



## **Polen Capital Funds ICAV**

(An Irish collective asset-management vehicle (“ICAV”) which is constituted as an umbrella fund with segregated liability between funds and with variable capital incorporated in Ireland under the Irish Collective Asset-management Vehicles Acts 2015 to 2021 (together, the “Acts”) and authorised by the Central Bank of Ireland (the “Central Bank”) as a qualifying investor alternative investment fund, subject to the provisions of the Central Bank’s AIF rulebook (the “AIF Rulebook”) and the European Union (Alternative Investment Fund Managers) Regulations 2013, as amended (the “AIFM Regulations”), registered under the laws of Ireland with registered number C506287).

**Annual Report and Audited Financial Statements**  
for the financial period from 14 March 2023 (launch date) to 31  
December 2023

## Contents

|  |    |
|--|----|
| Directory  | 2  |
| General Information  | 4  |
| Investment Manager's Report  | 5  |
| Directors' Report  | 7  |
| Depositary's Report  | 11 |
| Independent Auditor's Report                                       | 12 |
| Financial Statements   |    |
| Statement of Comprehensive Income                                  | 15 |
| Statement of Financial Position                                    | 16 |
| Statement of Changes in Equity                                     | 17 |
| Statement of Cash Flows  | 18 |
| Notes to the Financial Statements                                  | 19 |
| Schedule of Investments  | 33 |
| Schedule of Significant Portfolio Changes (unaudited)              | 36 |
| Appendix 1 - Remuneration Disclosure (unaudited)                   | 38 |
| Appendix 2 - Sustainable Finance Disclosure Regulation (unaudited) | 39 |

## Directory

### Directors

Donnacha O'Connor (Irish) (resigned on 5 September 2023)  
Bronwyn Wright (Irish) (appointed on 5 September 2023)  
Brian Goldberg (U.S.)  
Kevin O'Neill (Irish)  
Mike Guarasci (U.S.)

### Administrator

State Street Fund Services (Ireland) Limited (until 1 January 2024)  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

SEI Investments – Global Fund Services Limited (from 1 January 2024)  
Styne House  
Upper Hatch Street  
Dublin 2  
Ireland

### Alternative Investment Fund Manager

KBA Consulting Management Limited (until 29 September 2023)\*  
35 Shelbourne Road  
4<sup>th</sup> Floor, Ballsbridge  
Dublin, D04 A4E  
Ireland

Waystone Management Company (IE) Limited ("WMC") (from 29 September 2023 until 1 January 2024)\*  
35 Shelbourne Road  
4<sup>th</sup> Floor, Ballsbridge  
Dublin, D04 A4E  
Ireland

IQ EQ Fund Management (Ireland) Limited (from 1 January 2024)  
76 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Depositary

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Company Secretary

Tudor Trust Limited  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Auditors

Deloitte & Touche Chartered Accountants  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2  
Ireland

**Directory (continued)**

**Investment Manager and Distributor**

Polen Capital Credit, LLC  
Suite 320  
1075 Main Street Waltham  
USA

**Registered Office**

33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Legal Advisors in Ireland**

Dillon Eustace LLP  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

\*On 29 September 2023 KBA Consulting Management Limited, the Alternative Investment Fund Manager of the ICAV, completed its merger with Waystone Management Company (IE) Limited ("WMC"). WMC is the surviving entity post-merger and as such, the ICAV's Alternative Investment Fund Manager is WMC from this date.

## Polen Capital Funds ICAV

---

### General information

The following information is derived from and should be read in conjunction with the full text and definitions section of the Prospectus of Polen Capital Funds ICAV (the "ICAV") dated 21 August 2023 (the "Prospectus"). Capitalised terms used but not defined herein shall have the meaning ascribed thereto in the Prospectus.

References to statutes, regulations and laws shall include any amendments thereto.

The ICAV is an umbrella-type Irish Collective Asset-management Vehicle with variable capital and segregated liability between Funds (collectively the "Funds" or each individually a "Fund") registered in Ireland with the Central Bank on the 31 January 2023 with registration number C506287 and authorised by the Central Bank, pursuant to Part 2 of the Irish Collective Asset-Management Vehicles Act (The "Act"). The ICAV has appointed the Waystone Management Company (IE) Limited ("the AIFM"), a private limited company incorporated under the laws of Ireland and authorised by the Central Bank, to act as alternative investment fund manager to the ICAV and to provide, in accordance with the AIFM Directive, discretionary portfolio management and risk management services to the ICAV pursuant to the AIFM agreement entered into between the AIFM and the ICAV.

The Fund seeks to achieve its objective mainly by investing in high yield fixed income securities with a focus on "middle market" issuers in the United States and, to a much lesser extent, Canada. The Investment Manager considers middle market companies to be those with normalised earnings before interest, tax and depreciation (EBITDA) in the range of USD\$75-250 million. The Investment Manager believes that the flexibility to invest, sell, and reinvest throughout the capital structure of an issuer (and in particular, in both more senior bank loans and more junior high yield bonds) will enable the Investment Manager to tailor its investment approach to the specific credit-related circumstances of that issuer as they may change from time to time and thereby select the most attractive opportunities for the Fund.

In addition, the Fund may also hold positions in equity or other assets (including convertible bonds) that the Fund receives as part of a unit of, or in connection with, a high yield security or otherwise as a result of reorganization, corporate action, or conversion. The Fund may hold those assets until such time as the Investment Manager believes that a disposition is most advantageous. The Fund may also make investments in equity securities, including common stocks.

The Shares issued in each Fund will rank pari passu with each other in all respects provided that they may differ as to certain matters including currency of denomination, hedging strategies if any applied to the currency of a particular Class, dividend policy, the level of fees and expenses to be charged to a Fund or Class or the Minimum Subscription and Minimum Holding applicable or otherwise in accordance with the requirements of the Central Bank. Shares may be issued on a fully drawn down basis or on a commitment basis, as set out in the relevant Supplement.

### Fund and share classes

As at 31 December 2023, the ICAV has one fund in operation: Polen Capital Opportunistic High Yield Fund which launched on 14 March 2023. The base currency of the Fund is the US Dollar ("USD"). The Fund is an open-ended fund.

| Share Class          | Currency | Minimum Subscription | Initial Issue Price per Share |
|----------------------|----------|----------------------|-------------------------------|
| Investor Class       | USD      | \$1,000,000          | \$10.00                       |
| Institutional Class* | USD      | \$100,000,000        | \$10.00                       |

\*This Share Class is not active.

Additional Classes may be established in the Fund in accordance with the requirements of the Central Bank.

## Investment Manager's Report

**Polen Capital Opportunistic High Yield Fund  
for the financial period from 14 March 2023 (launch date) to 31 December 2023**

### Market Commentary

The ICE BofA U.S. High Yield Index (the "Index") delivered a return of 11.73% over the period from 15 March 2023 through 31 December 2023. The period was marked by elevated yet moderating inflation, and a slowdown in the pace of monetary policy tightening. Further, better than expected economic data helped moderate concerns of an impending economic slowdown. In addition, corporate earnings appeared to be more resilient than anticipated at the start of the period. This relative strength led to spread tightening among high yield bonds. Moreover, interest rates fell sharply towards the end of the period as the market began pricing in more aggressive rate cuts by the Fed in 2024. As a result of this improved backdrop, high yield bond market performance was strong and registered a significant gain, with lower-rated bonds outperforming higher-rated bonds during the period.

### Fund Performance & Attribution Section

The Polen Capital Opportunistic High Yield Fund (the "Fund") returned 10.99% net of fees, versus the 11.73% return for the Index. Performance attribution shows that the duration effect for the period was positive given the Fund's shorter duration relative to the index and the modest increase in U.S. Treasury yields, particularly earlier in the period. Further, the Fund's income advantage relative to the index contributed to the Fund's relative performance.

Focusing on quality attribution, the Fund's overweight to CCC2-rated issues drove the positive quality allocation effects, contributed to relative performance during the period. However, these positive effects were partially offset by the negative quality allocation effects produced by the Fund's overweight to CCC1-rated issues, which detracted from relative performance. The Fund's aggregate security selection effect by quality rating was negative. Specifically, the Fund's B1-rated, B2-rated, B3-rated, and CCC2-rated holdings underperformed those of the index and detracted from relative performance. However, these negative effects were partially offset by the positive security selection effects produced by the Fund's CCC1-rated holdings, which outperformed those of the index.

From a sector perspective, the sector allocation effect was negative and driven primarily by the Fund's overweight in the Capital Goods sector. In addition, the Fund's aggregate sector security selection effect was negative. Specifically, the Fund's holdings in the Basic Industry, Retail, and Healthcare sectors underperformed those of the index and detracted from relative performance. However, these negative effects were partially offset by the positive security selection effects produced by the Fund's holdings in the Services and Capital Goods sectors, which outperformed those of the index.

The Fund's most significant individual issuer contributors to total returns over the period were NFP Corp (Insurance sector), Husky Injection Molding (Capital Goods sector), and DexKo Global (Capital Goods Sector), while the most significant detractors were EyeCare Partners (Healthcare sector), Cano Health (Healthcare sector), and Duravant (Capital Goods sector).

### Fund Activity

The Fund reduced its exposure to certain Senior Notes issued by Ford Motor (Automotive sector) and Uber Technologies (Services sector) during the period. Proceeds from these sales, as well as other relative value trades, were used to initiate an investment in KIK Custom Products First Lien Term Loan (Consumer Goods sector) as well as increase positions in existing holdings.

### Outlook

The high yield bond market ended 2023 on a high note as the fourth quarter rally erased the memories of what was a tumultuous year. During the year, the high yield bond market shrugged off concerns about the banking sector in the U.S. and increasing U.S. Treasury yields, as well as growing domestic and geopolitical angst. While banking woes appear subdued for now, the upcoming presidential election in the U.S. will likely be the topic du jour for 2024.

### Investment Manager's Report (continued)

#### Outlook (continued)

Regardless, the end of year decline in yields that spurred the November-December rally may help high yield bond issuers capitalize on lower interest costs to refinance existing debt in the new year. This would be especially helpful for lower-rated credits that have been on the sidelines for most of the last two years. Assuming a lower-yield environment persists, we would anticipate an uptick in issuers coming to market to price new issues.

Aside from lower financing costs, a "soft landing" for the economy – the likelihood of which we believe continues to grow – would also be advantageous for lower-rated borrowers. As we have noted repeatedly, fundamentals in the high yield market have proven resilient and would only be aided by a situation where rates come down while economic activity remains positive. Ultimately, we believe that this outcome would likely keep default rates at or around long-term averages.

As we head into 2024, while the recent rally has resulted in a tightening of spreads, we maintain a constructive view of the high yield bond market. Although we anticipate volatility during the upcoming year, we believe that current yield levels are attractive and more than compensate investors for the increased risk. Although aggregate high yield bond market fundamentals remain healthy, careful credit selection remains paramount. We continue to identify attractive opportunities amongst issuers across each segment of the high yield bond market. We view the current environment as favorable for an active manager like Polen Capital to potentially generate significant alpha for the Fund.

**Past performance does not guarantee future results.** Profitable results cannot be guaranteed. Returns are presented net of management fees and have been calculated after the deduction of all transaction costs and commissions and include the reinvestment of all income. Net of fee performance was calculated using actual management fees.

This information is being provided for informational purposes only and should not be construed as a recommendation to purchase, hold or sell any particular security. There is no assurance that any securities discussed herein will remain in the Fund or that the securities sold will not be repurchased. Holdings are subject to change without notice. The securities discussed do not represent the entire Fund. 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.

The ICE BofA U.S. High Yield Index is a broad, unmanaged high yield index. The ICE BofA U.S. High Yield Index data referenced herein is the property of ICE Data Indices, LLC, its affiliates ("ICE Data") and/or its Third Party Suppliers and has been licensed for use by Polen Capital. ICE Data and its Third Party Suppliers accept no liability in connection with its use. Please contact Polen Capital for a full copy of the disclaimer.

