Portfolio Commentary

Dividend Growth Portfolio

Market Review

We enter the 4th quarter of 2021 at an inflection point. For most of this year, the financial markets were calm as the stock market rose, ignoring the economic lull that accompanied the rise of the Delta variant. At the same time, the yield on the U.S. 10 Year Treasury fell to about 1.25% in mid-August. Now, however, the financial markets are reassessing the outlook for inflation and growth. Market interest rates have risen faster than many expected, tempering stock gains and clouding the outlook. Increased volatility should continue as the global economy re-emerges from the pandemic induced restrictions, disrupting normal trade and economic patterns.

There is little doubt that the U.S. economy is expanding at an elevated rate. Demand for goods and services remains robust supported by strong consumer trends. This is unlikely to end soon as job opportunities remain plentiful, wages are increasing, and consumer net worth remains elevated. Re-establishing a pattern first seen in 2018-2019, the nearly 11 million available jobs outnumber the close to 9 million officially unemployed. Work is available and pay is increasing.

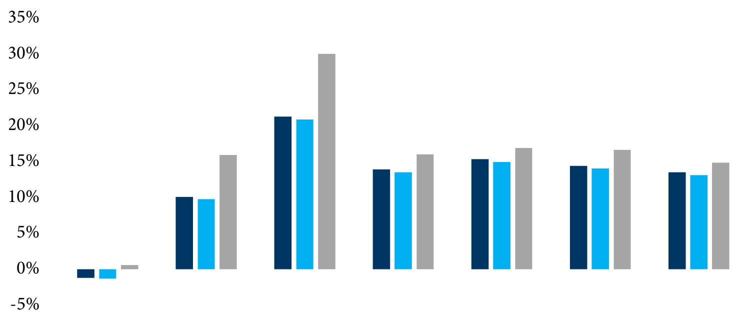
Trends for businesses and other organizations are also accelerating. The business inventory to sales ratio has fallen to less than 1.3 months. Replenishment to a more appropriate 1.4 to 1.5 months will take time, adding to demand pressures as companies re-stock.

Performance Overview

The Congress Dividend Growth Portfolio ("the Portfolio") returned -1.21% gross of fees during the quarter, while the S&P 500 Index ("the Index") returned 0.58%.

Portfolio holdings Costco Wholesale Corporation, Accenture Plc, Tractor Supply Company, NextEra Energy, Inc., and JPMorgan Chase & Co. contributed to performance during the quarter. However, RPM International, Inc., Norfolk Southern Corporation, United Parcel Service, Inc., Amgen, Inc. and Crown Castle International Corp. detracted from quarterly performance.

Average Annualized Performance % - as of 9/30/2021



	QTD	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception 10/31/2010
Dividend Growth (Gross)	-1.2	10.1	21.3	13.9	15.3	14.4	13.5
Dividend Growth (Net)	-1.3	9.8	20.9	13.5	14.9	14.0	13.1
S&P 500	0.6	15.9	30.0	16.0	16.9	16.6	14.9

Performance is preliminary and subject to change at any time

This information is supplemental to the GIPS Report

Third Quarter 2021 Highlights

Top 5 Stock Contributors and Detractors

Contributors

Stock	Avg. Weight%	Contribution%
Costco Wholesale Corporation	2.74	0.32
Accenture Plc Class A	3.30	0.29
Tractor Supply Company	2.61	0.21
NextEra Energy, Inc.	3.12	0.21
JPMorgan Chase & Co.	2.37	0.13

Detractors

Stock	Avg. Weight%	Detraction%
RPM International, Inc.	2.66	-0.32
Norfolk Southern Corporation	2.72	-0.26
United Parcel Service, Inc. Class B	2.06	-0.25
Amgen, Inc.	2.03	-0.25
Crown Castle International Corp.	2.24	-0.23

Costco Wholesale Corp. (COST) operates membership warehouses that offer branded and private-label products in a range of merchandise categories. COST is unique among retailers in its ability to combine customer loyalty, value, and growth. The company continues to manage the current logistic and inflationary challenges well. Its ability to hold back on price increases relative to its peers has increased its value proposition and delivered market share gains.

Accenture Plc (ACN) operates as an investment holding company that provides management consulting, technology, and outsourcing services. ACN is the largest stand-alone IT services business in the world in terms of sales. ACN posted strong bookings in its recent quarter and management expects these trends to continue. Business momentum is being driven by its client's increasing investments into cloud and digital infrastructure.

Tractor Supply Company (TSCO) is the largest operator of rural lifestyle stores, focused on supplying the needs of recreational farmers and ranchers along with tradesmen and small businesses. TSCO has been benefitting from an expanded customer base as consumer trends toward Do-It-Yourself and hobbies like gardening, backyard poultry, and pet adoptions have accelerated during the pandemic.

