

# Polen U.S. SMID Company Growth

Separately Managed Account - December 2023

## Investment Objective

Our U.S. SMID Company Growth strategy seeks to achieve long-term growth of capital. The advisor identifies a concentrated portfolio of competitively advantaged businesses with sustainable, above-average earnings growth.

## Why Invest in U.S. SMID Company Growth?

- U.S. SMID growth strategy with a strong emphasis on sustainable earnings growth
- Concentrated portfolio of approximately 30 high-quality growth companies
- Focus on companies with high returns on capital and double-digit earnings growth
- Low portfolio turnover with long-term holding periods

## Product Profile

Inception Date	04-01-2020
Strategy Assets*	\$188.6M
Number of Holdings	25-45
Style	Growth
Benchmark	Russell 2500 Growth

## Experience in High Quality Growth Investing

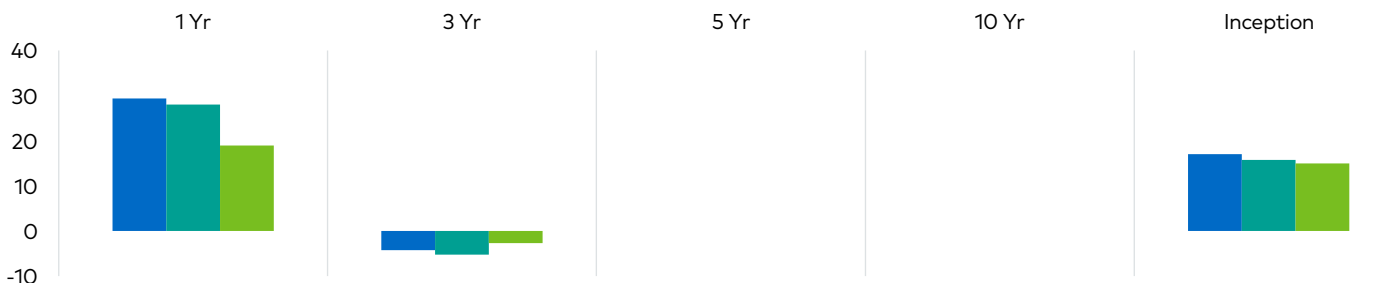


**Rayna Lesser Hannaway, CFA**  
Head of Team, Portfolio Manager & Analyst  
27 years of experience



**Whitney Young Crawford**  
Portfolio Manager & Analyst  
16 years of experience

## Seeks Growth & Capital Preservation (Performance (%) as of 12-31-2023)



	Qtr	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Polen US SMID Company Growth (Gross)	14.98	29.39	29.39	-4.25	-	-	16.99
Polen US SMID Company Growth (Net)	14.65	28.05	28.05	-5.26	-	-	15.77
Russell 2500 Growth	12.59	18.93	18.93	-2.68	-	-	14.96

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. Performance figures are presented gross and net of fees and have been calculated after the deduction of all transaction costs and commissions and include the reinvestment of all income.

\*Preliminary assets as of 12-31-2023. Asset figures include discretionary as well as nondiscretionary assets.

## Top Ten Holdings (% of Portfolio)

Globant	5.99
Dynatrace	5.12
Houlihan Lokey	4.98
Five Below	4.57
Goosehead Insurance	4.06
Trex	4.04
Floor & Decor Holdings	3.34
Hamilton Lane	3.18
YETI Holdings	3.15
Wingstop	3.03
Total	41.47

## Portfolio Characteristics

Weighted Average Market Cap	\$7.5B
Polen Long Term EPS Growth Estimate	19.2%
Total Debt/Total Capital	31.6%
Return on Invested Capital	13.0%
Active Share	92.5%
Annual Turnover*	32.3%