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

### Directors' Report

The Directors present the annual report together with the audited financial statements of the Polen Capital Funds ICAV for the financial period from 14 March 2023 (launch date) to 31 December 2023.

### Directors' Responsibility Statement

The Directors are responsible for preparing the Directors' Report and financial statements, in accordance with applicable law and regulations.

The Irish Collective Asset-management Vehicles Acts 2015 to 2021 (together, the "Acts") requires the Directors to prepare financial statements for each financial year. Under that law, they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and applicable law.

The financial statements are required to give a true and fair view of the assets, liabilities and financial position of the ICAV at the end of the financial year and of the change in net assets attributable to equity shareholders in the ICAV for the financial year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the ICAV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the ICAV or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and increase in net assets attributable to equity shareholders in the ICAV and enable them to ensure that the financial statements comply with the Acts and AIFM Regulations. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the ICAV. In this regard they have entrusted the assets of the ICAV to the Depositary for safe-keeping. They are responsible for such internal controls as they determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Acts.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the ICAV's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Results, activities and future developments

The results of operations are set out in the Statement of Comprehensive Income on page 15.

The performance of the Fund is set out in the Investment Manager's Report on page 5.



## Directors' Report (continued)

### Principal Material Changes

The ICAV's current Prospectus was issued on 21 August 2023. Supplement to the Prospectus was issued on 21 August 2023. Prospectus and Supplement are available on request.

### Directors

The name and nationality of persons who were Directors at any time during the financial period ended 31 December 2023 are set out below and all are non-executive:

Mr. Donnacha O'Connor (Irish) (resigned on 5 September 2023)  
Ms. Bronwyn Wright (Irish) (appointed on 5 September 2023)  
Mr. Brian Goldberg (U.S.)  
Mr. Kevin O'Neill (Irish)  
Mr. Mike Guarasci (U.S.)

### Directors' and ICAV Secretary's interests in shares and contracts

The Directors or their respective families and Tudor Trust Limited (the "Secretary") who held office at 31 December 2023 had no interest beneficial or non-beneficial in the share capital or debentures of the ICAV. The Directors are not aware of any contracts or arrangements of any significance in relation to the business of the ICAV in which the Directors had any interest.

### Dividends

The dividend policy and information on the declaration and payment of dividends/distributions for each Fund will be specified in the relevant Supplement. Any change to the distribution policy will be disclosed in a revised Supplement and notified to Shareholders in advance.

Pending payment to the relevant Shareholder, dividends shall be paid into a Subscriptions/Redemptions Account and shall remain an asset of the relevant Fund. The Shareholder will therefore be an unsecured creditor of the ICAV and the relevant Fund with respect to the distribution amount held in the Subscriptions/Redemptions Account until such distribution amount is paid to the Shareholder.

Investors are reminded that dividend monies shall not be paid to redeeming investors until the Application Form and all Supporting Documentation required by or on behalf of the ICAV have been received from the relevant Shareholder(s) and shall be held in a Subscriptions/Redemptions Account in the manner outlined above, enhancing the need to address such issues promptly.

### Risk management objectives and policies

The main risks arising from the Fund's financial instruments are market price, interest rate, foreign currency, liquidity and credit risk. For further information on risk management objectives and policies, please see Note 8 of these financial statements and the Prospectus of the ICAV and Supplement for the Fund.

### Employees

The Fund had no employees during the financial period ended 31 December 2023.

### Significant events during the financial period

See Note 11 to the financial statements.

### Significant events since the financial period end

See Note 12 to the financial statements.

### Directors' Report (continued)

#### Accounting records

The Directors are responsible for ensuring that adequate accounting records, as outlined in Section 110 of the ICAV Act, 2015, are kept at all times. To achieve this, the Directors have employed the Administrator. The adequate accounting records of Funds are maintained at the registered office of the Administrator at 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

#### Relevant audit information

The Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the ICAV's statutory auditor is aware of that information in so far as they are aware, there is no relevant audit information of which the ICAV's statutory auditor is unaware.

#### Sustainable Finance Disclosures Regulation ("SFDR")

The Fund promotes an environmental characteristic according to article 8 of the SFDR and does not have sustainable investment as its objective. The environmental characteristic promoted by the Fund is to have a lower estimated carbon intensity as compared with the broad high yield fixed income investable universe as represented by ICE BofA U.S. High Yield Index.

#### Transactions with connected persons

The AIF Rulebook's section on 'Dealings by promoter, manager, partner, depositary, investment advisor and group companies' states in paragraph 1 that any transaction carried out with a collective investment scheme by a promoter, manager, partner, depositary, investment advisor and/or associated group companies of these ("connected parties") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the Shareholders.

The Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in paragraph 1 of Section I.viii of Part 1 of Chapter 2 of the AIF Rulebook are applied to all transactions with connected parties; and the Directors are satisfied that transactions with connected parties entered into during the financial year complied with the obligations set out in paragraph 1 of Section I.viii of Part 1 of Chapter 2 of the AIF Rulebook.

#### Corporate governance statement

During the financial period under review, the ICAV was subject to corporate governance practices imposed by:

- The ICAV Acts which are available for inspection at the registered office of the ICAV;
- The Instrument of Incorporation of the ICAV which is available for inspection at the registered office of the ICAV at 33 Sir John Rogerson's Quay, Dublin 2, Ireland;
- The Central Bank in their AIFM Regulations which can be obtained from the Central Bank's website listed below and are available for inspection at the registered office of the ICAV:  
<https://www.centralbank.ie/regulation/industry-market-sectors/funds-service-providers/aifm/legislation>

The ICAV has adopted in full the voluntary Code of Corporate Governance (the "Corporate Governance Code") for Collective Investment Schemes ("CIS") and Management Companies issued by the Irish Funds ("IF"), the text of which is available from the IF website, [www.irishfunds.ie](http://www.irishfunds.ie).

The ICAV has been in compliance with the Corporate Governance Code during the financial period ended 31 December 2023.

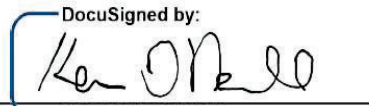
**Directors' Report (continued)**

**Independent auditors**

Deloitte & Touche Chartered Accountants (the "Auditor") have been appointed as auditors to the ICAV in accordance with section 125 of the ICAV Acts.

**On behalf of the Board of Directors**

DocuSigned by:  
  
Brennan Wright

DocuSigned by:  
  
Kevin O'Neill

17 April 2024

## Polen Capital Funds ICAV

---

### Depository's Report

We have enquired into the conduct of Waystone Management Company (IE) Limited as the authorised Alternative Investment Manager (the "AIFM") in respect of Polen Capital Funds ICAV, the authorised Alternative Investment Fund ("AIF"), and into the conduct of the AIF itself as an ICAV, for the financial period from 14 March 2023 (launch date) to 31 December 2023 in our capacity as depository to the AIF.

This report including the opinion has been prepared for and solely for the shareholders in the AIF, in accordance with the Central Bank's AIF Rulebook and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

### Responsibilities of the Depository

Our duties and responsibilities are outlined in Regulation 22(7) (8) & (9) of European Union (Alternative Investment Fund Managers Directive) Regulations 2013 as amended (the "Regulations") and the AIF Rulebook. One of those duties is to enquire into the conduct of the AIFM and the ICAV in each annual accounting year and report thereon to the shareholders.

Our report shall state whether, in our opinion, the AIF has been managed in that year in accordance with the provisions of the AIF's constitutional document and the AIF Rulebook. It is the overall responsibility of the AIFM and the ICAV to comply with these provisions. If the AIFM or the ICAV has not so complied, we as Depository must state why this is the case and outline the steps which we have taken to rectify the situation.

### Basis of Depository's Opinion

The Depository conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Regulation 22(7) (8) & (9) of the Regulations, and to ensure that, in all material respects, the AIF has been managed:

- (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional document and the Regulations; and
- (ii) otherwise in accordance with the AIF's constitutional document and the Regulations.

### Opinion

In our opinion, the AIF has been managed during the accounting period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the authorised AIF by the constitutional document and by the Central Bank under the powers granted to the Central Bank by the Regulations and the AIF Rulebook; and
- (ii) otherwise in accordance with the provisions of the constitutional document, the Regulations and the AIF Rulebook.

**State Street Custodial Services (Ireland) Limited**  
**78 Sir John Rogerson's Quay**  
**Dublin 2**  
**Ireland**  
**17 April 2024**

**Sinead**  
 Digitally signed  
 by Sinead  
 Murphy  
 Date: 2024.04.19  
 15:53:52 +01'00'

**Keith**  
 Digitally signed  
 by Keith Rothwell  
 Date: 2024.04.19  
 16:24:09 +01'00'

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF POLEN CAPITAL ICAV

### Report on the audit of the annual accounts

#### Opinion on the annual accounts of Polen Capital ICAV (the 'ICAV')

In our opinion the annual accounts:

- give a true and fair view of the assets, liabilities and financial position of the ICAV as at 31 December 2023 and of the profit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and the applicable Regulations.

The annual accounts we have audited comprise:

- the Statement of Comprehensive Income for the financial period from 14 March 2023 (launch date) to 31 December 2023;
- the Statement of Financial Position as at 31 December 2023;
- the Statement of Changes in Equity for the financial period from 14 March 2023 (launch date) to 31 December 2023;
- the Statement of Cash Flows for the financial period from 14 March 2023 (launch date) to 31 December 2023; and
- the related notes 1 to 14, including significant accounting policy information as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is the Irish Collective Asset-Management Acts 2015-2020 ("the ICAV Act") and International Financial Reporting Standards as adopted by the European Union ("IFRS") ("the relevant financial reporting framework").

The applicable regulations that have been applied in their preparation is the European Union (Alternative Investment Fund Managers) Regulations 2013 (as amended) and the Commission Delegated Regulation (EU) No.231/2013 ("the applicable Regulations").

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "*Auditor's responsibilities for the audit of the annual accounts*" section of our report.

We are independent of the ICAV in accordance with the ethical requirements that are relevant to our audit of the annual accounts in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the annual accounts, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the annual accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ICAV's ability to continue as a going concern for a period of at least twelve months from when the annual accounts are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the annual accounts and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements. Our opinion on the annual accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

*/Continued on next page*

*/Continued from previous page*

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF POLEN CAPITAL ICAV

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the annual accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of annual accounts that give a true and fair view and have been properly prepared in accordance with the ICAV Act, and for such internal control as the directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the directors are responsible for assessing the ICAV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the ICAV or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the annual accounts**

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

### **Report on other legal and regulatory requirements**

#### **Matters on which we are required to report by the ICAV Act and the applicable Regulations**

In our opinion, the information given in the directors' report is consistent with the annual accounts and the directors' report has been prepared in accordance with the ICAV Act.

#### **Matters on which we are required to report by exception**

Based on the knowledge and understanding of the ICAV and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the ICAV Act which require us to report to you if, in our opinion, the disclosures of directors' remuneration specified by the ICAV Act are not made.

#### **Opinion on other matters prescribed by the applicable Regulations**

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the ICAV were sufficient to permit the annual accounts to be readily and properly audited.
- The annual accounts are in agreement with the accounting records.

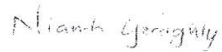
*Continued on next page/*

*/Continued from previous page*

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF POLEN CAPITAL ICAV

### **Use of our report**

This report is made solely to the ICAV's shareholders, as a body, in accordance with Section 120(1) (b) of the ICAV Act. Our audit work has been undertaken so that we might state to the ICAV's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the ICAV and the ICAV's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.



