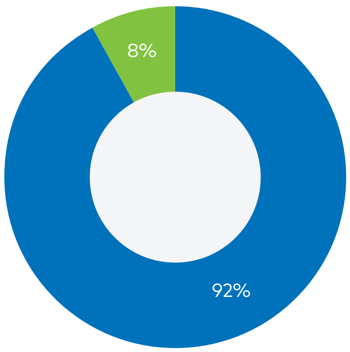
Each year we participate in our equity portfolio companies' annual general meetings by voting proxies on important business decisions, such as the election of board directors, the approval of executive compensation, and any presented shareholder proposals. We believe proxy voting is a powerful tool that allows us the opportunity to directly influence corporate policy in pursuit of maximizing stakeholder value, and we approach this duty with care and diligence.

Our equity investment team members closely review and consider all proxy votes for governance resolutions and shareholder proposal topics. Our proxy voting is based on our investment philosophy, approach, and principles. We generally take each proxy ballot issue for each company on a case-by-case basis, taking in the context of the company, its positioning, its end markets, recent developments, and other factors when voting. There are generally certain common proxy ballot issues for which we have identified a best corporate practice and vote proxies accordingly, for instance, voting proxies in favor of a one share, one vote share-class structure.

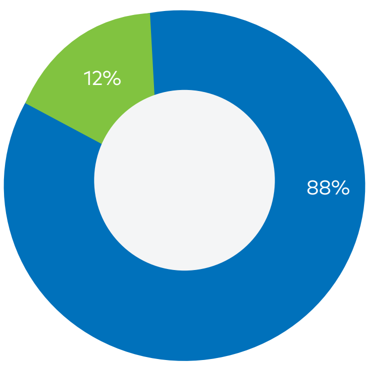
We utilize a third-party service provider, Institutional Shareholder Services (ISS), for research and recommendations on proxy issues. We use ISS's Sustainability Voting Guidelines, which support positive corporate actions that promote practices that present new opportunities or mitigate related financial and reputational risks. In voting proxies, the equity teams will consult ISS's Sustainability Voting Guidelines but will make an independent decision for each vote.

Summary of 2024 Proxy Votes

All Votes	
For Management	92%
Against Management	8%



Shareholder Proposals	
For Management	88%
Against Management	12%



Reporting Period: 1/1/24 to 12/31/24. Proxy information by strategy is available upon request.

Credit Engagement

We believe that issuer engagement as a debt holder tends to be more indirect than that of an equity owner. However, opportunities to actively engage as a fixed income investor do arise, especially concerning events such as new debt issuances and corporate restructurings. In these circumstances, we may have incremental leverage to influence an issuer with respect to environmental, governance, and reporting issues. Our active approach to fixed income investing generally includes frequent interaction with company management, and we seek to keep an open line of communication regarding actions that could negatively impact the value of the investment made on behalf of our clients.

Our credit team's engagement efforts are selected based on the materiality of each issue and our ability to affect change, considering factors like the amount of financial leverage and the relationship with management, among others. The investment team determines engagement objectives based on the facts and circumstances of each scenario. The engagements are typically conducted by our research analysts. However, depending on the specific issue, such as a corporate restructuring, our portfolio managers and legal counsel may also be involved.

Our investment team also identifies inconsistencies between the research on certain companies provided by MSCI and our own evaluation of those companies as part of our fundamental analysis. In these instances, we have initiated discussions with the issuers and MSCI in an effort to improve the quality of the research. We also encourage our portfolio companies to improve and expand their sustainability-related disclosures.

Credit – Ancestry.com

Ancestry.com is the leading digital genealogy platform globally with nearly 3.7 million subscribers and has more than 2.5 times the site traffic as the next largest competitor. The company has over 128 million family trees built through its collection of over 40 billion historical records, over 75% of those records are proprietary to the company. In addition to family history, Ancestry DNA comprises the world's largest DNA database and represents a strong customer acquisition platform for the family history segment.

Polen has engaged with company management to better understand the company's level of cyber security protection, processes and procedures for protecting customer data and insurance levels in the case of a breach. Polen was satisfied with the company's description of data security, which includes multi-factor authentication and encryption protections, in addition to its internal practices and procedures.

Source: All company-specific information has been sourced from company filings as of the relevant period discussed.

