

PERFORMANCE (AS OF 09/30/2024)

	3Q 2024	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Eco Leaders® (Gross)	5.81%	15.65%	29.59%	4.06%	13.55%	13.70%	9.17%
Eco Leaders® (Net)	5.63%	15.05%	28.67%	3.32%	12.78%	12.91%	8.09%
Russell 3000® Growth	3.42%	24.00%	41.47%	11.31%	19.09%	16.04%	7.79%
S&P 500®	5.89%	22.08%	36.35%	11.91%	15.98%	13.38%	7.94%

Periods greater than one year are annualized. Inception Date: 05/31/2000.

HIGHLIGHTS

- Russell 3000 Growth rose modestly in a quarter that featured broader market leadership and more volatility
- Strategy outperformed benchmark thanks to its balanced market cap allocation and strong relative performance in Software
- Riverbridge's internally financed and less economically sensitive portfolio companies are well positioned for what is sure to be an eventful fourth quarter

MARKET COMMENTARY

The narrow, one-way market of the first half of 2024 gave way to a broader and more volatile environment in the third quarter. A lower-than-expected inflation reading in July sent the market's smallest constituents soaring, only for them to give up most of those gains two weeks later when the unemployment rate ticked up more than anticipated. On balance, subsequent economic indicators were good enough to calm the nerves of most investors, and the S&P 500 index closed the quarter at an all-time high.

For the first time in nearly two years, however, the Magnificent 7 was not the primary source of the market's returns. In the growth indices, small and mid cap franchises outpaced the returns of large caps for the first time since the fourth quarter of 2022. Yet there are still signs of the artificial intelligence exuberance that catapulted the markets higher early in 2024. In the Russell 3000 Growth index, Utilities produced the strongest absolute performance, as many investors perceive the sector as a beneficiary of the massive energy requirements for AI data centers. Two interest rate sensitive sectors, Real Estate and Financials, were also strong performers during the quarter. Energy was the only sector to decline, while Information Technology, Communication Services, and Health Care lagged the broader market.

PERFORMANCE COMMENTARY

As expected, broader market leadership was a boon for the Riverbridge Eco Leaders® strategy, which returned nearly 6% in the third quarter, outpacing the 3.5% return of its primary

benchmark, the Russell 3000 Growth index. Given the broad market cap exposure in the portfolio, the narrow and top-heavy market was a relative performance challenge for the previous 18 months, so we are encouraged to see that market participants may be starting to recognize the opportunities within small and mid-cap stocks. It also helped the portfolio to overcome stylistic challenges, as we do not hold the higher yielding, interest rate sensitive companies in the Utilities, Real Estate, and Financials sectors that performed well during the quarter.

In another encouraging sign, the strategy's Software holdings were the largest contributor to relative performance in the third quarter, rebounding from a challenging first half of the year. Small-to-midsize vertical software providers Guidewire (GWRE), Fair Isaac (FICO), and Tyler Technologies (TYL) all produced double digit returns thanks to strong earnings reports that demonstrated continued strength in their respective end markets. High-end IT consultant Globant (GLOB), a small cap, also recovered during the quarter. Despite the current negative sentiment surrounding the IT Services industry, the Riverbridge Investment Team continues to believe that Globant's capabilities will be critical to its customers as they implement AI within their businesses.

The Industrials sector was the other meaningful contributor to the strategy's relative performance. The portfolio's more service-oriented business models kept pace with the broader sector, despite more economically sensitive industries such as Building Products and Construction & Engineering being in favor during the quarter.

Commentary continued...

Stock selection in Real Estate, meanwhile, was the only significant relative performance detractor. Our lone holding, CoStar Group (CSGP), was essentially flat during the quarter, while the rest of the historically interest rate sensitive sector surged in anticipation of and response to the Federal Reserve's 50 basis point rate cut. As an information services provider to the commercial, multi-family, and residential real estate markets, CoStar's business model is less interest rate sensitive, and the company has demonstrated strong earnings power growth across many macroeconomic environments.

TRANSACTION COMMENTARY

The Riverbridge investment team purchased one new position in the Eco Leaders® strategy during the third quarter. Cintas (CTAS) provides uniform rentals, workplace safety services, and cleaning products to over one million businesses across a variety of industries. From its original offering of uniform rentals, the company has leveraged strong customer relationships and brand recognition to expand into non-discretionary areas such as restroom supplies, first aid and safety products, and fire protection services. We expect Cintas to continue compounding its earnings power through high customer satisfaction, its ability to identify additional business opportunities with existing customers, and expansion into end markets such as healthcare, cleanroom facilities, higher education, and government.

We also exited two positions, Blackline (BL) and ZoomInfo (ZI). Blackline was used as a source of funds to fund the purchase of Cintas, and remains held in our Small Cap Growth and Smid Cap Growth strategies. ZoomInfo, on the other hand, was sold for fundamental reasons. The company's end markets deteriorated rapidly in the last 2.5 years and the company has not made sufficient progress diversifying its customer base away from technology companies. While the product continues to get positive reviews from end users, customers have been able to get by with fewer seat licenses as they look to contain their own costs, creating pressure on ZoomInfo's retention rate and turning their growth outlook negative.