Niamh Geraghty  
For and on behalf of Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

25 April 2024

**Statement of Comprehensive Income  
for the financial period from 14 March 2023 (launch date) to 31 December 2023**

|  | Note | Polen Capital<br>Opportunistic High<br>Yield Fund<br>USD |
|--|------|--|
| <b>Income</b>                                    |      |  |
| Interest income                                  | 1    | 370,445  |
| Net gain on investment activities                | 3    | 207,896  |
| <b>Total income</b>                              |      | <b>578,341</b>   |
| <b>Expenses</b>                                  |      |  |
| Operating expenses                               | 4    | (287,670)  |
| Investment Manager fees                          | 4    | (29,317)   |
| AIFM fees  | 4    | (94,743)   |
| Management fee reimbursement                     | 4    | 378,644  |
| <b>Total expenses</b>                            |      | <b>(33,086)</b>  |
| <b>Profit before tax</b>                         |      | <b>545,255</b>   |
| <b>Taxation</b>                                  |      |  |
| Withholding tax                                  |      | (110)  |
| <b>Total comprehensive income for the period</b> |      | <b>545,145</b>   |

There are no recognised gains or losses in the financial period other than those dealt with in the Statement of Comprehensive Income. All results are from continuing activities.

The accompanying notes are an integral part of these financial statements.



**Statement of Financial Position  
as at 31 December 2023**

|  | Note | Polen Capital<br>Opportunistic High<br>Yield Fund<br>USD |
|--|------|--|
| <b>Assets</b>  |      |  |
| Financial assets at fair value through profit or loss    | 1,6  | 5,386,626  |
| Cash and cash equivalents                                |      | 145,757  |
| Receivable for investments sold                          |      | 30,996   |
| Interest receivable                                      | 1    | 94,373   |
| Other receivables  |      | 218,455  |
| <b>Total assets</b>                                      |      | <b>5,876,207</b>   |
| <b>Liabilities</b>                                       |      |  |
| Other payables and accrued expenses                      | 4    | 301,179  |
| Investment Manager fees                                  | 4    | 3,249  |
| AIFM fees  | 4    | 26,634   |
| <b>Total liabilities</b>                                 |      | <b>331,062</b>   |
| <b>Equity</b>  |      |  |
| Capital and reserves attributable to equity shareholders |      | 5,000,000  |
| Retained earnings  |      | 545,145  |
| <b>Total equity</b>                                      |      | <b>5,545,145</b>   |
| <b>Total equity and liabilities</b>                      |      | <b>5,876,207</b>   |

The accompanying notes are an integral part of these financial statements.

**On behalf of the Board of Directors**

DocuSigned by:  
  
 \_\_\_\_\_  
 Bronwyn Wright

DocuSigned by:  
  
 \_\_\_\_\_  
 Kevin O'Neill

17 April 2024

**Statement of Changes in Equity**  
**for the financial period from 14 March 2023 (launch date) to 31 December 2023**

| <b>Polen Capital Opportunistic High Yield Fund</b> |             | <b>Share<br/>Capital<br/>USD</b> | <b>Share Premium<br/>and Reserves<br/>USD</b> | <b>Total<br/>Equity<br/>USD</b> |
|--|-------------|----------------------------------|---|---------------------------------|
|  | <b>Note</b> |                                  |   |                                 |
| <b>Total equity at beginning of period</b>         |             | -                                | -   | -                               |
| Total comprehensive income for the period          |             | -                                | 545,145                                       | 545,145                         |
| <b>Capital transactions</b>                        |             |                                  |   |                                 |
| Subscriptions                                      | 5           | 5,000,000                        | -   | 5,000,000                       |
| Redemptions  | 5           | -                                | -   | -                               |
| <b>Total equity at end of period</b>               |             | <b>5,000,000</b>                 | <b>545,145</b>                                | <b>5,545,145</b>                |

The accompanying notes are an integral part of these financial statements.

**Statement of Cash Flows**  
**for the financial period from 14 March 2023 (launch date) to 31 December 2023**

|   | <b>Polen Capital<br/>Opportunistic High Yield<br/>Fund<br/>USD</b> |
|---|--|
| <b>Cash flows from operating activities</b>                     |  |
| Total comprehensive income for the period                       | 545,145  |
| <b>Adjustments for:</b>   |  |
| Proceeds from sale of investments                               | 2,064,748  |
| Payments for purchase of investments                            | (7,229,126)  |
| Realised gain arising from sale of investments                  | (44,438)   |
| Unrealised gain on investments                                  | (163,434)  |
| Amortization on investments                                     | (45,372)   |
| Increase in interest receivable                                 | (94,373)   |
| Increase in other receivables                                   | (218,455)  |
| Increase in other payables and accrued expenses                 | 331,062  |
| <b>Net cash outflows from operating activities</b>              | <b><u>(4,854,243)</u></b>  |
| <b>Cash flows from financing activities</b>                     |  |
| Proceeds from subscriptions                                     | 5,000,000  |
| <b>Net cash inflows from financing activities</b>               | <b><u>5,000,000</u></b>  |
| <b>Net increase in cash and cash equivalents</b>                | <b><u>145,757</u></b>  |
| Cash and cash equivalents at beginning of the financial period  | -  |
| <b>Cash and cash equivalents at end of the financial period</b> | <b><u><u>145,757</u></u></b>                                       |
| <b>Supplemental information</b>                                 |  |
| Interest received   | 276,072  |
| Taxation paid   | (110)  |

The accompanying notes are an integral part of these financial statements.

## Notes to the Financial Statements

### 1. Significant accounting policies

#### a) Basis of preparation

The ICAV's annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, Irish statute comprising the ICAV Acts and the AIFM Regulations.

#### b) Comparative Information

As the ICAV was registered on 31 January 2023, no comparative information is provided in these financial statements for the financial period ended 31 December 2023.

#### c) Basis of Measurement

The financial statements of the ICAV have been prepared under the historical cost basis except for financial instruments at fair value through profit or loss ("FVTPL") which are measured at fair value.

The financial statements have been prepared on a going concern basis.

#### d) Functional and Presentation Currency

In accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates", items included in the ICAV's financial statements are measured using the currency of the primary economic environment in which the Fund operates (the functional currency). The functional currency of the Fund is USD. The ICAV has also adopted this functional currency as the presentation currency of the Fund. The functional and presentation currency of the ICAV is USD. The Fund's investments and transactions are denominated in USD. Investor subscriptions and redemptions are determined based on the net asset value, and are received and paid in the currency of the Share Class.

Transactions which occurred during the financial period are translated into reporting currency at the rate prevailing on the transaction date. Assets and liabilities in foreign currencies are translated into USD at the rates prevailing at the financial year end date. Any exchange differences on translation will be reflected in the Statement of Comprehensive Income.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into USD at the exchange rate at the date on which fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss as net foreign exchange gains/(losses), except for those arising on financial instruments at FVTPL, which are recognised as a component of net gain from financial instruments at FVTPL.

During the financial period ended 31 December 2023, the ICAV did not enter into transactions denominated in foreign currency.

#### e) Significant Accounting Estimates and Assumptions

The preparation of financial statements in conformity with IFRS as adopted by the EU requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Critical accounting estimates are those which involve the most complex or subjective judgments or assessments. The areas of the ICAV's business that typically require such estimates are the determination of the fair value of financial assets and liabilities.

## 1. Significant accounting policies (continued)

### f) Financial assets and liabilities

#### *i) Classification and measurement of financial assets and financial liabilities*

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income ("FVOCI"), and FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. The ICAV classifies its investments in accordance with IFRS 9. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The ICAV is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Consequently, all investments are measured at FVTPL. Financial assets and liabilities of the ICAV other than those measured at FVTPL are measured at amortised cost. These include receivable for investments sold, other receivables, other payables and accrued expenses, Investment Manager fees payable and AIFM fees payable.

#### *ii) Recognition and de-recognition*

The ICAV recognises regular-way purchases and sales of financial assets and financial liabilities at FVTPL on the trade date, the date on which the ICAV commits to purchase or sell the asset. Other financial assets and financial liabilities are recognised on the day in which they originated. Financial assets and financial liabilities are derecognised when the rights to receive cash flows from the financial assets and financial liabilities have expired or the ICAV has transferred substantially all risks and rewards of ownership. The ICAV writes off financial assets carried at amortised cost when they are deemed to be uncollectible. Purchases and sales of financial instruments are accounted for on the day the transaction takes place, i.e. the trade date. Investments are initially recognised at fair value and all transaction costs incurred on investments which are classified as FVTPL are expensed in the financial year in which they are incurred.

#### *iii) Fair value measurement principles*

Financial instruments are measured initially at fair value (transaction price), plus, in the case of financial assets or financial liabilities not at FVTPL, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at FVTPL are expensed immediately. Subsequent to initial recognition, all instruments classified at FVTPL are measured at fair value with changes in their value recognised in the Statement of Comprehensive Income.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk. The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices or, for non-exchange traded instruments, sourced from a reportable broker/counterparty, at the reporting date without any deduction for estimated future selling costs.

The ICAV utilises the last traded market price for both financial assets and financial liabilities where the bid-ask spread is low. A market is regarded as "active" if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the ICAV use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Where unobservable inputs are utilised in fair valuing a financial asset or financial liability, such unobservable inputs are reviewed by the valuation committee of the Investment Manager.

#### *iv) Amortised cost measurement*

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

### 1. Significant accounting policies (continued)

#### f) Financial assets and liabilities (continued)

##### v) *Impairment of financial assets*

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating of credit losses ("ECLs"), the ICAV considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the ICAV's historical experience and informed credit assessment and including forward-looking information. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the ICAV expects to receive). ECLs are discounted at the effective interest rate of the financial asset. The amount of expected credit losses is immaterial for financial assets.

##### vi) *Offsetting of financial assets and financial liabilities*

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position and Statement of Comprehensive Income where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

As of 31 December 2023, there were no master netting agreements in place and there were no financial assets and liabilities offset in the financial statements.

#### g) Receivables and payables

Receivables and payables represent amounts for transactions contracted for but not yet settled or delivered by the end of the financial year. These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### h) Interest income and interest expense

Interest income and interest expense on cash and cash equivalents are recognised in the Statement of Comprehensive Income on an accruals basis. Interest on interest bearing securities, if applicable is accounted for on the effective interest basis and is recognised in gains and losses arising from investments at fair value through profit or loss as it accrues.

#### i) Expenses

All expenses, including management fees, are recognised in the Statement of Comprehensive Income on an accrual basis.

#### j) Realised gains and losses

Realised gains and losses on sales of investments are calculated based on the average book cost of the investment in local currency and are included in Net gain/(loss) on investment activities in the Statement of Comprehensive Income.

#### k) Unrealised gains and losses

Unrealised gains and losses on investments arising during the financial period represent the difference between the original cost of the investment and its value at the reporting period end and are included in Net gain/(loss) on investment activities in the Statement of Comprehensive Income.

#### l) Equity shares

All shares issued by the ICAV in relation to the Fund provide the shareholders with the right to require redemption for cash at the value proportionate to the investor's share in the Fund's net assets at the redemption date.

### 1. Significant accounting policies (continued)

#### m) Transaction Costs

Transaction costs are defined as the incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or a financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or a financial liability is recognised initially, an entity shall measure it at its FVTPL plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Transaction costs on purchases and sales of equities are included in Net gain/(loss) on investment activities in the Statement of Comprehensive Income and transaction costs on custody transactions are included in Depositary fees within Operating expenses in the Statement of Comprehensive Income.

#### n) Distributions

No dividends will be paid on Accumulating Shares and instead the pro-rata calculated net income (i.e., interest net of expenses) plus realised gains minus realised losses corresponding to Shares will be capitalised in the Fund for the benefit of the Shares.

#### o) Cash and Cash Equivalents

Cash and cash equivalents comprises current deposits with banks. Cash and cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents are carried at amortised cost which approximates its fair value.

#### p) New Accounting Standards

##### **New standards, amendments and interpretations issued and effective for the financial period beginning 14 March 2023**

The following new and amended standards and interpretations issued and effective for the financial period beginning 14 March 2023 are not expected to have a significant impact on the ICAV's financial statements:

- IFRS 17 Insurance Contracts;
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8);
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12);
- International tax reform – Pillar II Model rules (amendments to IAS 12).

There are no other standards, amendments or interpretations issued and effective for financial period beginning 14 March 2023 that have a significant impact on the Funds' financial position, performance or disclosures in its financial statements.