Disclaimer: Ancestory.com exemplifies the type of business that aligns closely with our investment process. It's a company in our investment universe that we've researched extensively given its inclusion in multiple portfolios. Past investments and results are not necessarily indicative of any future investments or results. There is no assurance that the securities discussed will be in the portfolio as of the date of this document or that any securities sold have not been repurchased. The securities discussed do not necessarily represent the composite's entire portfolio. Actual holdings will vary. It should not be assumed that any of the securities transactions or holdings discussed were or will prove to be profitable or that any investment recommendations we make in the future will equal the investment performance of the securities discussed herein. For a complete list of Polen Capital's past specific recommendations holdings and current holdings as of the current quarter end, please contact info@polencapital.com.

Sustainable Finance Disclosure Regulation (SFDR)

The EU Sustainable Finance Disclosure Regulation (SFDR) was introduced by the European Commission as part of a package of legislative measures arising from the EU Sustainable Finance Action Plan. The SFDR imposes mandatory ESG disclosure obligations for asset managers and other financial market participants operating in the EU to raise the transparency of a fund's sustainability considerations. Under the SFDR, funds must classify as Article 6, Article 8, or Article 9, depending on the level or objective of sustainability in the investment process.

The following funds are currently classified as Article 8, the designation for funds that promote environmental and/or social characteristics and invest in companies that follow good governance practices.

Polen Capital Article 8 Funds

- Polen Capital Focus U.S. Growth Fund (UCITS)
- Polen Capital Global Equity Fund (UCITS)
- Polen Capital International Growth Fund (UCITS)
- Polen Capital U.S. Small Company Growth Fund (UCITS)
- Polen Capital Global SMID Company Growth Fund (UCITS)
- Polen Capital Emerging Markets Growth Fund (UCITS)
- Polen Capital Emerging Markets ex-China Growth Fund (UCITS)
- Polen Capital Opportunistic High Yield Fund (ICAV)

Additional information is available on our website under each strategy.

Sub-Advised Article 8 Funds

- Amundi Funds Polen Capital Global Growth
- iMGP US Small and Mid Company Growth
- iMGP US High Yield
- iMGP Indian Equity Fund

Task Force on Climate-Related Financial Disclosures

The Task Force on Climate-Related Financial Disclosures (TCFD), born out of the Financial Stability Board to review how the financial sector can consider climate-related issues, provides a framework for disclosing governance, strategy, risk management, and metrics related to climate change across industries.

Polen Capital supports the availability of consistent and decision-useful disclosures on material issues. We became a supporter of the TCFD in 2020. We are also a Capital Markets Signatory of the CDP (previously known as the Carbon Disclosure Project), a global disclosure system for reporting environmental impacts. The following are our disclosures aligned with the TCFD recommendations, where applicable.

Governance

Each member of our investment team plays an active role in the research and ongoing monitoring of portfolio companies, including the assessment of sustainability-related risks and opportunities that are material to each business. In addition, all investment teams have access to firmwide sustainable investing resources, including the Head of Sustainable Investing—who sits within the Large Company Growth team—and a cross-functional Sustainable Investment Associate, both of whom help guide and align our approach across strategies.

Further governance is provided by the Risk & Compliance Committee and the Advisory Board Risk Committee. Polen Capital's Risk & Compliance Committee oversees enterprise risk management and monitors the firm's ongoing and potential exposure to various types of risks. The Risk & Compliance Committee is comprised of senior members of management, including our CEO. Within the Advisory Board, an independent committee of outside advisors responsible for providing non-binding strategic advice to the firm is the Advisory Board Risk Committee, which focuses on the firm's risk exposure and risk management approach. The Risk & Compliance Committee and the Advisory Board Risk Committee review the firm's climate management approach and are updated annually on the progress of our sustainable investing initiatives, including climate risk management implementation.

Strategy

As long-term investors, we seek to identify and understand all risks and opportunities that may impact the potential for long-term financial sustainability for our portfolio companies. With our stakeholder-centric approach, we strive to understand how companies enhance their value proposition by identifying and managing climate-related risks and opportunities. Many companies recognize their responsibility and the expectation of stakeholders for companies to reduce their carbon emissions and take action to transition to a low-carbon economy. We also evaluate how companies are developing and innovating products and services to meet evolving needs and preferences for more sustainable products or services that help customers address their own sustainability goals. We assess how these initiatives impact the company's value proposition and any responding changes in stakeholder behavior.

