

# Multi-Cap Balanced Portfolio

Our Multi-Cap Balanced Portfolio strives to provide both income and capital growth by investing in high quality bonds and securities. Consistency of approach and adherence to sound fundamental analysis is the basis of our conservative investment process.

## Company Snapshot

Company Assets	\$17.2 b
Founded	1985

## Portfolio Construction

Investment Oversight Committee current allocation: 65% equities, 35% bonds

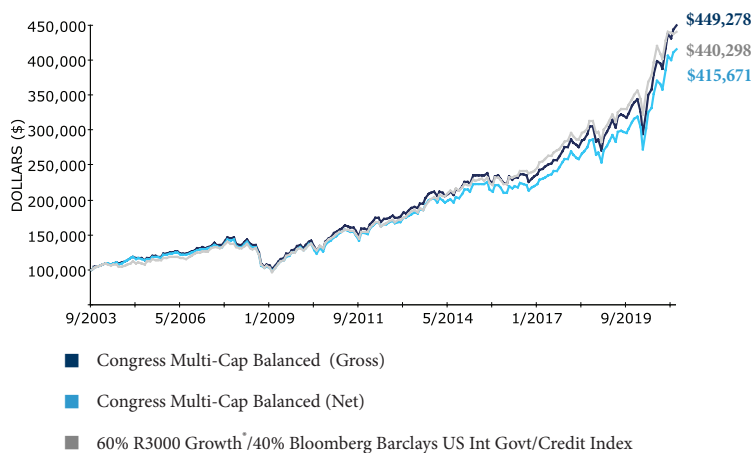
50 to 60 equity securities per portfolio

Equity industry exposure not to exceed 15% and no more than 5% to any one stock

Bonds have a weighted average quality of Aa3 and maturities in the intermediate range

Fully invested with a cash allocation not in excess of 5%

## Growth of \$100,000 9/30/2003 through 3/31/2021



## <sup>2</sup>Equity Portfolio Characteristics as of 3/31/2021

	Multi-Cap Growth	Russell 3000 Growth <sup>*</sup>
Number of Equity Holdings	54	1,611
Median Market Cap	\$41.1	\$2.4
P/E - Trailing 12 Months	33.6x	33.5x
Price/Book	6.6x	11.0x
Yield %	0.66	0.74

## <sup>2</sup>Fixed Income Portfolio Characteristics as of 3/31/2021

	Intermediate Fixed	BBUIGCI
Average Bond Rating	Aa2	AA2/AA3
Average Maturity (yrs.)	4.44	4.45
Average Duration	4.10	4.16
Average Coupon %	2.61	2.10
Average Yield to Maturity	1.00	1.01

## Risk/Return Analysis 9/30/2003 - 3/31/2021

	Multi-Cap Balanced	Benchmark <sup>1</sup>
Standard Deviation %	10.53	9.14
Beta	1.11	1.00
Sharpe Ratio	0.73	0.83
Alpha	-0.58	--

<sup>1</sup>Blended Benchmark: 60% Russell 3000 Growth / 40% Bloomberg Barclays US Intermediate Govt/Credit Index

## Average Annualized Performance % as of 3/31/2021

This information is supplemental to the GIPS Composite Report

	QTD	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception 9/30/2003
Congress Multi-Cap Balanced (Gross of Fees)	2.58	2.58	52.86	17.29	14.00	10.90	8.96
Congress Multi-Cap Balanced (Net of Fees)	2.46	2.46	52.19	16.80	13.54	10.43	8.48
Benchmark <sup>1</sup>	-0.03	-0.03	36.58	15.36	13.64	11.06	8.84