OUTLOOK

The fourth quarter will feature more potentially market moving scenarios than any period in recent memory. Earnings reports will be closely scrutinized for clues about corporate America's growth and capital spending plans for 2025. Economic data, and particularly jobs data, will be monitored for signs indicating whether the U.S. economy is heading for a recession. While it is a near certainty that the Fed will continue to ease rates in the fourth quarter, the magnitude of cuts is unknown. Most expect two more quarter point cuts. Should economic growth weaken, the Fed could opt for a more aggressive path.

Overseas, the Chinese economy is weak and the government is aggressively intervening, while Mideast tensions could lead to a full-scale war. Domestically, the November presidential election will be of keen interest to all market participants.

We believe the Riverbridge portfolios are well positioned for this period of uncertainty. We seek companies that are less economically sensitive and not as susceptible to macro events. In weakening economic environments, our companies have historically demonstrated the ability to strengthen their relative market positions, and we remain confident that our internally financed portfolio companies will traverse this uncertain landscape well. We are also encouraged that the market is beginning to broaden and recognize the opportunities within small and mid-cap stocks. As always, timing the market is futile. Investing for the long-term in companies with enduring earnings power remains key.

Important Disclosure Information

Past performance is not indicative of future results. The mention of companies/stocks herein is for illustrative purposes only and should not be interpreted as investment advice or recommended securities. The securities identified do not represent all of the securities purchased, sold or recommended and the reader should not assume that any listed security was or will be profitable. There is no guarantee that the same or similar holdings will be purchased or held in accounts in the future. It should not be assumed that account holdings will correspond directly to any such comparative benchmark index. Comparative indices may be more or less volatile than Riverbridge portfolios. Due to various factors, including changing market conditions, the content may no longer be reflective of current opinions or positions.

Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by Riverbridge) or any other discussion made reference to directly or indirectly in this commentary will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. You should not assume that any discussion or information contained in this commentary serves as the receipt of, or as a substitute for, personalized investment advice from Riverbridge, nor should it be construed in any way as tax, accounting, legal or regulatory advice.

Performance-related information provided in this document is presented as supplemental information to the GIPS Composite Report included herein. Riverbridge performance results reflect the reinvestment of dividends and other account earnings and are net of applicable account transaction charges. Performance results do not reflect the impact of taxes. Where presented, gross-of-fee performance figures presented do not reflect the deduction of investment advisory fees. A client's returns will be reduced by the advisory fee and other expenses incurred in the management of its account. For example, the deduction of a 1% advisory fee over a 10-year period would reduce a 10% gross return to an 8.9% net return. A description of our services and fees is included in our Brochure, ADV Part 2, which is available upon request.

PURCHASES 3Q 2024

Security	Sector	Rationale
Cintas Corporation	Industrials	Provides products and services to businesses of all sizes and types, focusing on workplace safety, cleanliness, and image.

SALES 3Q 2024

Security	Sector	Rationale
BlackLine, Inc.	Information Technology	Decreased confidence as the company has transitioned through management changes, operational adjustments and weaker end-market demand for its software offerings.
ZoomInfo Technologies, Inc.	Communication Services	End market has deteriorated, and the company has made limited progress diversifying away from technology companies.

CONTRIBUTORS 3Q 2024

Security	Rationale
HEICO Corporation	Strength in global air travel fuels demand; core business continues to grow share organically and through acquisitions
Tyler Technologies, Inc.	Strong execution continues with steady client demand; cloud transition going smoothly
Tesla, Inc.	Strong Q2 deliveries and demand exceed expectations; investors optimistic about robotaxi, lower price vehicle, and decrease in interest rates
S&P Global, Inc.	Strong quarterly results; optimism for an improved debt issuance environment supports forward looking guidance
ServiceNow, Inc.	Strong quarterly results; rapid customer adoption of premium Generative AI offerings is allowing ServiceNow to monetize AI

DETRACTORS 3Q 2024

Security	Rationale
Medpace Holdings, Inc.	Biotech funding environment remains volatile and trending negative; Medpace continues to gain share
Alphabet, Inc. Class A	Anti-trust headlines and large AI capex investments weigh on sentiment despite continued strong results
Microsoft Corporation	Slower Azure growth and large AI capex investments weigh on sentiment despite strong quarterly results
West Pharmaceutical Services, Inc.	Industry destocking trends continue, long-term expectations unchanged
Five Below, Inc.	Low-income consumer remains challenged; CEO departure as company temporarily slows growth and resets merchandise