Within our framework for equity strategies, we also consider the measures that companies are implementing to improve their energy efficiency and the carbon emissions reduction goals and plans that we believe will contribute to a company's readiness to transition to a low-carbon economy. In line with our long-term approach, equity investment teams assess material risks and opportunities over a typical five-year time horizon, although many of our resources look out over a longer time frame, particularly as it relates to carbon reduction goals.

Risk Management

Through our bottom-up, fundamental research, our equity investment teams take a general approach to evaluate companies' initiatives to address climate change. We use CDP reports to access disclosures of climate-change-related risks, opportunities, and business strategy. We source carbon metrics and monitor net zero alignment at the company and portfolio levels through Clarity AI.

Within our credit portfolios, we assess risks and opportunities related to climate change as part of our fundamental analysis of bond and loan issuers. We primarily source information from company disclosures and MSCI research where available. We may also engage with companies to encourage improved climate disclosure. Some clients of our credit strategies maintain a strong focus on issues related to climate change. To accommodate the requirements of these clients, we exclude fossil fuel producers and power generators bonds and loans from some of our credit portfolios.

Metrics and Targets

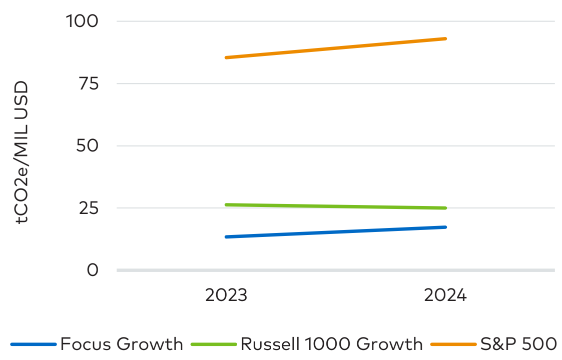
We do not currently set targets for carbon-related risks or opportunities in the equity portfolios, as this is not an objective of our equity strategies. With respect to clients of our credit portfolios that maintain such requirements, we monitor and seek to manage their portfolios to achieve a carbon intensity lower than that of the relevant index benchmark.

We track portfolio carbon intensity for reporting purposes. Carbon intensity is a relative metric used to compare company emissions across industries and is a ratio of absolute emissions to total revenue expressed in tCO_2e/MIL USD.