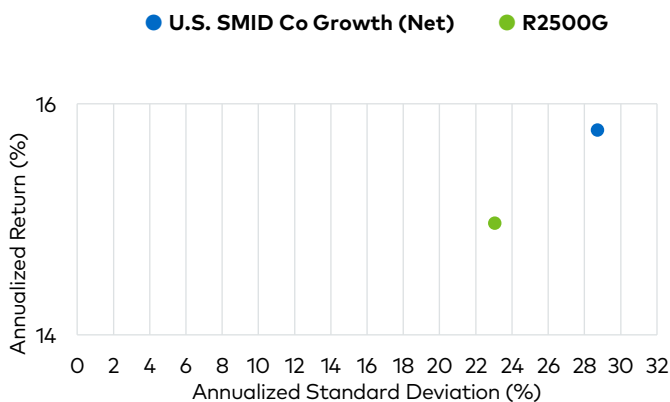
## Portfolio Statistics\*

	US SMID Company Growth	Russell 2500 Growth
Alpha	-1.66	-
Beta	1.19	1.00
Sharpe Ratio	0.49	0.57
Upside Capture	120.24%	-
Downside Capture	113.28%	-
Information Ratio	0.09	-
Standard Deviation	28.72%	23.06%

## GICS Sector Exposure (% of Portfolio)

Consumer Discretionary	27.19
Information Technology	26.76
Financials	18.61
Health Care	12.65
Industrials	11.88
Communication Services	1.68
Cash	1.21

## Risk-Adjusted Returns (Net)\*



All data as of 12-31-2023 unless otherwise noted. \*Since inception.

Polen Capital Management, LLC is an independent registered investment advisor. The firm has been managing large cap growth equity portfolios for institutional and high net worth individual clients since 1989.

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All performance is calculated in U.S. Dollars. **Past performance is not indicative of future results.** Returns are presented gross and net of management fees and include the reinvestment of all income.

The 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 2500® 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. It is impossible to invest directly in an index. The performance of an index does not reflect any transaction costs, management fees, or taxes.

The volatility and other material characteristics of the indices referenced may be materially different from the performance achieved. In addition, the portfolio's holdings may be materially different from those within the index. Indices are unmanaged.

Holdings are subject to change. The top holdings, as well as other data, are as of the period indicated and should not be considered a recommendation to purchase, hold, or sell any particular security. There is no assurance that any of the securities noted will remain in a portfolio at the time you receive this fact sheet. Actual holding and percentage allocation in individual client portfolios may vary and are subject to change. It should not be assumed that any of the holdings discussed were or will prove to be profitable or that the investment recommendations or decisions we make in the future will be profitable. A list of all securities held in this portfolio in the prior year is available upon request.

**Alpha:** the excess return of an investment relative to the return of the

benchmark. **Beta:** the measure of systemic risk of a portfolio in comparison to the market as a whole. **Sharpe Ratio:** a ratio of the return on an investment relative to its risk. **Upside Capture:** a statistical measure of overall performance relative to a benchmark during rising markets. **Downside Capture:** a statistical measure of overall performance relative to a benchmark during declining markets. **Information Ratio:** a measurement of portfolio returns relative to a given benchmark. **Standard Deviation:** measurement of the dispersion or volatility of investment returns relative to its mean or average. **Risk-adjusted return:** a calculation of the profit or potential profit from an investment that considers the degree of risk that must be accepted in order to achieve it.

**Active Share:** Active share is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. **Weighted Average Market Cap:** a weighted average of the price of each security multiplied by the number of shares outstanding all the securities in the portfolio. **Polen Long Term EPS Growth Estimate:** a Polen Capital estimate of projected long-term earnings growth rates (Earnings Growth is not a measure of future performance). **Total Debt/Total Capital:** measures the total amount of outstanding company debt as a percentage of the firm's total capitalization. **Return on Invested Capital:** assesses a company's efficiency at allocating the capital and is measured by operating profit after taxes divided by investment capital. **Annual Turnover:** the percentage at which a portfolio replaces its security holdings every year.

The U.S. SMID Growth strategy integrates material environmental, social, and governance (ESG) factors into research analysis as part of a comprehensive evaluation of a company's long-term financial sustainability. There is a risk that the investment techniques and risk analyses applied, including but not limited to the integration of ESG factors into the research analysis, will not produce the desired results and that legislative, regulatory, or tax developments may affect the investment techniques available. There is no guarantee that the investment objective will be achieved.