NextEra Energy, Inc. (NEE) operates principally through subsidiaries such as the Florida Power & Light Company, one of the largest rate-regulated electric utilities in the United States, and NextEra Energy Resources, LLC, which is the world's largest generator of renewable energy. NEE reached a settlement with various stakeholders during the quarter regarding the Florida rate case. The terms of the deal, which could potentially increase revenues by $1.5B over the next four years, were viewed favorably by investors.

JPMorgan Chase & Co. (JPM) is a leading global financial services firm serving millions of consumers, small businesses, and many of the world's most prominent corporate, institutional, and government clients. JPM, along with banks in general, are levered to interest rates and spreads. With the 10-year treasury moving higher during the quarter, the operating environment and outlook for higher margins improved.

RPM International Inc. (RPM) manufactures and sells coatings, sealants, and building materials for both industrial and consumer uses. Production outages at commodity suppliers have continued to drive costs higher for RPM. End market demand continues to be strong, but RPM's price increases will take time to push through, which will negatively impact margins in the near term.

Norfolk Southern Corporation (NSC) is primarily engaged in rail transportation. Supply chain constraints have created challenges for the transportation sector, and notably the railroads. A tight labor market has also been an issue that created problems across the sector.

United Parcel Service, Inc. (UPS) provides letter and package delivery, specialized transportation, logistics, and financial services. Disappointing U.S. domestic shipping volumes in the quarter that potentially signal a peak in the pandemic-related increase in packages was the key driver of underperformance. Transportation sector headwinds also raised concerns.

Amgen, Inc. (AMGN) is one of the world's leading independent biotechnology companies. It focuses on six therapeutic areas: cardiovascular disease, oncology, bone health, neuroscience, nephrology, and inflammation. AMGN gave conservative second half guidance as it noted patient visits and lab procedures were still below pre-Covid levels and that the Delta variant could keep this trend in place. Further, management noted that the company could be on the hook for a $3.6B tax liability going back to 2010-2012. This is currently being disputed with the IRS and the situation could take years to resolve.

Crown Castle International Corp. (CCI) is a real estate investment trust and provider of shared communications infrastructure in the U.S. (cell towers and fiber/small cells) via long-term contacts. REITs in general perform better in a low or falling interest rate environment. As the 10-year treasury rose in the latter half of the quarter, REITs started to underperform.

Information is as of 9/30/2021. Sources: Congress Asset Management and FactSet Research Systems. The information throughout this presentation is for illustrative purposes and is subject to change at any time. Holdings, sector weightings and securities identified as top contributors and detractors 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. The securities identified do not represent all the securities purchased, sold or recommended to clients. For information regarding the methodology used to select these holdings or to obtain a list showing the contributions of every holding in the strategy's representative account, which we believe reflects the Congress Dividend Growth's Composite to both a current and/or prospective client, please contact us at 1-800-234-4516. Gross performance shown does not reflect the deduction of investment management fees and certain transaction costs, which will reduce investment performance. Past performance does not guarantee future results. [1]The information shown is for a representative account.

3Q 2021 Transaction Summary

Purchased

- EOG Resources, Inc. (EOG) - Energy

Sold

- Becton Dickinson and Co. (BDX) - Health Care

Purchased

EOG Resources, Inc. (EOG) explores, develops, produces, and markets crude oil and natural gas primarily in major basins in the U.S., Trinidad and Tobago, China, and Canada. EOG is viewed to have some of the highest quality assets in the key Permian basin. It is also one of the more technologically advanced drillers and uses a premium drilling strategy that has one of the highest hurdle rates in the industry. A conservative balance sheet and a focus on cash flow aids in its capital return policies.

Sold

Becton Dickinson and Co. (BDX) is a global medical technology company that develops, manufactures, and sells a broad array of medical devices, instrument systems, and reagents used in the healthcare and life sciences industries. BDX reported two consecutive quarters of disappointing results while also announcing a somewhat surprising move to spin off its Diabetes business. Margins remain the key concern as they have been slow to recover, and the initial outlook given for next year reinforced these concerns.

Outlook

The U.S.'s spending spree has been ongoing for over a year. The breadth and depth of demand, coming on the heels of the initial pandemic shutdown, has overwhelmed supply chains. Twenty percent of all imports enter via the ports of Long Beach and Los Angeles where upward of 60 cargo ships await to unload goods. Shipping costs have skyrocketed and delays abound.

Supply chain constraints are one element adding to inflation fears. Employment costs continue to rise as help wanted signs proliferate at restaurants, hotels, medical facilities, and schools. The Federal Reserve Bank (Fed) has noticed. The Fed played an important role over the past 18 months by lowering short term interest rates and purchasing over $4T of fixed income securities. These actions helped alleviate and shorten the economic pain of the pandemic, but if extended too long could exacerbate inflationary pressures. Late in September, the Fed signaled it will curtail its asset purchases beginning in November, tacitly acknowledging that August's 5% CPI reading was too high.