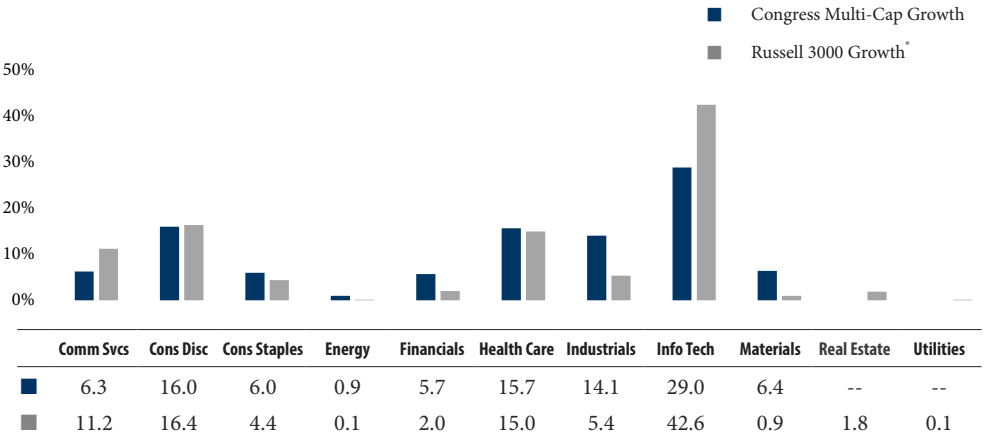
<sup>1</sup>Blended Benchmark: 60% Russell 3000 Growth / 40% Bloomberg Barclays US Intermediate Govt/Credit Index Performance is preliminary and subject to change

Information is as of 3/31/2021. Sources: Congress Asset Management, FactSet, Russell Investments, and Informa Investment Solutions. The information throughout this presentation is for illustrative purposes and is subject to change at any time. Holdings and sector weightings throughout this presentation are subject to change and should not be considered investment advice or a recommendation to buy or sell a particular security. Actual holdings may vary by client. Past performance does not guarantee future results. Gross performance shown does not reflect the deduction of investment management fees and certain transaction costs, which will reduce investment performance. Performance returns of less than one year are not annualized. Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or underlying data contained in this communication. No further distribution of Russell data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication. <sup>2</sup>The information shown is for a representative account as of 3/31/2021. Actual client account holdings and sector allocations may vary.

Top 10 Equity Holdings<sup>2</sup> % as of 3/31/2021

Alexion Pharmaceuticals, Inc.	2.4
Martin Marietta Materials, Inc.	2.4
JPMorgan Chase & Co.	2.3
Walt Disney Company	2.2
UnitedHealth Group Inc.	2.2
Tractor Supply Company	2.2
Air Products and Chemicals, Inc.	2.1
Home Depot, Inc.	2.1
Trimble Inc.	2.1
D.R. Horton, Inc.	2.1
<b>Total</b>	<b>22.1</b>

GICS Sector Allocation<sup>2</sup> % ex Cash as of 3/31/2021



Definitions: **Russell 3000 Growth Index**<sup>1</sup> measures the performance of companies within the Russell 3000 that exhibit higher price-to-book ratios and forecasted earnings. **The Bloomberg Barclays US Intermediate Govt/Credit Index** tracks the performance of intermediate term U.S. government and corporate bonds. You cannot invest directly in an index. **Standard Deviation** measures historical volatility. **Beta** measures the volatility of a portfolio in comparison to an index. **Sharpe Ratio** uses standard deviation and excess return to determine reward per unit of risk. **Alpha** compares the risk-adjusted performance of a portfolio to an index.

<sup>2</sup>The information shown is for a representative account as of 3/31/2021. Actual client account holdings and sector allocations may vary.

<sup>1</sup>Blended Benchmark: 60% Russell 3000 Growth<sup>1</sup>/40% Bloomberg Barclays US Intermediate Govt/Credit Index

Congress Asset Management Co. Multi-Cap Balanced Composite 1/1/2010 - 12/31/2019

Year	Total Return Gross of Fees %	Total Return Net of Fees %	60% Russell 3000 Growth/40% Barclays US IGCI Blend Return % (dividends reinvested)	CAM Recommendation %	Composite 3-Yr annualized ex-post St Dev (%)	60% Russell 3000 Growth/40% Barclays US IGCI Blend Return 3-Yr annualized ex-post St Dev (%)	Number of Portfolios	Gross Dispersion %	Total Composite Assets End of Period (\$ millions)	Total Firm Discretionary Assets End of Period (\$ millions)	Total Firm Assets End of Period (\$ millions)
2019	25.3	24.8	23.7	65/35	9.3	7.9	10	1.69	43	8,445	12,528
2018	-1.3	-1.7	-0.6	65/35	8.8	7.3	7	n/a	15	7,102	10,234
2017	17.9	17.5	17.9	70/30	7.4	6.3	9	0.42	17	7,272	10,546
2016	1.1	0.7	5.4	70/30	8.2	6.8	11	0.38	33	5,693	8,139
2015	2.1	1.7	3.7	65/35	7.8	6.6	10	0.41	33	5,941	7,094
2014	6.3	5.9	8.7	65/35	7.2	6.1	10	0.34	32	6,328	7,449
2013	20.8	20.1	19.1	65/35	8.3	7.5	9	1.15	32	6,489	7,467
2012	11.9	11.4	10.7	65/35	11.2	9.4	8	n/a	27	6,755	7,498
2011	3.4	3	3.9	65/35	12	10.9	≤5	n/a	22	6,329	7,014
2010	11.9	11.5	13.4	65/35			≤5	n/a	3	6,416	6,678