##### **New standards, amendments and interpretations issued but not effective for the financial period beginning 14 March 2023 and not early adopted**

The following new and amended standards and interpretations issued but not effective for the financial period beginning 14 March 2023 are not expected to have a significant impact on the ICAV's financial statements:

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Disclosure of Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);
- IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information;
- Lack of Exchangeability (Amendments to IAS 21).

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the ICAV.

## Polen Capital Funds ICAV

---

### 2. Taxation

Under current law and practice, the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a 'chargeable event'. A chargeable event includes any distribution payments to shareholders, any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each eight year period beginning with the acquisition of such shares.

No Irish tax will arise on the ICAV in respect of chargeable events in respect of:

- a shareholder who is neither an Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the ICAV, or the ICAV has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations;
- certain exempted Irish tax resident shareholders who have provided the ICAV with the necessary signed statutory declarations; and
- certain transfer of shares between spouses or civil partners.

Dividends, interest and capital gains (if any) received on investments made by the Fund may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the ICAV or its shareholders.

### 3. Net gain on investment activities

|  | <b>Polen Capital Opportunistic<br/>High Yield Fund<br/>USD<br/>2023</b> |
|--|---|
| Realised gain on investments                   | 44,438  |
| Realised gain on currency                      | 24  |
| Net movement in unrealised gain on investments | 163,434   |
| <b>Total</b>                                   | <b>207,896</b>  |

### 4. Fees and expenses

The ICAV will pay all its operating expenses and the fees hereinafter described as being payable by the ICAV. Expenses paid by the ICAV throughout the duration of the ICAV, in addition to fees payable to the AIFM and the Investment Manager and the fees and expenses payable to the Depositary include but are not limited to, charges payable in respect of foreign exchange transactions, brokerage and banking commissions and charges, margin and premium, other costs and expenses associated with the purchase, sale or transfer of assets including any and all costs associated with arranging, negotiating and securing terms in relation to a Fund's investment in any underlying collective investment scheme, legal and other professional advisory fees, company secretarial fees, all filings and statutory fees, regulatory fees, Central Bank fees, auditing fees, translation and accounting expenses, interest on borrowings, taxes and governmental expenses applicable to the ICAV costs of preparation, translation, printing and distribution of reports and notices, all marketing material and advertisements and periodic update of the Prospectus, stock exchange listing fees, all expenses in connection with registration, distribution of the Shares issued or to be issued, all expenses in connection with obtaining and maintaining a credit rating for any Funds or Classes or Shares or any asset of any Funds, expenses of Shareholders' meetings, Directors' insurance premia, expenses of the publication and distribution of the Net Asset Value, clerical costs of issue or redemption of Shares, postage, telephone, facsimile and telex expenses and any other expenses in each case together with any applicable value added tax.



## Polen Capital Funds ICAV

### 4. Fees and expenses (continued)

#### Operating expenses

|  | <b>Polen Capital Opportunistic<br/>High Yield Fund<br/>USD<br/>2023</b> |
|--|---|
| Administrator fees                     | (76,662)  |
| Depository fees                        | (1,047)   |
| Directors' fees                        | (43,499)  |
| Audit fees                             | (17,400)  |
| Consultancy and company secretary fees | (11,745)  |
| Regulatory fees                        | (5,220)   |
| Establishment fees                     | (122,534)   |
| Other fees                             | (9,563)   |
| <b>Total</b>                           | <b>(287,670)</b>  |

#### AIFM fees

The ICAV qualifies as an alternative investment fund and in this context has designated Waystone Management Company (IE) Limited to act as its AIFM. The AIFM has responsibility for the investment management, the risk management, the administration and the marketing of the ICAV. The AIFM may delegate part of its function to another party in accordance with the AIFMD Regulations and the AIFM Agreement.

Subject to the overall supervision of the AIFM, the AIFM has sub-delegated: (a) responsibility for portfolio management to the Investment Manager, and the non-exclusive authority to market the shares of the Funds, and (b) to the Administrator, the right and obligation to provide administrative services to the ICAV.

The AIFM will receive a maximum fee of 0.025% of the Net Asset Value of the ICAV, pro-rated per Fund per annum, and payable out of the assets of the Fund. This maximum fee will be subject to a minimum fee of €65,000 per annum, payable out of the assets of the Fund.

The AIFM fees incurred by the Fund for the financial period ended 31 December 2023 was USD94,743, of which USD26,634 was payable at financial period ended 31 December 2023.

#### Investment Management fees

The AIFM has appointed Polen Capital Credit, LLC as Investment Manager (the "Investment Manager") to the ICAV, responsible for providing discretionary investment management and advisory services to the AIFM for and on behalf of the ICAV. In addition, the Investment Manager has been appointed to act as distributor, on a non-exclusive basis, of the shares in the Funds.

The Investment Manager will receive a maximum fee out of the assets of the Fund, as outlined below, based on the average daily Net Asset Value per annum of the relevant Share Class, which shall be calculated as of the last Business Day of each month and payable monthly in arrears based on the average daily Net Asset Value of the relevant Share Class for each month.

| Share Class          | Investment Management Fee |
|----------------------|---------------------------|
| Investor Class       | 0.70%                     |
| Institutional Class* | 0.55%                     |

\*This Share Class is not active.

The Investment Manager fees incurred by the Fund for the financial period ended 31 December 2023 was USD29,317, of which USD3,249 was payable at financial period ended 31 December 2023.

## Polen Capital Funds ICAV

---

### 4. Fees and expenses (continued)

#### Investment Manager's Fee Reimbursement

The Investment Manager incurred fee reimbursements of USD378,644 during the financial period ended 31 December 2023, of which USD28,455 was receivable at financial period ended 31 December 2023.

The management fee reimbursement rate applicable for the period ended 31 December 2023 is 6.42%.

#### Administrator and Depositary fees

The ICAV has appointed State Street Custodial Services (Ireland) Limited, (the "Depositary") as depositary of its assets pursuant to the Depositary Agreement and State Street Fund Services (Ireland) Limited as administrator, registrar and transfer agent, (the "Administrator") of the ICAV pursuant to the Administration Agreement.

Effective 1 January 2024, SEI Investments – Global Fund Services Limited was appointed as the administrator for the Polen Capital Opportunistic High Yield Fund.

The Administrator shall be paid a fee out of the assets of the Fund, calculated and accrued on each Dealing Day and payable monthly in arrears, of a maximum of 0.07% of the Net Asset Value of the Fund (plus VAT, if any), subject to a monthly minimum fee of up to USD 8,000 (plus VAT, if any). The Administrator shall be further entitled to be repaid out of the assets of the Fund all of its reasonable out-of-pocket expenses properly incurred by it in respect of that Fund in the performance of its duties and responsibilities under the Administration Agreement which shall include transaction costs, legal expenses, courier and telecommunication costs.

The Depositary shall be paid a fee out of the assets of the Fund, calculated and accrued on each Dealing Day and payable monthly in arrears, of a maximum of 0.025% of the Net Asset Value of the Fund (plus VAT, if any). The Depositary shall also be entitled to be repaid out of the assets of the Fund all of its reasonable out-of-pocket expenses properly incurred by it in the performance of its duties and responsibilities under the Depositary Agreement in respect of the Fund which shall include courier costs and filing fees.

Additionally, the Depositary will charge to the assets of the Fund safekeeping charges incurred by its sub-custodians in respect of the Fund which shall be at normal commercial rates plus transaction fees to include stamp duties, registration fees and special taxes plus the usual ad hoc administration costs.

The Administrator fees incurred by the Fund for the financial period ended 31 December 2023 was USD76,662 and is included within Operating expenses in the Statement of Comprehensive Income. Of this amount, USD76,662 was payable at financial period ended 31 December 2023 and is included within Other payables and accrued expenses in the Statement of Financial Position.

The Depositary fees incurred by the Fund for the financial period ended 31 December 2023 was USD1,047 and is included within Operating expenses in the Statement of Comprehensive Income. Of this amount, USD1,047 was payable at financial period ended 31 December 2023 and is included within Other payables and accrued expenses in the Statement of Financial Position.

#### Audit fees

In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Directors may calculate such fees or expenses on an estimated figure for yearly or other periods in advance and accrue them in equal proportions over any period.

The remuneration of the auditors for the financial period ended 31 December 2023, approved by the Board of Directors of the ICAV in general meeting is as follows:

|  | <b>2023</b>   |
|--|---------------|
|  | <b>USD</b>    |
| <b>Auditor's remuneration</b>                |               |
| Statutory audit of ICAV financial statements | 24,839        |
| Tax reporting services                       | -             |
| <b>Total</b>                                 | <u>24,839</u> |

### 4. Fees and expenses (continued)

#### Director's fees

The Instrument authorises the Directors to charge a fee for their services at a rate determined by the Directors and may be entitled to special remuneration if called upon to perform any special or extra services to the ICAV.

The Directors who are not partners, officers or employees of the Investment Manager or any affiliate of the Investment Manager, will be entitled to remuneration by the ICAV for their services as Directors provided however that the aggregate of all fees paid to each Director in respect of any twelve month accounting period shall not exceed a fixed sum of €50,000 or such higher amount as may be approved by the ICAV in general meeting. In addition, the Directors will also be entitled to be reimbursed for their reasonable and properly vouched out-of-pocket expenses incurred in discharging their duties as Directors.

Any Director who serves on any committee or who otherwise performs services which, in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration as the Directors may determine.

The Director's fees incurred by the Fund for the financial period ended 31 December 2023 was USD43,499 and is included within Operating expenses in the Statement of Comprehensive Income. Of this amount, USD42,731 was payable at financial period ended 31 December 2023 and is included within Other payables and accrued expenses in the Statement of Financial Position.

#### Establishment fees

All fees and expenses relating to the establishment and organisation of the ICAV and the initial Funds including the fees of the ICAV's professional advisers (including legal, accounting and taxation advisers) will be borne by the ICAV. Such fees and expenses are estimated to amount to approximately EUR75,000 (plus VAT, if any) and it is intended to be amortised over a five year period or such other period as the Directors may determine and in such manner as the Directors in their absolute discretion deem fair and shall be subject to such adjustment following the establishment of new Funds as the Directors may determine. However, Shareholders should note that the establishment expenses shall be recorded in the annual audited financials in accordance with IFRS, notwithstanding any longer period of amortisation, the NAV will be reported in the financial statements as if such expense had been fully amortised in the first Accounting Period in which they were incurred.

### 5. Redeemable participating shares

#### Authorised

The actual value of the paid up share capital of the ICAV shall at all times be equal to the value of the assets of the ICAV after deduction of its liabilities. The share capital of the ICAV is to be divided into a specified number of shares without assigning any nominal value to them.

#### Net Asset Value per Share

The Net Asset Value per Share shall be calculated as at the Valuation Point by dividing the Net Asset Value of the relevant Fund or attributable to a Class by the total number of Shares in issue or deemed to be in issue in the Fund or Class at the relevant Valuation Point and rounding the resulting total to four decimal places.

#### Subscription Fee

The Directors may at their discretion, impose a subscription charge of up to 5% in respect of the amount subscribed for Shares. Any such charge will be disclosed in the relevant Supplement. Any such fee will be disclosed in the relevant Supplement.

#### Redemption Fee

Shareholders may be subject to a redemption fee calculated as a percentage of redemption monies which shall not exceed 5% of the Net Asset Value of the Shares being redeemed. Any such fee will be disclosed in the relevant Supplement. Any such fee will be disclosed in the relevant Supplement.

## Polen Capital Funds ICAV

### 5. Redeemable participating shares (continued)

The following share transactions took place during the financial period ended 31 December 2023:

|  | <b>Investor Class<br/>USD</b> |
|--|-------------------------------|
| Shares in issue at the start of the financial period | -                             |
| Shares issued  | 500,000                       |
| Shares redeemed                                      | -                             |
| Shares in issue at the end of the financial period   | <u><u>500,000</u></u>         |
| Net Asset Value                                      | 5,475,112                     |
| Net Asset Value per Share per financial statements*  | 10.95                         |

\* The NAV per share as calculated in accordance with the Prospectus (dealing NAV) is detailed in Note 6.

