CONGRESS ASSET MANAGEMENT COMPANY

3Q 2021

Portfolio Commentary

Small Cap Growth

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.

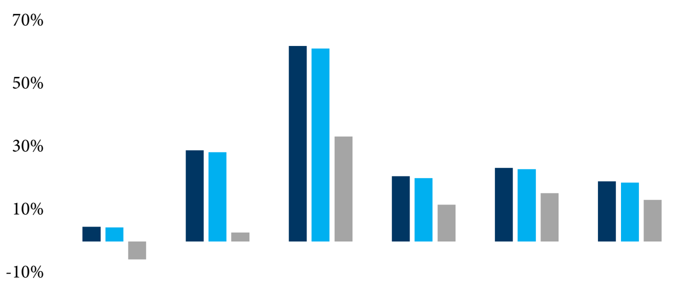
Trends for businesses and other organizations are also accelerating. The business inventory to sales ratio has fallen to less than 1.3 months. Replenishment to a more appropriate 1.4 to 1.5 months will take time, adding to demand pressures as companies re-stock.

Performance Overview

The Small Cap Growth Portfolio ("the Portfolio") returned 4.68% (gross of fees) during the third quarter, while the Russell 2000 Growth Index ("The Index") returned -5.65%.

The Portfolio benefited from security selection in Health Care, Information Technology, and Consumer Discretionary. An overweight allocation to Industrials also aided performance during the quarter. However, security selection in Industrials and an underweight relative allocation to Information Technology detracted from performance.

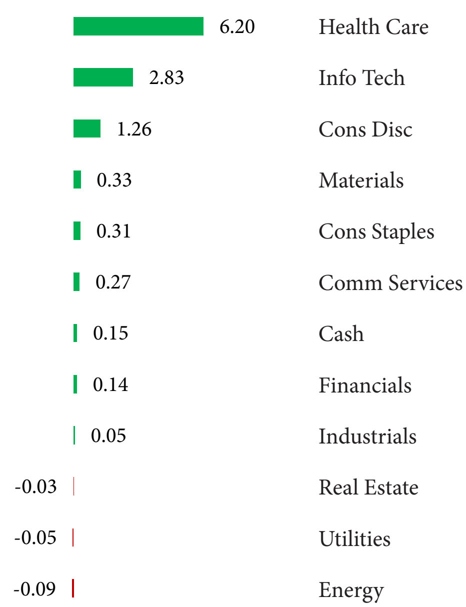
Average Annualized Performance % as of 9/30/2021



	QTD	YTD	1 Yr	3 Yrs	5 Yrs	Inception 7/1/2013
Small Cap Growth (Gross)	4.7	28.9	62.1	20.7	23.4	19.1
Small Cap Growth (Net)	4.5	28.3	61.3	20.1	22.9	18.7
Russell 2000 Growth*	-5.7	2.8	33.3	11.7	15.3	13.2

Performance is preliminary and subject to change at any time

% Total Effect Portfolio vs. Index[1] (6/30/2021 - 9/30/2021)



Information is as of 9/30/2021. 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. **This information is supplemental to the GIPS Report**. 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. [1]The information shown is for a representative account as of 9/30/2021. Actual client account holdings and sector allocations may vary.

Q3 2021 Attribution Highlights

Overall Contributors

- Security selection in Health Care, Information Technology & Consumer Discretionary
- Overweight allocation to Industrials

Overall Detractors

- Security selection in Industrials
- Underweight allocation to Information Technology

Top 5 Stock Contributors and Detractors

Contributors

Stock	Avg. Weight%	Contribution%
InMode Ltd.	5.40	3.42
SPS Commerce, Inc.	3.01	1.55
Vicor Corporation	2.38	0.58
Power Integrations, Inc.	2.95	0.57
Perficient, Inc.	1.57	0.46

InMode Ltd. (INMD) is a leading global medical aesthetics company; its devices enable minimally invasive procedures using radio frequency technology. Elevated demand for INMD products continues, particularly for its recently launched hands-free platforms. Earnings guidance reflects robust underlying demand from patients & physicians, strong commercial execution, and product pipeline opportunities in new categories like OB-GYN, ophthalmology, ENT, and dermatology.

