CONGRESS ASSET MANAGEMENT COMPANY

4Q 2020

Portfolio Commentary

Large Cap Growth

Market Review

A tumultuous year has drawn to a close. Good riddance to 2020 – a year in which most everyone experienced social, personal, and economic upheaval at a previously unimaginable level. In contrast, since March, the stock market has been a sea of tranquility with steadily rising prices. The dichotomy between the pandemic-induced economic collapse and stock prices is wider than the typical divergence. It reflects investors' reliance on central bank and government responses at the onset of the pandemic and anticipates a robust 2021 recovery. The sanguine view is largely dependent on the salutary effects of low interest rates and stimulative government actions propping up the economy as it transitions to more traditional growth drivers.

The actions by the Federal Reserve (Fed) since March have been multifaceted with the explicit intent of keeping interest rates low and by extension enticing investors to accept stock market like risk. Jawboning has been important also. Promises to keep short rates unchanged until inflation is consistently over 2% send a strong message that the Fed is willing to let the economy run hotter and for a longer period than it has in the past. The cumulative effect of these actions is positive for risky assets as record low interest rates resulted in negative real yields.

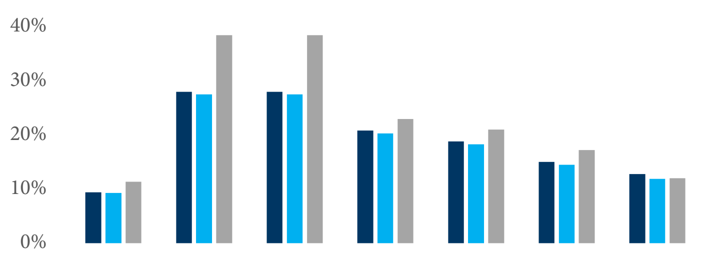
By most measures, the Fed's response to the pandemic must be viewed as successful. Liquidity, as measured by the supply of money has ballooned providing funding for lenders and borrowers. Corporate bond issuance shattered all records ensuring liquidity for issuers and assuaging bond investors. The interest burden for newly issued bonds is far lower than it was just a year ago. Proceeds have been used to retire higher cost debt, replenish inventory depleted during the pandemic, or kept dry for investment in the forthcoming year.

Performance Overview

The Congress Large Cap Growth Portfolio ("The Portfolio") returned 9.4% (gross of fees) during the Fourth quarter, while the Russell 1000 Growth Index ("The Index") returned 11.4%.

The Portfolio benefited from security selection in Information Technology, Industrials, and Financials. However, security selection in Consumer Discretionary, Materials, and Communication Services detracted from performance. In addition, an overweight allocation to Financials hindered performance during the quarter.

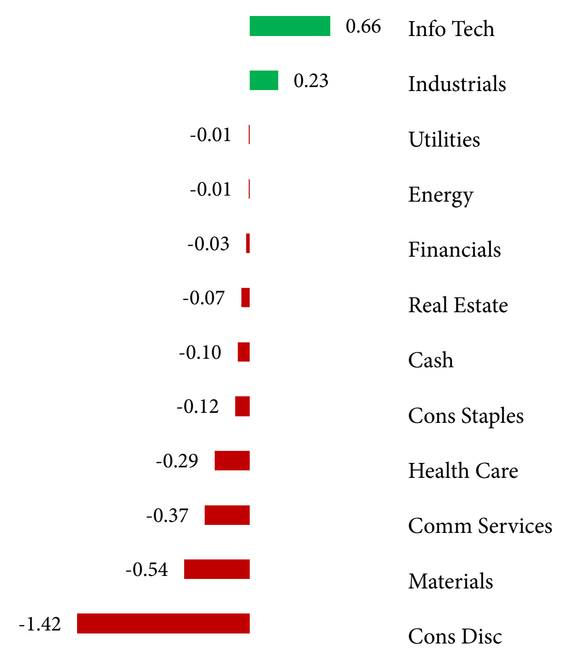
Average Annualized Performance % as of 12/31/2020



	QTD	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception 1/1/1985
Large Cap Growth (Gross)	9.4	28.0	28.0	20.8	18.8	15.0	12.8
Large Cap Growth (Net)	9.3	27.5	27.5	20.3	18.3	14.5	11.9
Russell 1000 Growth©	11.4	38.5	38.5	23.0	21.0	17.2	12.0

Performance is preliminary and subject to change

% Total Effect Portfolio[1] vs. Index (9/30/2020 - 12/31/2020)



This information is supplemental to the GIPS Composite Report on page 4

[1]The information shown is for a representative account as of 12/31/2020. Actual client account holdings and sector allocations may vary.

4Q 2020 Attribution Highlights

Overall Contributors

- Security selection in Information Technology, Industrials & Financials

Overall Detractors

- Security selection in Consumer Discretionary, Materials & Communication Services
- Overweight allocation to Financials

Top 5 Contributors

Stock	Avg. Weight%	Contribution%
Paycom Software, Inc.	2.09	0.78
IDEXX Laboratories, Inc.	2.94	0.74
PayPal Holdings Inc	4.52	0.67
First Republic Bank	2.05	0.63
Ciena Corporation	1.75	0.53

Bottom 5 Detractors

Stock	Avg. Weight%	Detraction%
Vertex Pharmaceuticals Inc.	1.67	-0.28
Air Products and Chemicals, Inc.	2.24	-0.19
S&P Global, Inc.	1.56	-0.15
Home Depot, Inc.	2.43	-0.08
Crown Castle International Corp.	1.91	-0.07

Paycom Software, Inc. (PAYC) provides cloud-based human capital and payroll management solutions. Growth reaccelerated from the trough in the prior quarter as the company continues to see demo leads, close rates, business starts, and bookings at record levels. PAYC is also beginning to regain lost revenue from lower employment levels by adding new clients.