### 6. Financial instruments and associated risks

#### a) Market risk

Market risk is defined as the risk where the fair value of a financial instrument or future cash flows will fluctuate due to changes in market movements and includes (i) foreign currency risk, (ii) interest rate risk and (iii) market price risk. It represents the potential loss the Funds might suffer through holding market positions in the face of price movements.

Some of the markets and exchanges in which a Fund may invest may be less well-regulated than those in developed markets and may prove to be illiquid, insufficiently liquid or highly volatile from time to time. This may affect the market price of a value of Shares of a Fund and, therefore its Net Asset Value, and the price at which a Fund may liquidate positions to meet Redemption Requests or other funding requirements.

#### (i) Foreign currency risk

Currency risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Throughout the financial period ended 31 December 2023, the Fund did not utilise financial derivative instruments for the purpose of foreign currency exchange hedging.

For the financial period ended 31 December, the Fund was not exposed to foreign currency risk.

#### (ii) Interest rate risk

Interest rate risk is the risk that fixed income securities will decline in value because of changes in interest rates. As nominal interest rates rise, the value of fixed income securities held by the Fund are likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, and are usually more volatile than securities with shorter durations. In certain interest rate environments, such as when real interest rates are rising faster than nominal interest rates, inflation indexed securities may experience greater losses than other fixed income securities with similar durations.

The table below summarise the Fund's exposure to interest rate risks at the financial period ended 31 December 2023. It includes the Fund's assets and trading liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity dates.

|   | <b>Less than<br/>1 Year<br/>USD</b> | <b>1 - 5 Years<br/>USD</b> | <b>Over<br/>5 Years<br/>USD</b> | <b>Non-interest<br/>bearing<br/>USD</b> | <b>Total<br/>USD</b>    |
|---|-------------------------------------|----------------------------|---------------------------------|---|-------------------------|
| <b>Current assets</b>                                 |                                     |                            |                                 |   |                         |
| Cash and cash equivalents                             | 145,757                             |                            | -                               | -                                       | 145,757                 |
| Financial assets at fair value through profit or loss | -                                   | 3,482,399                  | 1,904,227                       | -                                       | 5,386,626               |
| Other receivables                                     | -                                   | -                          | -                               | 164,073                                 | 164,073                 |
| <b>Total current assets</b>                           | <u><b>145,757</b></u>               | <u><b>3,482,399</b></u>    | <u><b>1,904,227</b></u>         | <u><b>164,073</b></u>                   | <u><b>5,696,456</b></u> |
| <b>Current liabilities</b>                            |                                     |                            |                                 |   |                         |
| Other payables and accrued expenses                   | -                                   | -                          | -                               | (221,344)                               | (221,344)               |
| <b>Total current liabilities</b>                      | <u><b>-</b></u>                     | <u><b>-</b></u>            | <u><b>-</b></u>                 | <u><b>(221,344)</b></u>                 | <u><b>(221,344)</b></u> |

### 6. Financial instruments and associated risks (continued)

#### ii) Interest rate risk (continued)

The interest rate sensitivity information is a relative estimate of risk and is not intended to be a precise and accurate number. The calculations are based on historic data. Future price movements and correlations between securities could vary significantly from those experienced in the past. If the base interest rates increased by 5% in relation to all holdings subject to interest with all other variables held constant, the finance expense on financial liabilities and assets would have increased by USD276,619.

#### iii) Market price risk

As at 31 December 2023, the Fund's market exposure that resulted from the securities designated at fair value through profit or loss are shown in the Schedule of Investments.

The table below analyses the Fund's concentration of market price risk by geographical distribution. Asset classifications are based on the domicile of the underlying investments.

|               | <b>2023<br/>USD</b> |
|---------------|---------------------|
| Canada        | 350,258             |
| Supranational | 90,626              |
| United States | 4,945,742           |
| <b>Total</b>  | <b>5,386,626</b>    |

Portfolio changes (purchases and disposals) are the significant factors in the movement in geographical concentration. A 5% increase in the market value of these investments as of 31 December 2023, with all other variables held constant, would have increased total net assets and profit by USD269,331. A 5% decrease in the market value of these investments, with all other variables held constant, would have had an equal but opposite effect on the financial statement amounts. The estimated movement is based on management's determination of a reasonably possible change taking into account current market conditions.

#### b) Liquidity risk

Low or lack of trading volume in the high yield market may make it difficult to sell securities held by the Fund at quoted market prices. In addition, with respect to certain fixed income investments (bank loans in particular), settlement occurs on an extended basis, further decreasing their liquidity profile.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The AIFM has established a liquidity management policy which enables it to identify, monitor and manage the liquidity risks of the ICAV and each Fund and to ensure the liquidity profile of the investments of the ICAV is compliant with its underlying obligations. The liquidity management systems and procedures include appropriate escalation measures to address anticipated or actual liquidity shortages or other distressed situations of the ICAV and its Funds.

Other obligations of the Fund include accrued expenses and payment of net assets attributable to shareholders. Accrued expenses of the Fund typically have expected payment dates of between one and two months depending on the timing of when invoices are received and processed.

As at 31 December 2023, the Fund's financial liabilities had expected payment dates within 3 months.

### 6. Financial instruments and associated risks (continued)

#### c) Credit risk

There is a risk that issuers and counterparties will not make payments on securities and other investments held by the Fund, resulting in losses to the Fund. In addition, the credit quality of fixed income securities held by the Fund may be lowered if an issuer's financial condition changes. High yield or junk bonds as well as other debt securities issued by below investment grade issuers are typically more susceptible to these risks than debt of higher quality issuers. Furthermore, a significant amount of the Fund's net asset value is expected to be invested in the lower-rated segment of the high yield market (rated B and below), which investments generally involve greater credit risk than high yield securities that are rated BB and above.

The following table details the credit rating profile of the debt instruments held by the Fund:

|              | <b>Corporate bonds</b> | <b>Bank loans</b> | <b>Total</b>     |
|--------------|------------------------|-------------------|------------------|
|              | <b>USD</b>             | <b>USD</b>        | <b>USD</b>       |
| BB           | 77,314                 | -                 | 77,314           |
| BB-          | 140,652                | -                 | 140,652          |
| B+           | 402,587                | -                 | 402,587          |
| B            | 550,653                | -                 | 550,653          |
| B-           | 622,745                | -                 | 622,745          |
| CCC+         | 807,246                | -                 | 807,246          |
| CCC          | 668,542                | -                 | 668,542          |
| NR           | -                      | 2,116,887         | 2,116,887        |
| <b>Total</b> | <b>3,269,739</b>       | <b>2,116,887</b>  | <b>5,386,626</b> |

The ICAV's Depository is State Street Custodial Services (Ireland) Limited. Substantially all of the assets and cash of the Fund are held within the custodial network of the Depository. Bankruptcy or insolvency of the Depository or of its parent company, State Street Corporation, may cause the Fund's rights with respect to its equity securities and cash held by the Depository to be delayed or limited. The S&P credit rating of State Street Corporation as at 31 December 2023 is A.

#### d) Leverage Risk

It is not the intention of the ICAV that the Fund be leveraged for investment or efficient portfolio management purposes. Any leverage resulting from the use of efficient portfolio management techniques are in accordance with the requirements of the Central Bank and will not exceed 100% of the NAV of the relevant Sub-Fund.

#### e) Fair Value Hierarchy

The Fund is required to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted market price in an active market for an identical instrument.
- Level 2 - Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3 - Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant impact on the instrument's valuation.  
This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

### 6. Financial instruments and associated risks (continued)

#### e) Fair Value Hierarchy (continued)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes 'observable' requires significant judgement by the AIFM.

The AIFM considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

The following table summarises the levels within the fair value hierarchy the Fund's financial instruments are classified as of 31 December 2023:

|  | Level 1 | Level 2          | Level 3 | Total<br>2023<br>USD |
|--|---------|------------------|---------|----------------------|
| <b>Financial assets at fair value through profit or loss</b> |         |                  |         |                      |
| Corporate bonds  | -       | 3,269,739        | -       | 3,269,739            |
| Bank loans   | -       | 2,116,887        | -       | 2,116,887            |
|  | -       | <b>5,386,626</b> | -       | <b>5,386,626</b>     |

There were no transfers between levels for the financial period ended 31 December 2023.

For each class of assets and liabilities not measured at fair value in the Statement of Financial Position but for which fair value is disclosed, IFRS 13 requires the ICAV to disclose the level within the fair value hierarchy which the fair value measurement would be categorised and a description of the valuation technique and inputs used in the technique. Assets and liabilities not carried at fair value are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

Cash and cash equivalents include deposits held with banks and are categorised as Level 2.

All receivable and payable balances are categorised as Level 2.

### 7. Related party disclosures

#### Directors

The Directors of the ICAV are listed on page 2.

None of the Directors has or has had any direct interest in the promotion of the ICAV or in any transaction effected by the ICAV which is unusual in its nature or conditions or is significant to the business of the ICAV as at 31 December 2023.

Brian Goldberg is Chief Compliance Officer of Polen Capital Management, LLC, an affiliate of the Investment Manager. Mike Guarasci is the Chief Operating Officer of Polen Capital Management, LLC. Donnacha O'Connor is a partner in Dillon Eustace LLP.

No present Director or any persons closely associated, have any interests, nor any options, in the share capital of the ICAV. The Directors or companies or other bodies of which they are officers or employees may, however, subscribe for Shares in the ICAV. Their applications will rank pari passu with all other applications for the same Class.



## Polen Capital Funds ICAV

---

### 7. Related party disclosures (continued)

#### Transactions with Manager and the delegates

The fee arrangements with the AIFM and investment manager is discussed in Note 4 of these financial statements.

#### Significant shareholders

The following table details the number of shareholders with significant holdings (at least 20%) of the relevant Fund and the percentage of that holding as at 31 December 2023.

| <b>Fund</b>                                 | <b>Number of significant shareholders</b> | <b>Total holding</b> | <b>Aggregate shareholding as a % of the Fund</b> |
|---|---|----------------------|--|
| Polen Capital Opportunistic High Yield Fund | 1   | 500,000              | 100  |

### 8. Distribution

There were no distributions during the financial period ended 31 December 2023.

### 9. Contingent Liability

There are no contingent liabilities as at 31 December 2023.

### 10. Soft commissions

There were no soft commission arrangements during the period ended 31 December 2023.

### 11. Significant events during the financial period

On 31 January 2023, the ICAV was registered.

On 14 March 2023, Polen Capital Opportunistic High Yield Fund was launched.

On 6 June 2023, an updated prospectus was issued to include additional disclosures regarding marketing in Panama.

On 21 August 2023, an updated prospectus was issued to include additional disclosure regarding the purchasing of shares by Mexican investors in the ICAV in accordance with Mexican requirements.

On 5 September 2023, Donnacha O'Connor resigned as a Director of the ICAV. Bronwyn Wright was appointed as a Director of the ICAV on the same date.

On 29 September 2023, KBA Consulting Management Limited, the AIFM of the ICAV, completed its merger with Waystone Management Company (IE) Limited ("WMC"). WMC is the surviving entity post-merger and as such, the ICAV's AIFM is WMC from this date.

There were no other significant events during the financial period which require disclosure in the ICAV's financial statements.



### **12. Significant events since the financial period end**

On 1 January 2024, SEI Investments – Global Fund Services Limited was appointed as the administrator for the Polen Capital Opportunistic High Yield Fund.

On 1 January 2024, IQ EQ Fund Management (Ireland) Limited was appointed as AIFM.

There have been no other significant events affecting the ICAV since 31 December 2023 that require amendment to or disclosure in the financial statements.

### **13. Approval of the financial statements**

The financial statements were approved by the Board of Directors on 17 April 2024.