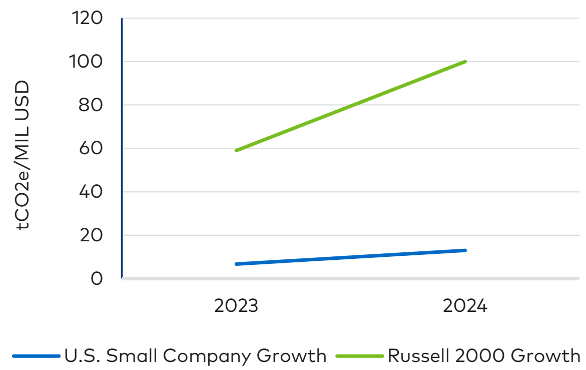
Portfolio Carbon Intensity

Equity Strategies | Source: Clarity AI

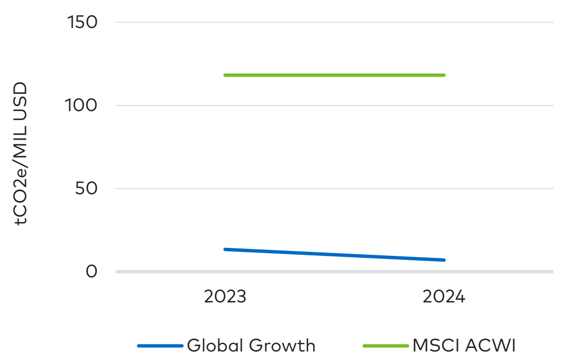
Focus Growth



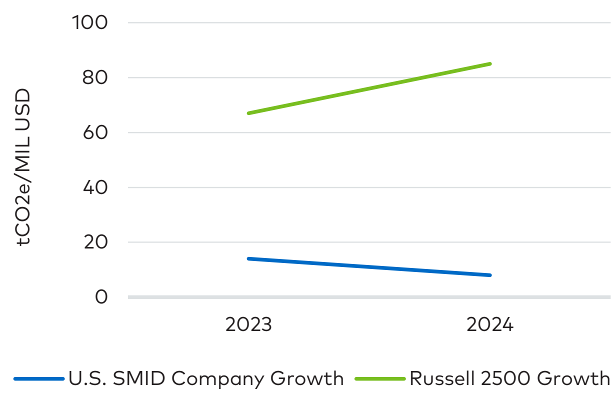
U.S. Small Company Growth



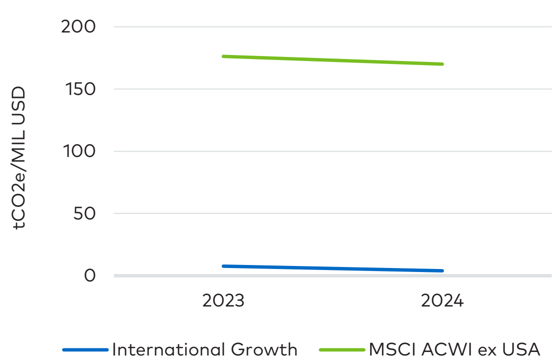
Global Growth



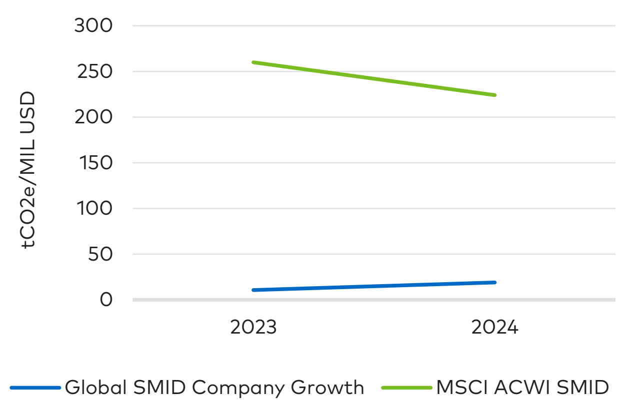
U.S. SMID Company Growth



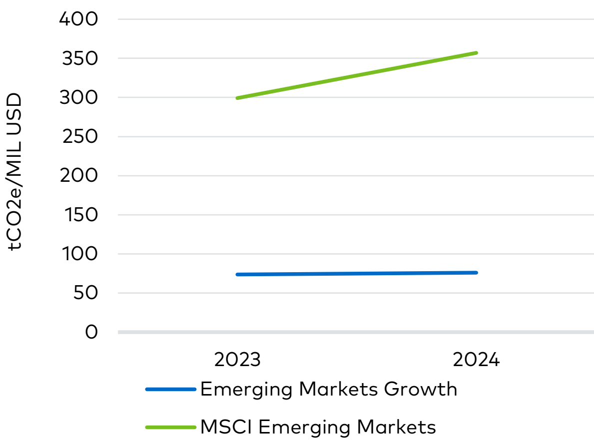
International Growth



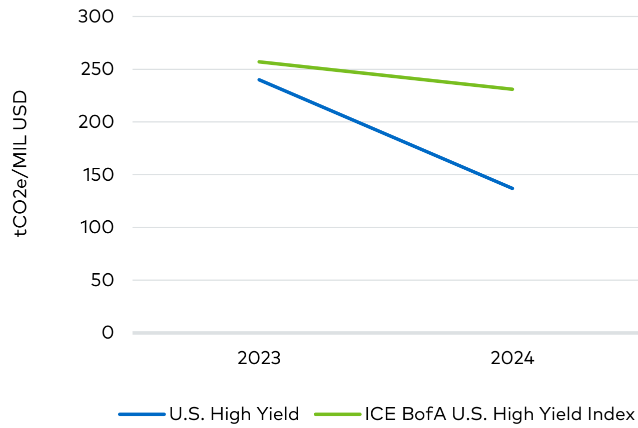
Global SMID Company Growth



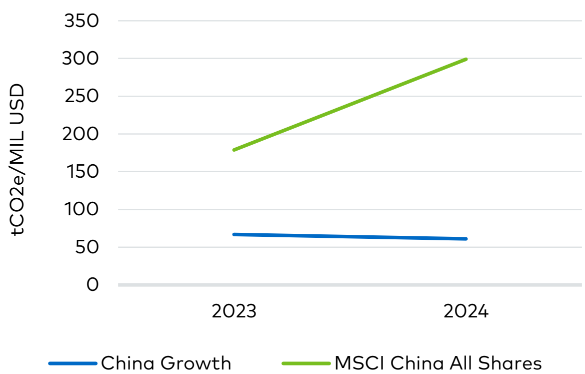
Emerging Markets Growth



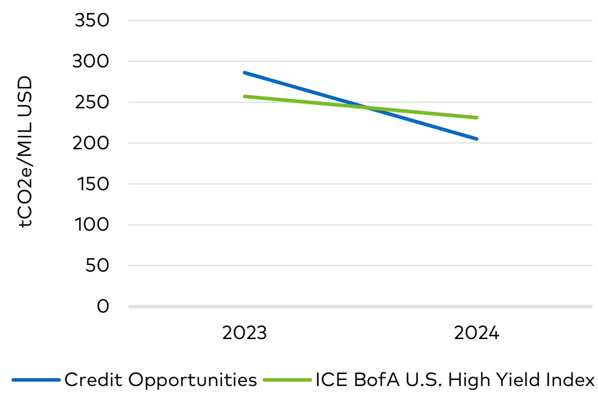
U.S. High Yield



China Growth

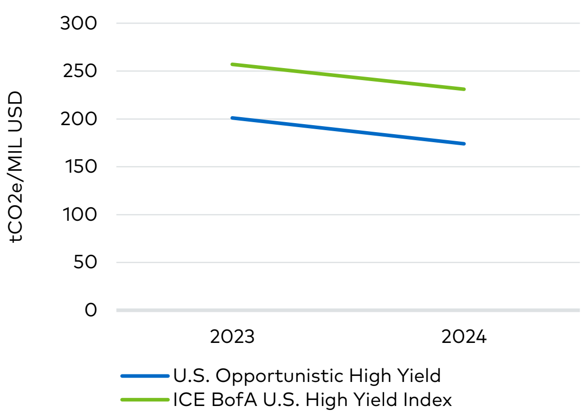


Credit Opportunities



Credit Strategies | Source: Source: MSCI and Polen estimates based on MSCI industry averages

U.S. Opportunistic High Yield



Going Beyond with Polen Capital

Polen Capital is a team of experienced investment industry professionals who share an unwavering commitment to our clients, investors, community, and each other. We have been dedicated to serving investors by providing concentrated portfolios of what we believe are the highest-quality companies for more than three decades. At Polen Capital, we have built a culture of results, and in this, an inherent belief in going beyond what's expected for the people and communities we serve.

We adhere to a time-tested process of researching and analyzing companies around the globe—seeking only the best to build highly concentrated portfolios. Then, we invest for the long haul and with a business owner's mindset, giving these companies time to grow.

Connect with Us

For more information on Polen Capital visit **www.polencapital.com** and connect with us on **LinkedIn**.

Past performance is not indicative of future results. There can be no assurances that any portfolio characteristics depicted herein shall be replicated in the future.