SPS Commerce, Inc. (SPSC) provides supply chain management solutions through an online software suite to retailers, suppliers, and logistics customers. Growth continues to be supplied by the retail industry's adoption of SPSC's e-commerce fulfillment solutions. A stabilizing retail environment, heightened supply chain concerns, and increased interest in analytics products from customers should support revenue growth ahead.

Vicor Corp. (VICR) designs and manufactures modular power components and complete power systems for high-performance applications in computing, industrial equipment and automation, communications and network infrastructure, and transportation. Growth came from the increased adoption of VICR 48-volt power modules by data centers and other high powered applications. With a new manufacturing facility coming online early next year, the company's dependency on outsourcing partners is expected to be reduced, improving both revenue visibility and profitability.

Power Integrations, Inc. (POWI) is a leading designer of semiconductor components for power converters and the market leader in integrated circuit power supplies. Demand for POWI products remains strong, fueled by market share gains and the impact of secular trends such as energy efficiency, electrification, advanced charging for mobile devices, and smart appliances. The company is also seeing increased traction in new higher power and greenfield opportunities, supporting the long-term growth outlook.

Perficient, Inc. (PRFT) is an IT services firm specializing in the digital transformation of business operations and processes. PRFT is benefiting from increasing cloud adoption and investment in digital transformation by its clients, which is resulting in multi-year growth opportunities. PRFT raised its long-term organic growth guidance from ten percent to the mid-teens. Margins are also expected to improve further as a result of organic growth and an mix of business that is trending towards higher margin offshore and nearshore projects.

Detractors

Stock	Avg. Weight%	Detraction%
Avid Technology, Inc.	1.98	-0.69
Mercury Systems, Inc.	0.96	-0.43
PGT Innovations, Inc.	2.02	-0.40
Supernus Pharmaceuticals, Inc.	2.04	-0.34
ESCO Technologies, Inc.	1.64	-0.31

Avid Technology, Inc. (AVID) is a leading developer of software and integrated solutions for video and audio content creation, management, and distribution. Although quarterly results were in line, the company saw a sequential decline in subscription revenue and a slowdown in net subscriber additions. The decline in subscription revenue was primarily due to increased revenue recognition in the prior quarter. Management expressed confidence in full-year targets as underlying trends continue to be positive.

Mercury Systems, Inc. (MRCY) is a defense electronics company providing critical sensors and systems for use onboard military aerospace platforms. Quarterly results continue to be weak due to delays in the finalization of the U.S. defense budget, execution issues at some customers, and political uncertainty. Management guided to flat organic growth compared to previous expectations of mid-to-high single digits, the slowdown lasting longer than previous expectations.

PGT Innovations, Inc. (PGTI) is a leading manufacturer of specialty windows and doors for the residential and commercial building markets. Strong underlying demand trends in repair and remodeling and new construction supported revenue growth. However, with higher costs and inefficiencies offsetting this growth in the near term, management lowered full-year guidance. Looking ahead, pricing actions and supportive demand should result in the sequential improvement of margins for the remainder of the year.

Supernus Pharmaceuticals, Inc. (SUPN) is a specialty pharmaceuticals company focused on Central Nervous System (CNS) disorders. SUPN is one of the few companies with a well-established commercial drug portfolio specifically used to treat CNS disorders such as epilepsy and migraines. While quarterly results were better than expected, uncertainty around its new drug Qelbree will remain until there's visibility into adoption trends during the important back-to-school season. The stock underperformed along with the pharma/biotech sector.

ESCO Technologies, Inc. (ESE) is a multi-industrial that produces engineered products and systems used for utility, industrial, aerospace, and commercial applications. Growth was negatively impacted by operational issues related to new product development on the defense side, resulting in an inventory write-off. Additionally, recovery in the Aerospace and Defense and Utility end markets is taking longer than expected. With the operational issues behind them and an elevated backlog, management expects results to improve later in 2021 and into 2022.

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 Small Cap 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.