## Polen Capital Funds ICAV

### Schedule of Investments

| Principal Amount       |  | Fair Value USD   | % of Fund    |
|------------------------|--|------------------|--------------|
| <b>Corporate Bonds</b> |  |                  |              |
| <b>Canada</b>          |  |                  |              |
| 205,000                | Baffinland Iron Mines Corp./Baffinland Iron Mines LP 8.750% 15/07/2026                                 | 192,128          | 3.47         |
| 60,000                 | Intelligent Packaging Ltd. Finco, Inc./Intelligent Packaging Ltd. Co.- Issuer LLC 6.000% 15/09/2028    | 56,044           | 1.01         |
| 40,000                 | Teine Energy Ltd. 6.875% 15/04/2029  | 37,775           | 0.68         |
|                        | <b>Total Canada</b>  | <b>285,947</b>   | <b>5.16</b>  |
| <b>United States</b>   |  |                  |              |
| 25,000                 | AmeriTex HoldCo Intermediate LLC 10.250% 15/10/2028  | 25,656           | 0.46         |
| 30,000                 | Arches Buyer, Inc. 6.125% 01/12/2028   | 25,983           | 0.47         |
| 80,000                 | AssuredPartners, Inc. 7.000% 15/08/2025  | 80,221           | 1.45         |
| 80,000                 | ATI, Inc. 5.875% 01/12/2027  | 78,933           | 1.42         |
| 25,000                 | B&G Foods, Inc. 5.250% 01/04/2025  | 24,638           | 0.44         |
| 40,000                 | Big River Steel LLC/BRS Finance Corp. 6.625% 31/01/2029  | 40,831           | 0.74         |
| 55,000                 | Boyd Gaming Corp. 4.750% 15/06/2031  | 50,539           | 0.91         |
| 35,000                 | CD&R Smokey Buyer, Inc. 6.750% 15/07/2025  | 34,664           | 0.63         |
| 205,000                | Century Aluminum Co. 7.500% 01/04/2028   | 198,866          | 3.58         |
| 85,000                 | Chart Industries, Inc. 7.500% 01/01/2030   | 88,952           | 1.60         |
| 75,000                 | Chart Industries, Inc. 9.500% 01/01/2031   | 81,525           | 1.47         |
| 130,000                | Dornoch Debt Merger Sub, Inc. 6.625% 15/10/2029  | 117,367          | 2.12         |
| 30,000                 | Dun & Bradstreet Corp. 5.000% 15/12/2029   | 28,017           | 0.51         |
| 80,000                 | GTCR AP Finance, Inc. 8.000% 15/05/2027  | 80,921           | 1.46         |
| 30,000                 | Harvest Midstream I LP 7.500% 01/09/2028   | 29,855           | 0.54         |
| 205,000                | HUB International Ltd. 7.000% 01/05/2026   | 206,029          | 3.72         |
| 50,000                 | LABL, Inc. 6.750% 15/07/2026   | 48,676           | 0.88         |
| 115,000                | Madison IAQ LLC 5.875% 30/06/2029  | 101,466          | 1.83         |
| 160,000                | NFP Corp. 6.875% 15/08/2028  | 162,772          | 2.94         |
| 120,000                | Option Care Health, Inc. 4.375% 31/10/2029   | 108,596          | 1.96         |
| 120,000                | Oscar AcquisitionCo LLC/Oscar Finance, Inc. 9.500% 15/04/2030  | 117,142          | 2.11         |
| 105,000                | Presidio Holdings, Inc. 8.250% 01/02/2028  | 106,187          | 1.91         |
| 10,000                 | Raising Cane's Restaurants LLC 9.375% 01/05/2029   | 10,684           | 0.19         |
| 85,000                 | Real Hero Merger Sub 2, Inc. 6.250% 01/02/2029   | 73,376           | 1.32         |
| 45,000                 | Scientific Games Holdings LP/Scientific Games U.S. FinCo, Inc. 6.625% 01/03/2030                       | 42,598           | 0.77         |
| 35,000                 | SCIH Salt Holdings, Inc. 6.625% 01/05/2029   | 32,710           | 0.59         |
| 30,000                 | Scripps Escrow II, Inc. 5.375% 15/01/2031  | 22,052           | 0.40         |
| 65,000                 | Simmons Foods, Inc./Simmons Prepared Foods, Inc./Simmons Pet Food, Inc./Simmons Feed 4.625% 01/03/2029 | 56,302           | 1.02         |
| 35,000                 | Specialty Building Products Holdings LLC/SBP Finance Corp. 6.375% 30/09/2026                           | 34,360           | 0.62         |
| 50,000                 | SPX FLOW, Inc. 8.750% 01/04/2030   | 50,058           | 0.90         |
| 90,000                 | SRS Distribution, Inc. 6.000% 01/12/2029   | 84,021           | 1.52         |
| 75,000                 | Surgery Center Holdings, Inc. 6.750% 01/07/2025  | 75,303           | 1.36         |
| 75,000                 | Surgery Center Holdings, Inc. 10.000% 15/04/2027   | 75,949           | 1.37         |
| 155,000                | Tenet Healthcare Corp. 6.125% 01/10/2028   | 154,698          | 2.79         |
| 15,000                 | TransDigm, Inc. 4.875% 01/05/2029  | 14,038           | 0.25         |
| 175,000                | TransDigm, Inc. 6.250% 15/03/2026  | 174,875          | 3.14         |
| 30,000                 | Twilio, Inc. 3.875% 15/03/2031   | 26,775           | 0.48         |
| 75,000                 | U.S. Foods, Inc. 4.625% 01/06/2030   | 69,966           | 1.26         |
| 70,000                 | Viasat, Inc. 6.500% 15/07/2028   | 57,565           | 1.04         |
|                        | <b>Total United States</b>   | <b>2,893,166</b> | <b>52.17</b> |

## Polen Capital Funds ICAV

### Schedule of Investments (continued)

| Principal Amount |   | Fair Value<br>USD | % of<br>Fund |
|------------------|---|-------------------|--------------|
|                  | <b>Corporate Bonds (continued)</b>                              |                   |              |
|                  | <b>Supranational</b>  |                   |              |
| 75,000           | Clarios Global LP/Clarios U.S. Finance Co. 8.500% 15/05/2027    | 75,546            | 1.36         |
| 15,000           | Titan Acquisition Ltd./Titan Co.-Borrower LLC 7.750% 15/04/2026 | 15,080            | 0.27         |
|                  | <b>Total Supranational</b>                                      | <b>90,626</b>     | <b>1.63</b>  |
|                  | <b>Total Corporate Bonds</b>                                    | <b>3,269,739</b>  | <b>58.96</b> |
|                  | <b>Bank Loans</b>   |                   |              |
|                  | <b>Canada</b>   |                   |              |
| 64,318           | Titan Acquisition Ltd. 8.592% 28/03/2025                        | 64,311            | 1.16         |
|                  | <b>Total Canada</b>   | <b>64,311</b>     | <b>1.16</b>  |
|                  | <b>United States</b>  |                   |              |
| 50,000           | Altar Bidco, Inc. 11.033% 01/02/2030                            | 49,625            | 0.89         |
| 34,835           | Aruba Investments Holdings LLC 9.355% 24/11/2027                | 34,454            | 0.62         |
| 85,000           | Aruba Investments Holdings LLC 13.105% 24/11/2028               | 80,219            | 1.45         |
| 29,696           | ASP LS Acquisition Corp. 9.866% 07/05/2028                      | 27,358            | 0.49         |
| 60,000           | Asurion LLC 10.607% 20/01/2029                                  | 56,770            | 1.02         |
| 20,051           | AthenaHealth Group, Inc. 8.606% 15/02/2029                      | 19,991            | 0.37         |
| 79,190           | Aveanna Healthcare LLC 9.206% 17/07/2028                        | 73,930            | 1.33         |
| 154,909          | Clear Channel Outdoor Holdings, Inc. 9.141% 21/08/2026          | 153,585           | 2.76         |
| 55,000           | Cloudera, Inc. 11.355% 08/10/2029                               | 52,983            | 0.96         |
| 155,000          | CNT Holdings I Corp. 12.105% 06/11/2028                         | 155,823           | 2.80         |
| 64,674           | Covetrus, Inc. 10.403% 13/10/2029                               | 64,725            | 1.17         |
| 84,810           | CP Iris Holdco I, Inc. 9.105% 02/10/2028                        | 84,792            | 1.53         |
| 25,000           | DexKo Global, Inc. 9.607% 04/10/2028                            | 25,000            | 0.45         |
| 115,000          | Engineered Machinery Holdings, Inc. 11.878% 21/05/2029          | 108,963           | 1.97         |
| 74,438           | EyeCare Partners LLC 9.955% 15/11/2028                          | 37,777            | 0.68         |
| 84,629           | Kronos Acquisition Holdings, Inc. 9.133% 22/12/2026             | 84,711            | 1.53         |
| 104,738          | KUEHG Corp. 10.365% 12/06/2030                                  | 105,327           | 1.90         |
| 49,622           | MH Sub I LLC 9.605% 03/05/2028                                  | 48,878            | 0.88         |
| 125,000          | MH Sub I LLC 11.605% 23/02/2029                                 | 117,388           | 2.12         |
| 118,854          | Packaging Coordinators Midco, Inc. 8.875% 30/11/2027            | 119,077           | 2.15         |
| 19,847           | Quirch Foods Holdings LLC 9.972% 27/10/2027                     | 19,850            | 0.36         |
| 44,706           | RealTruck Group, Inc. 9.105% 31/01/2028                         | 44,222            | 0.80         |
| 29,786           | Reverb Buyer, Inc. 8.892% 01/11/2028                            | 28,049            | 0.51         |
| 54,922           | SCIH Salt Holdings, Inc. 9.383% 16/03/2027                      | 55,081            | 0.99         |
| 39,698           | Sharp Services LLC 9.399% 31/12/2028                            | 39,847            | 0.72         |
| 124,735          | Ten-X LLC 11.357% 26/05/2028                                    | 120,448           | 2.17         |
| 104,484          | Trident TPI Holdings, Inc. 9.893% 15/09/2028                    | 104,746           | 1.89         |
| 24,742           | UKG, Inc. 9.130% 04/05/2026                                     | 24,831            | 0.45         |
| 80,000           | UKG, Inc. 10.625% 03/05/2027                                    | 80,307            | 1.45         |
| 35,000           | VC GB Holdings I Corp. 12.105% 23/07/2029                       | 33,819            | 0.61         |
|                  | <b>Total United States</b>                                      | <b>2,052,576</b>  | <b>37.02</b> |
|                  | <b>Total Bank Loans</b>   | <b>2,116,887</b>  | <b>38.18</b> |
|                  | <b>Total Investments</b>  | <b>5,386,626</b>  | <b>97.14</b> |

## Polen Capital Funds ICAV

---

### Schedule of Investments (continued)

---

|   | <b>Fair Value<br/>USD</b> | <b>% of<br/>Fund</b> |
|---|---------------------------|----------------------|
| Total Investments                                     | 5,386,626                 | 97.14                |
| Cash and cash equivalents                             | 145,757                   | 2.63                 |
| Other net assets                                      | 12,762                    | 0.23                 |
| <b>Net assets attributable to equity shareholders</b> | <b>5,545,145</b>          | <b>100.00</b>        |

## Polen Capital Funds ICAV

### Schedule of Significant Portfolio Changes (unaudited)

Listed below is the schedule of significant portfolio changes during the financial period ended 31 December 2023.