ECO LEADERS® COMPOSITE

Year	Gross-of-Fee Return (%)	Net-of-Fee Return (%)	S&P 500® Return (%)	Russell 3000® Growth Return (%)	Portfolios	Dispersion (%)	Composite 3-Year Ex-Post Std. Dev.	S&P 500® 3-Year Ex-Post Std. Dev.	Russell 3000® Growth 3-Year Ex-Post Std. Dev.	Composite Assets (\$ Millions)	TTL Firm Assets (\$ Millions)	Advisory Only (\$Millions)	TTL Firm Assets & Advisory Only (\$Millions)
2023	32.84	31.89	26.29	41.21	23	0.39	20.50	17.29	20.34	43.9	7,429.2	4,432.2	11,861.5
2022	-29.37	-29.90	-18.11	-28.97	23	0.38	22.68	20.87	23.43	33.2	6,279.5	3,892.8	10,172.3
2021	10.57	9.86	28.71	25.85	25	0.17	17.25	17.17	18.27	57.5	9,408.0	6,149.6	15,557.6
2020	46.13	45.23	18.40	38.26	20	0.32	18.48	18.53	19.87	45.3	8,478.1	4,896.5	13,374.6
2019	33.75	32.89	31.49	35.85	23	0.31	13.31	11.93	13.20	29.7	5,378.3	2,633.2	8,011.5
2018	4.48	3.78	-4.38	-2.12	15	0.10	13.43	10.80	12.29	21.2	4,737.1	1,842.0	6,579.1
2017	24.26	23.35	21.83	29.59	15	0.41	10.69	9.92	10.62	22.3	5,047.9	1,791.1	6,839.0
2016	6.91	6.09	11.96	7.39	15	0.43	12.48	10.59	11.34	18.5	4,686.7	1,546.6	6,233.3
2015	5.00	4.22	1.38	5.09	18	0.23	11.86	10.48	10.80	18.7	5,030.8	1,202.4	6,233.2
2014	0.51	-0.16	13.69	12.44	17	0.40	11.99	8.97	9.74	18.5	5,523.2	1,215.6	6,738.8

Firm Information: Riverbridge Partners, LLC is a Minnesota based investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. The firm provides investment management services to institutional and individual investors. The company offers growth and income oriented investment services which it believes will provide high returns over the long term. The firm's standard fee schedule is an annual 1%.

Composite Characteristics: The Eco Leaders® Composite was created in June 2000 and its inception date was 05/31/2000. It is a diversified growth stock portfolio invested in growth companies of all market capitalization ranges. A complete list and description of all firm composites, including broad and limited distribution pooled funds, is available upon request. The composite benchmarks are the S&P 500® Index and the Russell 3000® Growth Index. The S&P 500® Index includes 500 industry leading companies measuring the performance of the large-cap U.S. equity universe. The Russell 3000® Growth Index includes the segment of securities within the Russell 3000® Index with higher price-to-book ratios and higher forecasted growth values. The Russell 3000® Index is an unmanaged index measuring the performance of the broad U.S. equity universe. The benchmark returns are gross of all fees and taxes. The composite minimum value is \$100,000.

Material risks of the strategy include stock market, business and economic development, liquidity, and foreign security risk. Leverage, derivatives, short positions and illiquid investments are not used in the strategy. As with any investment, an investor may lose money, and the strategy can underperform its benchmark. Investment in strategies is not insured by the FDIC or any other government agency.

Calculation Methodology: Individual portfolios are revalued daily starting 1/1/2009. Prior to that, individual portfolios were revalued monthly and intra-month when large cash flows (defined at 10%) occurred. Gross-of-fee returns are calculated net of transaction costs and gross of management fees. Until 12/31/2007, net performance was calculated by applying the maximum annual management fee of 1% to gross performance on a monthly basis. Starting 1/1/2008, net-of-fee returns are calculated net of actual investment management fees. Both gross-of-fee and net-of-fee returns are calculated gross of all withholding taxes on foreign dividends. Accruals are included in calculations. The dispersion measure is the equal-weighted standard deviation of accounts in the composite for the entire year. Dispersion and Ex-Post standard deviation is calculated using gross-of-fees returns. Policies for valuing investments, calculating performance, and preparing GIPS® Reports are available upon request.

Compliance Statement: Riverbridge claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Riverbridge has been independently verified for the period 12/31/1989 – 12/31/2023. A firm that claims compliance with the GIPS® standards must establish policies and procedures for complying with all the applicable requirements of the GIPS® standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS® standards and have been implemented on a firm-wide basis. The Eco Leaders Composite has had a performance examination for the periods 06/01/2000 – 12/31/2023. The verification and performance examination reports are available upon request.

Composite Benchmark: The benchmark returns are not covered by the report of the independent verifiers. Any indices and other financial benchmarks shown are provided for illustrative purposes only. Information about indices is provided to allow for comparison of the performance of the Adviser to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index, which also does not take into account trading commissions and costs. The volatility of indices may be materially different from the performance of the Adviser. In addition, the Adviser's recommendations may differ significantly from the securities that comprise the indices.

Past performance does not guarantee future results. This performance report should not be construed as a recommendation to purchase or sell any particular securities held in composite accounts. Market conditions can vary widely over time and can result in a loss of portfolio value.

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