3Q 2021 Transaction Summary

Sector Allocation Changes	Purchased	Sold
• Increase in Information Technology • Decrease in Industrials	• Perficient, Inc. (PRFT) - Information Technology • TechTarget, Inc. (TTGT) - Information Technology	• QAD, Inc. (QADA) - Information Technology • Mercury Systems, Inc. (MRCY) - Industrials

Purchased

Perficient, Inc. (PRFT) is an IT services firm specializing in the digital transformation of business operations and processes. PRFT is benefiting from increasing cloud adoption and investment in digital transformation by its clients, which is resulting in multi-year growth opportunities. The accelerating growth outlook has prompted management to raise its long-term organic growth guidance from ten percent to the mid-teens. Margins are also expected to improve further as a result of organic growth and an mix of business that is trending towards higher margin offshore and nearshore projects.

TechTarget, Inc. (TTGT) is a data/analytics leader and software provider for purchase intent-driven marketing and sales data which can help drive higher return on investment for its client's sales and marketing spend. TTGT's unique platform helps technology vendors to promote their offerings and technology buyers to inform their purchase. Growth accelerated in recent quarters as customers increasingly allocated marketing budgets towards digital platforms in a post-pandemic world, supporting long term guidance for growth in the mid-teens.

Sold

QAD, Inc. (QADA) is a leader in cloud-based enterprise software solutions for global manufacturing companies. The stock was sold from the Portfolio after the company agreed to be acquired by private equity-backed Thomas Bravo.

Mercury Systems, Inc. (MRCY) is a defense electronics company providing critical sensors and systems for use onboard military aerospace platforms. Quarterly results continue to be weak due to delays in the finalization of the U.S. defense budget, execution issues at some customers, and political uncertainty. Management guided to flat organic growth compared to previous expectations of mid-to-high single digits, the slowdown lasting longer than previous expectations.

Positioning

Investments are predicated on a company's future prospects rather than economic or market cycles. We seek companies with strong fundamentals, emphasizing earnings growth consistency, free cash flow, and solid balance sheet metrics. There were two purchases and two sales during the quarter, and they are reflective of this philosophy. These combined transactions essentially increased the Portfolio's Information Technology weighting while reducing its Industrials weighting.

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

Information is as of 9/30/2021

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.

Congress Asset Management Co.
Small Cap Growth Composite
7/1/2013 - 12/31/2020

Year	Total Return Gross of Fees %	Total Return Net of Fees %	Russell 2000 Growth Return % (dividends reinvested)	Composite Gross 3-Yr annualized ex-post St Dev (%)	Russell 2000 Growth 3-Yr annualized ex-post St Dev (%)	Number of Portfolios	Gross Dispersion %	Total Composite Assets End of Period ($ millions)	% of composite represented by non fee paying accounts	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	35.8	35.3	34.6	23.8	25.1	206	1.64	84	<1%	10,746	5,523	16,269
2019	22.9	22.5	28.5	16.9	16.4	128	0.90	41	<1%	8,445	4,083	12,528
2018	2.1	1.7	-9.3	17.4	16.5	103	0.69	30	<1%	7,102	3,132	10,234
2017	22.4	22.0	22.2	14.8	14.6	69	0.62	25	<1%	7,272	3,274	10,546
2016	17.3	16.9	11.3	16.2	16.7	15	n/a	9	1%	5,693	2,445	8,139
2015	3.0	2.8	-1.4	n/a	n/a	≤5	n/a	1	n/a	5,941	1,153	7,094
2014	6.1	5.9	5.6	n/a	n/a	≤5	n/a	0.6	n/a	6,328	1,121	7,449
6/30/13 – 12/31/13	23.0	22.9	22.0	n/a	n/a	≤5	n/a	0.6	n/a	6,489	978	7,467

#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. 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. The Small Cap Growth Composite has had a performance examination for the periods 1/1/18 – 12/31/20. The verification and performance examination reports are available upon request.

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 Small Cap Growth Composite is July 1, 2013, 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 small cap growth style for a minimum of one full month. The small cap growth strategy invests in the equity of high quality companies with market capitalizations between $300 million and $4 billion (at the time of purchase) exhibiting consistent earnings 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 Russell 2000 Growth Index. The benchmark returns are not covered by the report of the 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 prior to 2016 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. The management fee schedule and expense ratio for the Small Cap Growth Fund Institutional Shares is 0.85% and 1.00%, respectively. The management fee schedule and expense ratio for the Small Cap Growth Fund Retail Shares is 0.85% and 1.25%, respectively.

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.