#The "Total Firm Assets" column is provided as supplemental information and also includes unified managed account (UMA) assets

Congress Asset Management claims compliance with the Global Investment Performance Standards (GIPS<sup>®</sup>) and has prepared and presented this report in compliance with the GIPS standards. Congress Asset Management has been independently verified for the periods 1/1/96 - 12/31/19. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

**Firm Information:** Congress Asset Management Co. (CAM) is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. Registration does not imply a certain level of skill or training. CAM manages a variety of public equity, private equity, fixed income and ETF managed portfolios for private and institutional clients. CAM acquired Prelude Asset Management, LLC on March 15, 2010. CAM merged with Congress Capital Partners, LLP on June 30, 2015. CAM acquired certain strategies of Century Capital Management, LLC on September 15, 2017.

**Composite Characteristics:** The Multi-Cap Balanced Composite was created on August 1, 2006 and the inception date of the composite is October 1, 2003 which reflects the first full month in which an account was fully invested in the strategy and met the inclusion criteria. The composite includes all fully discretionary accounts with a value over \$500 thousand (US dollars) managed with the recommended asset allocation between multi cap equities and fixed income set by the Investment Policy Committee for a minimum of one full month. The current recommendation is a 65/35 allocation and accounts with allocations falling within 15% of the recommendation are eligible for composite inclusion. Accounts with wrap commissions are excluded from the composite. For the Multi-Cap Balanced Composite we present a custom benchmark, which is a 60/40 blend of the Russell 3000 Growth Index and Bloomberg Barclays US Intermediate Government Credit Index. The benchmark is calculated in Advent Portfolio Exchange. Effective January 1, 2008 the Multi-Cap Balanced benchmark was changed retroactively from 60/40 blend of the S&P 500 Index

and Bloomberg Barclays US Intermediate Government/ Credit Index to a 60/40 blend of the Russell 3000 Growth Index and Bloomberg Barclays US Intermediate Government/ Credit Index in order to better represent the investable universe. The benchmark returns are not covered by the report of independent verifiers. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. A complete list and description of all firm composites is available upon request.

**Calculation Methodology:** Valuations and returns are computed and stated in U.S. dollars. Monthly composite performance is calculated as an asset-weighted return using the aggregate method. This method aggregates market values and cash flows for all accounts and treats the composite as if it were one account. Monthly composite returns are geometrically linked to produce a time-weighted annual return. Beginning June 1, 2015 the composite is valued daily. Prior to that date, the composite was re-valued on each date that a cash flow exceeded 10% of the total market value of the composite. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. Prior to 2007 net of fees returns were calculated by reducing gross returns by the highest management fee in the Multi-Cap Balanced composite, which was 0.50%. Effective January 1, 2007 net of fees returns are calculated using actual management fees. The composite results portrayed reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Accruals for fixed income and equity securities are included in calculations. A maximum of 5% of the portfolio may be invested in the ADRs of foreign companies. Internal dispersion is calculated using the asset-weighted standard deviation of annual gross-of-fees returns of those portfolios that were included in the composite for the entire year. For those years when less than six portfolios were included in the composite for the full year, no dispersion measure is presented. The three-year annualized ex-post standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. It is not presented for 2010 as it is not required for periods prior to 2011.

**Fee Schedule:** The firms' individual account fee schedule is as follows: 1.00% for first \$1 million, 0.80% for next \$4 million, 0.60% for next \$5 million. Management fees for individual accounts with assets under management exceeding \$10 million, and for institutional accounts are negotiated. The individual account fee schedule may be subject to negotiation where circumstances warrant. As fees are deducted quarterly, the compounding effect will increase the impact of the fees by an amount directly related to the gross account performance. For example, an account earning a 10% annual gross return with a 1% annual fee deducted quarterly would earn an 8.9% annual net return due to compounding.

**Other Disclosures:** Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. 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.