|  | <b>Cost<br/>USD</b> |
|--|---------------------|
| <b>Largest Purchases</b>   |                     |
| HUB International Ltd. 7.000% 01/05/2026                               | 203,249             |
| Baffinland Iron Mines Corp./Baffinland Iron Mines LP 8.750% 15/07/2026 | 199,781             |
| Century Aluminum Co. 7.500% 01/04/2028                                 | 195,325             |
| TransDigm, Inc. 6.250% 15/03/2026                                      | 172,852             |
| TEN-X LLC 9.219% 27/09/2024  | 171,876             |
| Trident TPI Holdings, Inc. 6.625% 01/11/2025                           | 158,538             |
| Clear Channel Outdoor Holdings, Inc. 9.141% 21/08/2026                 | 150,193             |
| Tenet Healthcare Corp. 6.125% 01/10/2028                               | 148,078             |
| CNT Holdings I Corp. 12.105% 06/11/2028                                | 145,950             |
| Learning Care Group, Inc. 8.802% 13/03/2025                            | 140,441             |
| NFP Corp. 6.875% 15/08/2028  | 136,400             |
| KUEHG Corp. 8.890% 21/02/2025  | 122,623             |
| Ten-X LLC 11.357% 26/05/2028   | 121,086             |
| MH Sub I LLC 11.605% 23/02/2029  | 117,075             |
| Packaging Coordinators Midco, Inc. 8.875% 30/11/2027                   | 116,345             |
| Engineered Machinery Holdings, Inc. 11.878% 21/05/2029                 | 112,700             |
| Oscar AcquisitionCo LLC/Oscar Finance, Inc. 9.500% 15/04/2030          | 107,588             |
| Option Care Health, Inc. 4.375% 31/10/2029                             | 105,820             |
| Trident TPI Holdings, Inc. 9.893% 15/09/2028                           | 103,584             |
| KUEHG Corp. 10.365% 12/06/2030   | 103,162             |
| Tenet Healthcare Corp. 5.125% 01/11/2027                               | 102,839             |
| Uber Technologies, Inc. 4.500% 15/08/2029                              | 102,128             |
| Presidio Holdings, Inc. 8.250% 01/02/2028                              | 101,608             |
| Asurion LLC 10.607% 20/01/2029   | 101,100             |
| Dornoch Debt Merger Sub, Inc. 6.625% 15/10/2029                        | 98,843              |
| Big River Steel LLC/BRS Finance Corp. 6.625% 31/01/2029                | 98,533              |
| Apple Bidco LLC 11.207% 21/09/2029                                     | 98,250              |
| Ford Motor Co. 9.625% 22/04/2030                                       | 97,734              |
| Madison IAQ LLC 5.875% 30/06/2029                                      | 91,244              |
| Chart Industries, Inc. 7.500% 01/01/2030                               | 86,125              |
| Kronos Acquisition Holdings, Inc. 9.133% 22/12/2026                    | 84,245              |
| CP Iris Holdco I, Inc. 9.105% 02/10/2028                               | 84,173              |
| Chart Industries, Inc. 9.500% 01/01/2031                               | 79,857              |
| AssuredPartners, Inc. 7.000% 15/08/2025                                | 79,239              |
| UKG, Inc. 10.625% 03/05/2027   | 77,644              |
| Aruba Investments Holdings LLC 13.105% 24/11/2028                      | 77,350              |
| GTCR AP Finance, Inc. 8.000% 15/05/2027                                | 77,312              |
| ATI, Inc. 5.875% 01/12/2027  | 76,966              |
| Surgery Center Holdings, Inc. 10.000% 15/04/2027                       | 76,688              |
| Ford Motor Co. 7.450% 16/07/2031                                       | 76,688              |
| Surgery Center Holdings, Inc. 6.750% 01/07/2025                        | 74,570              |
| SRS Distribution, Inc. 6.000% 01/12/2029                               | 73,442              |

**Schedule of Significant Portfolio Changes (unaudited) (continued)**

| <b>Largest Sales</b>                                    | <b>Proceeds<br/>USD</b> |
|---|-------------------------|
| Tenet Healthcare Corp. 5.125% 01/11/2027                | 105,194                 |
| Uber Technologies, Inc. 4.500% 15/08/2029               | 104,157                 |
| Ford Motor Co. 9.625% 22/04/2030                        | 95,674                  |
| Ford Motor Co. 7.450% 16/07/2031                        | 76,497                  |
| Surgery Center Holdings, Inc. 9.105% 31/08/2026         | 65,000                  |
| Sirius XM Radio, Inc. 5.500% 01/07/2029                 | 61,688                  |
| Big River Steel LLC/BRS Finance Corp. 6.625% 31/01/2029 | 60,075                  |
| Asurion LLC 10.607% 20/01/2029                          | 52,525                  |
| Arches Buyer, Inc. 4.250% 01/06/2028                    | 51,938                  |
| Dun & Bradstreet Corp. 5.000% 15/12/2029                | 39,662                  |
| AthenaHealth Group, Inc. 8.606% 15/02/2029              | 36,938                  |
| Twilio, Inc. 3.875% 15/03/2031                          | 36,737                  |
| White Cap Buyer LLC 6.875% 15/10/2028                   | 35,962                  |
| Clear Channel Outdoor Holdings, Inc. 7.500% 01/06/2029  | 33,625                  |
| Clear Channel Outdoor Holdings, Inc. 7.750% 15/04/2028  | 31,369                  |
| Cano Health LLC 9.458% 23/11/2027                       | 31,117                  |
| Arches Buyer, Inc. 6.125% 01/12/2028                    | 29,862                  |
| Viasat, Inc. 5.625% 15/09/2025                          | 23,731                  |
| Scripps Escrow, Inc. 5.875% 15/07/2027                  | 20,906                  |
| Harvest Midstream I LP 7.500% 01/09/2028                | 19,240                  |

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial period and aggregate sales of a security exceeding one per cent of the total value of sales for the financial period. At a minimum, the 20 largest purchases and 20 largest sales are to be disclosed.

### Appendix 1 - Remuneration Disclosure (unaudited)

The Manager has designed and implemented a remuneration policy (the “Policy”) in line with the provisions of S.I. 257 of 2013 European Union (Alternative Investment Fund Managers) Regulations 2013 (the “AIFM Regulations”), S.I. 352 of 2011 European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”) and of the ESMA Guidelines on sound remuneration policies under the UCITS Directive and AIFMD (the “ESMA Guidelines”). The Policy is designed to ensure that the remuneration of key decision makers is aligned with the management of short and long-term risks, including the oversight and where appropriate the management of sustainability risks in line with the Sustainable Finance Disclosure Regulations.

The Manager’s remuneration policy applies to its identified staff whose professional activities might have a material impact on the Company’s risk profile and so covers senior management, risk takers, control functions and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the Company. The Manager’s policy is to pay identified staff a fixed component with the potential for identified staff to receive a variable component. It is intended that the fixed component will represent a sufficiently high proportion of the total remuneration of the individual to allow the Manager to operate a fully flexible policy, with the possibility of not paying any variable component. When the AIFM pays a variable component as performance related pay certain criteria, as set out in the Manager’s remuneration policy, must be adhered to. The various remuneration components are combined to ensure an appropriate and balanced remuneration package that reflects the relevant staff rank and professional activity as well as best market practice. The Manager’s remuneration policy is consistent with, and promotes, sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the funds it manages.

These disclosures are made in respect of the remuneration policies of the Manager. The disclosures are made in accordance with the ESMA Guidelines.

Total remuneration (in EUR) paid to the identified staff of the Manager fully or partly involved in the activities of the Company that have a material impact on the Company’s risk profile during the financial year to 31 December 2023 (the Manager’s financial year):

| <b>Fixed remuneration</b>      | <b>EUR</b>       |
|--------------------------------|------------------|
| Senior Management              | 1,578,804        |
| Other identified staff         | -                |
| <b>Variable remuneration</b>   |                  |
| Senior Management              | 28,006           |
| Other identified staff         | -                |
| <b>Total remuneration paid</b> | <b>1,606,810</b> |

No of identified staff – 17

Neither the Manager nor the ICAV pays any fixed or variable remuneration to identified staff of the Investment Manager.

On 29 September 2023, KBA Consulting Management Limited, the Manager of the Company, completed its merger with Waystone Management Company (IE) Limited (“WMC”). WMC is the surviving entity post-merger and as such, the Company’s Manager is WMC from this date and the above remuneration figures are the total remuneration for WMC.

There have been no material changes made to the Remuneration Policy or the Manager’s remuneration practices and procedures during the financial year.

**Appendix 2 - Sustainable Finance Disclosure Regulation (unaudited)**

**Introduction**

The EU Regulation on the Establishment of a Framework to Facilitate Sustainable Investment (Regulation EU/2020/852) (the “Taxonomy Regulation”) requires the ICAV to provide additional disclosure with respect to each of the Funds in order to enhance transparency and to provide for objective comparison of financial products regarding the proportion of such financial products’ investments that contribute to environmentally sustainable economic activities, noting that the scope of environmentally sustainable economic activities, as prescribed in the Taxonomy Regulation, is narrower than the scope of sustainable investments under Sustainable Finance Disclosure Regulation (“SFDR”).



Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Polen Capital Opportunistic High Yield Fund  
 Legal entity identifier: 635400GLZHSJZGSFJF12

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

| Did this financial product have a sustainable investment objective?   |  |
|---|--|
| <input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> <b>Yes</b>   | <input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b>   |
| <input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : ____% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It made <b>sustainable investments with a social objective</b> : ____% | <input type="checkbox"/> It promoted <b>Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input checked="" type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b> |

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental characteristic promoted by the Fund were for the Fund to have a lower estimated carbon intensity as compared with the broad high yield fixed income investable universe as represented by ICE BofA U.S. High Yield Index. This promoted characteristic was met by the inclusion of certain investments in the portfolio that the Investment Manager believed promoted the environmental characteristic coupled with the exclusion of certain investments from the Fund's portfolio. Further information on this is outlined in the sections entitled "What actions have been taken to meet the environmental and/or social characteristics during the reference period?" and "What was the asset allocation?"

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● **How did the sustainability indicators perform?**

Both indicators performed in accordance with the Supplement, in that the actual carbon intensity of all individual issuers (where such information is available through public or private sources) and the estimated carbon intensity of the Fund's portfolio in the aggregate, were both assessed by the Investment Manager and it was found that the Fund had a lower estimated carbon intensity as compared with the broad high yield fixed income investable universe as represented by ICE BofA U.S. High Yield Index.

Carbon intensity of the Fund's portfolio: 211 tons/CO<sub>2</sub>e / USD millions in sales

Carbon intensity of ICE BofA U.S. High Yield Index: 259 tons/CO<sub>2</sub>e

No derivatives were used to meet the environmental characteristic promoted by the Fund.

The calculations are based on an average of the last three calendar quarters for the period ending 31 December 2023. The average of the last three calendar quarters for the period ending 31 December 2023 is the basis of the calculation given that the Fund was classified as disclosing in accordance with Article 8 of the SFDR as of 10 March, 2023.

● **...and compared to previous periods?**

N/A

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

N/A

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

N/A

— How were the indicators for adverse impacts on sustainability factors taken into account?

N/A

— Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

N/A



## How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager considered the principal adverse impacts (“PAI”) on sustainability factors with respect to its investment decisions made on behalf of the Fund. The Investment Manager took into account the relevant indicators in Table 1 of Annex I of SFDR level 2 measures. The relevant indicators were GHG (or carbon) intensity (indicator 15 in Table 1 of Annex I of SFDR level 2) and exposure to controversial weapons, such as anti-personnel mines, cluster munitions, chemical weapons and biological weapons (indicator 14 in Table 1 of Annex I of SFDR level 2). These indicators were incorporated into the investment strategy by the Investment Manager. Specifically, PAIs were taken into account by Fund through the following measures:

- an analysis of estimated carbon intensity of the Fund to measure its alignment with the environmental characteristics promoted by the Fund which was: 211 tons/CO<sub>2</sub>e / USD millions sales; and
- the exclusion policy as implemented by the Investment Manager limited the exposure to certain PAIs (based on the above indicator 14) by excluding from the Fund’s portfolio investments in sectors that have a negative impact on sustainability (including, without limitation, investments in manufacturers of controversial weapons, the level of which that was included in the portfolio was 0%). While the ability to meaningfully assess these impacts may have been limited by an absence or limited availability and quality of information, the Investment Manager continued to further develop its processes to gather, when available, information and data with respect to the PAI of the investments made by the Fund.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## What were the top investments of this financial product?