This report is very limited in scope and is not meant to provide comprehensive descriptions or discussions of the topics mentioned herein. Moreover, this report has been prepared without taking into account individual objectives, financial situations or needs. As such, this report is for informational discussion purposes only and is not to be relied on as legal, tax, business, investment, accounting or any other advice. Recipients of this report should seek their own independent financial advice. Investing involves inherent risks, and any particular investment is not suitable for all investors; there is always a risk of losing part or all of your invested capital.

No statement herein should be interpreted as an offer to sell or the solicitation of an offer to buy any security (including, but not limited to, any investment vehicle or separate account managed by Polen Capital). Recipients acknowledge and agree that the information contained in this report is not a recommendation to invest in any particular investment, and Polen Capital is not hereby undertaking to provide any investment advice to any person. This commentary is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

Unless otherwise stated in this report, the statements herein are made as of the date of this report and the delivery of this report at any time thereafter will not create any implication that the statements are made as of any subsequent date. Certain information contained herein is derived from third parties beyond Polen Capital's control or verification and involves significant elements of subjective judgment and analysis. While efforts have been made to ensure the quality and reliability of the information herein, there may be limitations, inaccuracies, or new developments that could impact the accuracy of such information. Therefore, this report is not guaranteed to be accurate or timely and does not claim to be complete. Polen Capital reserves the right to supplement or amend this report at any time, but has no obligation to provide the recipient with any supplemental, amended, replacement or additional information.