Inflation and supply issues are also surfacing in Europe and China. Notably, oil and natural gas prices have spiked with natural gas up five-fold over the past year. Some of the price rises will likely prove temporary, but energy investments have shifted to renewable sources like wind and solar. Especially in the U.S., there are few new carbon energy projects. As global growth solidifies, demand for carbon-based energy sources will re-appear, helping to set a floor for oil and natural gas prices, one higher than we have become accustomed to.

As the financial markets grapple with inflation, Washington appears to be in a state of suspended animation. The most immediate concern remains the federal debt ceiling, which if not raised or suspended by October 18, will prohibit most federal expenditures. Congress is highly unlikely to let that happen as the Democrats have the votes to remedy this issue by themselves. But the prospect that a U.S. default could happen is tempering investor's risk appetite and affecting both stock and bond prices.

In addition, Washington continues to struggle with a $1 trillion bi-partisan infrastructure bill and the far more ambitious $3.5 trillion American Families Plan. As currently envisioned, the American Families Plan would raise taxes, increase transfer payments, and enlarge the recipient class to include upper middle-class taxpayers. A slimmer plan could offer opportunities and assistance to those in need without the inflationary pressures the full plan would present to an economy already running close to capacity.

Fears that inflation is becoming systemic, similar to the 1970's, have risen. The Fed and others espouse a different view- that current inflation trends are transitory. The truth probably lies somewhere in the middle. Inflation will likely be higher than it has been, but not at the destructive level seen five decades ago. Many of the deflationary forces introduced to the economy since the 1980's should continue to suppress deleterious inflation.

For example, advancements in technology such as software and advanced machinery continues to foster better efficiency and productivity. Remote working offers flexibility and improves living standards. Globalization, embodied by the acceptance of China into the World Trade Organization in 2001, opened new trading routes, driving down prices. Global trade routes are now more disparate, a further check on costs while fostering development in other parts of the world. The Fed's September announcement itself should reassure inflation hawks that the central bank has not abandoned its price stability mandate.

A fall chill has descended on the financial markets. This is understandable given the positive returns over the past year and Washington's uncertain fiscal path. The economy is strong, however, and consumers and businesses will continue to spend until demand is satiated. Corporate profits, recently measured at +9%, should continue to grow and be supportive to stock prices over the next year. Bond returns may be more challenged as interest rates find a new equilibrium but offer stability and the promise of marginally higher income as we approach year end.

Information is as of 9/30/2021

Congress Asset Management Co. Dividend Growth Composite 11/1/2011 - 12/31/2020

Year	Total Return Gross of Fees %	Total Return Net of Fees %	S&P 500 Return % (dividends reinvested)	Composite Gross 3-Yr annualized ex-post St Dev (%)	S&P 500 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 Advisory-Only Assets End of Period ($ millions)	Total Firm Assets End of Period # ($ millions)
2020	13.9	13.5	18.4	16.8	18.5	495	0.97	326	10,746	5,523	16,269
2019	33.7	33.2	31.5	11.1	11.9	394	0.86	205	8,445	4,083	12,528
2018	-0.9	-1.2	-4.4	10.3	10.8	359	0.36	161	7,102	3,132	10,234
2017	19.7	19.3	21.8	9.7	9.9	321	0.64	157	7,272	3,274	10,546
2016	13.6	13.2	12.0	10.1	10.6	254	0.46	119	5,693	2,445	8,139
2015	-2.8	-3.2	1.4	10.3	10.5	174	0.38	81	5,941	1,153	7,094
2014	11.6	11.2	13.7	8.6	9.0	111	0.29	65	6,328	1,121	7,449
2013	29.3	28.8	32.4	10.7	11.9	60	0.39	44	6,489	978	7,467
2012	8.9	8.6	16.0	n/a	n/a	24	0.80	12	6,755	743	7,498
2011	8.3	7.9	2.1	n/a	n/a	6	n/a	2	6,329	685	7,014

#The "Total Firm Assets" column includes unified managed account (UMA) assets

Congress Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) 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 – 12/31/20. The verification reports(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedure 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. Verification does not provide assurance on the accuracy of any specific performance report.

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 creation and inception date of the Dividend Growth Composite is November 1, 2010, which reflects the first full month an account was fully invested in the strategy and met the inclusion criteria. The composite includes all fully discretionary portfolios with a value over $100 thousand (US dollars) managed in the dividend growth style for a minimum of one full month. The dividend growth strategy invests in the equity of high quality companies with market capitalizations greater than $1 billion exhibiting consistent dividend growth. Accounts with wrap commissions are excluded from the composite. Prior to January 1, 2016 the composite minimum was $50 thousand (US dollars). The primary composite benchmark is the S&P 500 Index. 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 list of composite descriptions and a list of broad distribution pooled funds are available upon request.

Calculation Methodology: Valuations and returns are computed and stated in U.S. dollars. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. 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 equity securities are included in calculations. 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 2011 and 2012 because 36-month returns were not available.

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 investments, calculating performance, and preparing GIPS Reports 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. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, not does it warrant the accuracy or quality of the content contained herein.