The following investments represent more than 50% of the financial product.

| Largest investments          | Sector                   | % Assets | Country       |
|------------------------------|--------------------------|----------|---------------|
| Century Aluminum             | Basic Industry           | 3.7%     | United States |
| HUB International Ltd.       | Insurance                | 3.5%     | United States |
| Baffinland Iron Mines Corp.  | Basic Industry           | 3.5%     | United States |
| 1-800 Contacts               | Consumer Goods           | 2.9%     | United States |
| TransDigm Inc.               | Capital Goods            | 2.9%     | United States |
| Tenet Healthcare             | Healthcare               | 2.8%     | United States |
| NFP Corp.                    | Insurance                | 2.8%     | United States |
| Clear Channel                | Media                    | 2.8%     | United States |
| Packaging Coordinators       | Capital Goods            | 2.2%     | United States |
| MH SUB I LLC/Internet Brands | Media                    | 2.1%     | United States |
| Oscar AcquisitionCo, LLC     | Basic Industry           | 2.0%     | United States |
| Dexko Global Inc.            | Capital Goods            | 2.0%     | United States |
| Ten-X (Auction.com)          | Media                    | 2.0%     | United States |
| Option Care Health           | Healthcare               | 1.9%     | United States |
| KUEHG Corp                   | Retail                   | 1.9%     | United States |
| Presidio Holdings, Inc.      | Technology & Electronics | 1.8%     | United States |
| Madison IAQ LLC              | Capital Goods            | 1.8%     | United States |
| Kronos Acquisition           | Consumer Goods           | 1.5%     | United States |
| UKG INC                      | Technology & Electronics | 1.5%     | United States |
| Big River Steel LLC          | Basic Industry           | 1.5%     | United States |
| IPS Corp                     | Basic Industry           | 1.5%     | United States |
| AssuredPartners Inc.         | Insurance                | 1.5%     | United States |

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

1 January 2023 to 31 December 2023.

Investments that do not promote the environmental characteristic of the Fund have been included in these calculations, which were carried out based on an average of the last three

calendar quarters for the period ending 31 December 2023. The average of the last three calendar quarters for the period ending 31 December 2023 is the basis of the calculation given that the Fund was classified as disclosing in accordance with Article 8 of the SFDR as of 10 March, 2023.



### **What was the proportion of sustainability-related investments?**

The proportion of the investments of the Fund used to meet the environmental characteristic promoted by the Fund, in accordance with the binding elements of the investment strategy was 98.4% based on an average of the last three calendar quarters for the period ending 31 December 2023. The average of the last three calendar quarters for the period ending 31 December 2023 is the basis of the calculation given that the Fund was classified as disclosing in accordance with Article 8 of the SFDR as of 10 March, 2023.

#### ● ***What was the asset allocation?***

The investments of the Fund that attained the promoted environmental characteristic included high yield corporate bonds, senior loans, convertible bonds, preferred stock, and other types of debt instruments (including, without limitation, unregistered (Rule 144A) securities, floating and variable rate securities and other restricted fixed income securities). In addition, equity securities or other assets (including convertible bonds) that the Fund receives as part of a unit of, or in connection with, a high yield security or otherwise as a result of reorganization, corporate action, or conversion were also part of the investments of the Fund that attained the promoted environmental characteristic.

The remaining investments of the Fund consisted of ancillary liquid assets, such as cash and cash equivalents, money market instruments or similar instruments, where the Investment Manager deemed an appropriate investment opportunity was not available. These assets were neither aligned with the environmental characteristic, nor were they sustainable investments. There were no minimum environmental or social safeguards. This calculation was carried out based on an average of the last three calendar quarters for the period ending 31 December 2023. The average of the last three calendar quarters for the period ending 31 December 2023 is the basis of the calculation given that the Fund was classified as disclosing in accordance with Article 8 of the SFDR as of 10 March, 2023.

**Asset allocation**  
describes the  
share of  
investments in  
specific assets.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.



● **In which economic sectors were the investments made?**

The investments were made in the following economic sectors based on an average of the last three calendar quarters for the period ending 31 December 2023. The average of the last three calendar quarters for the period ending 31 December 2023 is the basis of the calculation given that the Fund was classified as disclosing in accordance with Article 8 of the SFDR as of 10 March, 2023.

- Capital Goods – 18.6%
- Basic Industry – 15.8%
- Healthcare - 12.9%
- Insurance – 9.4%
- Media – 9.0%
- Consumer Goods – 7.5%
- Services – 6.7%
- Technology & Electronics – 6.3%
- Automotive – 4.3%
- Retail – 3.3%
- Energy – 1.5%
- Telecommunications – 1.3%
- Leisure – 1.2%
- Transportation – 0.5%

**Enabling activities** directly enable other activities to make a substantial contribution to an

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

Taxonomy-aligned activities are expressed as a share of:

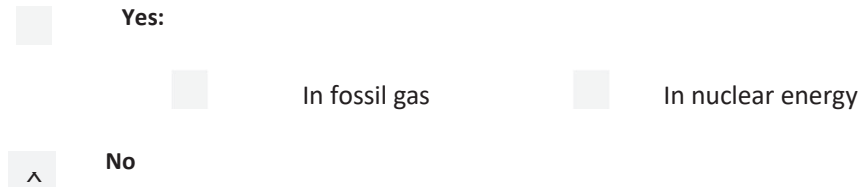
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



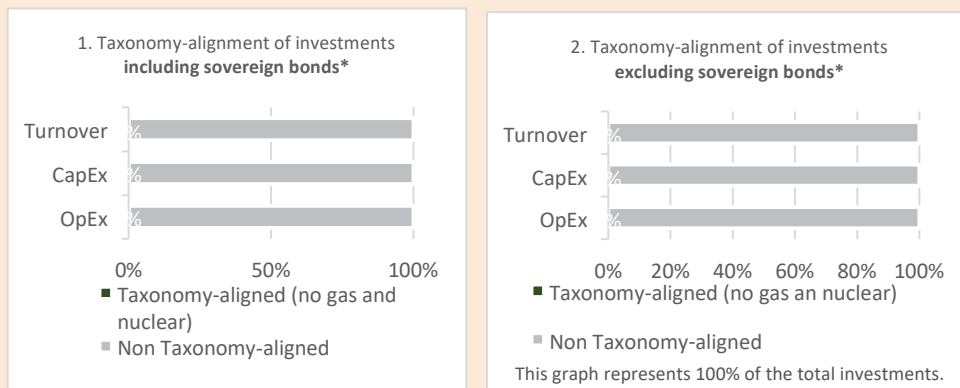
## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

0%

- Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy?<sup>1</sup>



The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**  
0%
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

<sup>1</sup> Fossil gas and/or nuclear related activities only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significant harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214

N/A



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

N/A



**What was the share of socially sustainable investments?**

N/A



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

The investments included under #2 Other above consisted of ancillary liquid assets, such as cash and cash equivalents, money market instruments or similar instruments, where the Investment Manager deemed an appropriate investment opportunity was not available. These assets were neither aligned with the environmental characteristic, nor were they sustainable investments. There were no minimum environmental or social safeguards.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Fund followed the following strategies in order to promote the environmental characteristic

- Included certain investments in the portfolio that the Investment Manager believes promote the environmental characteristic; and
- Excluded certain investments from the portfolio.

Inclusion of certain investments in the portfolio that the Investment Manager believed promoted the environmental characteristic

The Investment Manager integrated various environmental and/or social considerations, such as a commitment to environmental protection (in particular the Fund having a lower estimated carbon intensity as compared with the broad high yield fixed income investable universe as represented by ICE BofA U.S. High Yield Index) and an assessment of the track record of product and worker safety, into its qualitative investment research and portfolio construction process. More specifically, the Investment Manager incorporated within its bottom-up fundamental analysis of each fixed income investment opportunity, the Investment Manager identified material environmental and social factors that contributed to financial downside (in particular, significant event risks that negatively affected an issuer's creditworthiness and therefore its ability to meet its ongoing fixed income principal and interest obligations). These environmental and social factors were identified using publicly available information, engagement with investee companies and their competitors, customers, suppliers and other third parties that were familiar with the company or industry. As part of this analysis, the Investment Manager also assessed whether or not market pricing adequately reflected those risks (including, without limitation, actual or estimated carbon intensity) with respect to any proposed investment. Where the Investment Manager believed that an identified investment opportunity did not meet the promoted environmental characteristic or had a material positive or negative impact on the business that may disproportionately have changed the risk/reward



profile of such investment, the Investment Manager, as part of its investment decision-making process, did not make such investment.

The Investment Manager believed that integrating environmental and social factors into its investment process in this manner allowed for deeper insight into critical risk factors, including exogenous factors not typically exposed in a traditional business analysis model, ultimately resulting in sounder investment decisions in respect of the Fund. Furthermore, integration within the investment process did not occur only when evaluating new investment opportunities; rather, the Investment Manager believed that the continuous monitoring of existing positions and issuers through ongoing due diligence, based on reviewing data in respect of material environmental and social factors for a position and its issuer and comparing it to the data obtained prior to investment, was the best way to monitor existing environmental and social factors as well as identify new ones before they materialize.

The information gathered by the Investment Manager in the process outlined above in respect of the Fund's sustainability approach related to the environmental characteristic promoted by the Fund, which is the Fund having a lower estimated carbon intensity as compared with the broad high yield fixed income investable universe as represented by ICE BofA U.S. High Yield Index. Correspondingly the Investment Manager assessed investee issuers in respect of their carbon intensity. This approach enabled the Investment Manager to ascertain the carbon intensity of individual issuers and the impact an investment would have in terms of the Fund's estimated carbon intensity at the portfolio level in the aggregate as compared to ICE BofA U.S. High Yield Index. After the Investment Manager carried out its qualitative analysis, the Investment Manager determined whether to invest in a company.

#### Exclusion of certain investments from the Fund

In addition, the Investment Manager excluded various issuers from the Fund's portfolio as part of the investment strategy of the Fund. Examples of the investments that the Investment Manager did not invest directly in, based on the Investment Manager's assessment and judgment outlined above, include the following:

companies that are classified as tobacco within the level 4 sub-sector of the ICE BofA High Yield Index industry classification system (or, if such industry classification system is no longer operative, a similar third-party classification system as determined in good faith by the Investment Manager);

- companies that generate at least 30% of their revenue from thermal coal mining (as reflected by a third-party alternative data source provider utilized by the Investment Manager); and
- companies involved in the production or manufacture of controversial weapons (as classified by a third-party alternative data source provider utilized by the Investment Manager).

(each an "Excluded Investment" and together the "Excluded Investments")

In addition, the Investment Manager excluded investments by the Fund in companies that it believes do not adhere to good governance practices through the Investment Manager's analysis of several governance-related matters that it considered within its investment process, as further outlined below.

#### Good governance

As part of its sustainability policy, the Investment Manager committed to only investing in companies that it believed adhere to good governance practices, such as sound management structures, employee relations, remuneration of staff, tax compliance, and retention of an independent and experienced board of directors.

Incorporated within its bottom-up fundamental analysis of each fixed income investment opportunity, the Investment Manager endeavoured to identify material governance factors that may contribute to financial downside (in particular, 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). This identification of material governance factors was carried out by the Investment Manager through the assessment of both publicly available and private information, as well as engagement with investee companies when appropriate. The Investment Manager monitored a company's maintenance of good governance practices through publicly as well as privately available information identified and considered material by the Investment Manager. This information comprised, for example, financial statements and reports filed by a company or otherwise delivered by the company to its investors, investor events and meetings hosted by a company, industry information, and any other such information that the Investment Manager had identified that it believes is material to such monitoring.

The Investment Manager believed that adherence to strong governance principles is an important feature of the companies in which the Fund will invest. The Investment Manager's active approach to fixed income investing generally included frequent interaction with company management, as the Investment Manager sought to keep an open line of communication with respect to actions that could negatively impact the value of the investment.



#### **How did this financial product perform compared to the reference benchmark?**

N/A

- ***How does the reference benchmark differ from a broad market index?***

N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.