Any statements made by Polen Capital regarding future events or expectations are forward-looking statements and are based on current assumptions and expectations. Such statements involve inherent risks and uncertainties and are not a reliable indicator of future performance. Actual results may differ materially from those expressed or implied.

Reporting coverage by equity strategy and index for carbon metrics: Focus Growth (100%), Russell 1000 Growth (100%), S&P 500 (100%), Global Growth (100%), MSCI ACWI (100%), International Growth (100%), MSCI ACWI ex USA (99%), U.S. Small Company Growth (88%), Russell 2000 Growth (98%), U.S. SMID Company Growth (95%), Russell 2500 Growth (97%), Global SMID Company Growth (95%), MSCI ACWI SMID (97%), Emerging Markets Growth (97%), MSCI Emerging Markets (99%).

For the portfolio and the benchmark, estimated carbon intensity is the weighted average carbon intensity that is calculated (a) with respect to the securities for which such data is provided by Polen Credit's third-party ESG data provider, MSCI, the value provided by MSCI, and (b) with respect to the securities that do not have any MSCI carbon intensity data, the corresponding industry average carbon intensity (as reflected by MSCI). Because of this latter assumption, the actual carbon intensity for the portfolio (as well as the benchmark) may vary from the estimated figure provided. As of the date of this report, securities for which Polen Credit obtains carbon intensity data from its third-party ESG data vendor comprise the approximate market value: U.S. Opportunistic High Yield (33%), ICE BofA U.S. High Yield Index (79%), Upper Tier U.S. High Yield (59%), ICE BofA BB/B U.S. Non-Financial High Yield Constrained Index (83%), Total Return Credit (13%).

Carbon intensity is a relative metric used to compare company emissions across industries. Although Polen Capital's information providers, including without limitation, MSCI ESG Research Inc. and its affiliates (the "ESG Parties") obtain information from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness of any data herein. None of the ESG Parties makes any express or implied warranties of any kind, and the ESG Parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to any data herein. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein. Further, without limiting any of the foregoing, in no event shall any of the ESG Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

It is impossible to invest directly in an index. Past performance is not indicative of future results. The Russell 1000® Index is a market capitalization weighted index that measures the performance of the large-cap segment of the U.S. equity universe. It is comprised of 1,000 of the largest securities in the Russell 3000® Index. The index is maintained by the FTSE Russell, a subsidiary of the London Stock Exchange Group.

The S&P 500® Index is a market capitalization weighted index that measures 500 common equities that are generally representative of the U.S. stock market. The index is maintained by S&P Dow Jones Indices. The Russell 2000® Index is a market capitalization weighted index that measures the performance of the small-cap segment of the U.S. equity universe. It is comprised of 2,000 of the smallest securities in the Russell 3000® Index. The index is maintained by the FTSE Russell, a subsidiary of the London Stock Exchange Group. The MSCI ACWI Index is a market capitalization weighted equity index that measures the performance of large and mid-cap segments across developed and emerging market countries. The index is maintained by Morgan Stanley Capital International.The Russell 2500® Growth Index is a market capitalization weighted index that measures the performance of the small to mid-cap growth segment of the U.S. equity universe. It includes Russell 2500TM companies with higher price-to-book ratios and higher forecasted growth values. The index is maintained by the FTSE Russell, a subsidiary of the London Stock Exchange Group.The MSCI ACWI ex USA Index is a market capitalization weighted equity index that measures the performance of large and mid-cap segments across developed and emerging market countries (excluding the U.S). The index is maintained by Morgan Stanley Capital International. MSCI ACWI SMID Cap is a market capitalization weighted equity index that measures the performance of the mid and small-cap segments across developed and emerging market countries. The index is maintained by Morgan Stanley Capital International.The MSCI Emerging Markets Index is a market capitalization weighted equity index that measures the performance of large and mid-cap segments across emerging market countries (excluding China). The index is maintained by Morgan Stanley Capital International.The MSCI China All Shares Index is a market capitalization weighted equity index that measures the performance of the large and mid-cap segments of Chinese market. The index includes both price changes and dividend payments. Declared after-tax net dividends are used in the dividend payment calculation. The index is maintained by Morgan Stanley Capital International.The ICE BofA US High Yield Index, which is maintained by ICE Data Indices, LLC, is market capitalization weighted and comprises U.S. dollar denominated below investment grade corporate debt publicly issued in the U.S. domestic market.