IDEXX Laboratories, Inc. (IDXX) develops, manufactures, and distributes products and services for the veterinary, livestock and poultry, dairy, and water testing markets. IDXX continues to benefit from the sharp V-shaped recovery in the companion animal healthcare market as it reported a strong double digit organic growth rate during the quarter.

PayPal Holdings, Inc. (PYPL) is an online payment platform that enables digital and mobile payments on behalf of consumers and merchants worldwide. PYPL is a clear beneficiary of the shift to digital forms of payment as net new additions rose over 65% during the quarter.

First Republic Bank (FRC) is a rapidly growing private bank serving high net worth clients and businesses primarily in California (64% of loans) as well as New York and Boston with a differentiated, client-centric business model that includes a "quarterback" for every relationship. The company is very well positioned to outperform its peers in the current environment due to its unique business model, high underwriting standards, and focus on a high-net-worth client base.

Ciena Corporation (CIEN) is a global supplier of telecommunications networking equipment, software, and services. The company is experiencing success due to strategic new network deployments in accounts where it has been taking market share as well as capturing market share from smaller optical systems vendors.

Vertex Pharmaceuticals, Inc. (VRTX) develops and commercializes therapies for the treatment of cystic fibrosis. The company participates in a cystic fibrosis market that is expected to reach $13.9 billion by 2025. The stock's underperformance was primarily due to the discontinuation of its alpha-1 antitrypsin (AAT) VX-814 program. However, the company does have another AAT drug (VX-864) in the pipeline that is currently in Phase 2 Proof of Concept study.

Air Products and Chemicals, Inc. (APD) is the world's largest supplier of hydrogen and has built positions in growth markets such as helium and natural gas liquefaction. The stock's performance was negatively impacted by a project delay as well as management not providing guidance.

S&P Global Inc. (SPGI) is comprised of four businesses; it operates one of the two key rating agencies, a top index platform, a small but growing desktop/data provider to financial markets, and Platts, a leading provider of information and benchmark prices for the commodities/energy market. During the quarter, SPGI announced the $44B acquisition of IHS Markit (INFO). Strategically, the deal was viewed positively, but there was some skepticism around the revenue synergies that management expects to achieve.

Home Depot Inc. (HD) is the world's largest home improvement specialty retailer with over 2,200 retail stores in North America. The company continues to benefit from the pandemic as it reported another strong quarter fueled by positive results across virtually all sales metrics. The concern going into next year is whether there is further potential upside. In addition, recent U.S. housing data reported existing home sales posting its first decline in six months while new home sales fell sharply and pending home sales fell for the third consecutive month. However, it is worth noting that all housing metrics remain at very elevated levels.

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. The ramp up in tower leasing activity from T-Mobile post their acquisition of Sprint that was expected to start this quarter was pushed out until 2021. While disappointing to investors, the delay is simply a timing issue.

4Q 2020 Transaction Summary

Sector Allocation Changes	Purchased	Sold
• Increase in Information Technology	• Global Payments Inc. (GPN) - Information Technology	• none

Purchased

Global Payments Inc. (GPN) is a leading pure play payment technology company providing payment and software solutions to approximately 3.5 million merchant locations and over 1,300 financial institutions globally. The company is seeing a rebound in its Merchant Solutions segment as global economies improve. Additionally, it is attaining significant operating leverage from the Total System Services (TSS) synergies and cost cutting initiatives related to the pandemic. There are also strong opportunities and competitive advantages to target small and medium size business with its software strategy and partnership with Amazon Web Services (AWS).

Sold

None

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 was one purchase during the quarter, and this is reflective of this philosophy. This transaction essentially increased the Portfolio's Information Technology weighting.

Outlook

Central bank stimulus is a global phenomenon and is anticipated to last through 2021. The Fed's QE largess is joined by the central banks of some of our major trading partners and is anticipated to total over $300 billion monthly. For now, these actions are keeping the embers aglow. Whether the central banks can control the flames in a post-pandemic economy remains to be seen.

In the U.S. fiscal stimulus has helped but the recovery since March has been uneven. Small business, lower income earners, and those that cannot work remotely are struggling. The Covid 19 recession is the first recession in which aggregate incomes and savings increased. The recently passed $900 billion stimulus is partially intended to assist the strugglers. All told the U.S. is spending the equivalent of 15% of GDP on fiscal relief programs.

There are concerns that the winter months and renewed lock downs will cause a double dip recession. This is unlikely. Consumers and businesses have altered spending habits; bolstering housing and home improvement, technology including software and devices, and health care. Also, manufacturing has begun to recover as inventory needs to be replenished and supply chains re-built. The leisure, entertainment and travel sectors continue to face existential threats and likely will not recover until well into 2021. The strengths however outweigh the negatives.

More likely, as 2021 progresses and vaccine distribution increases, the economy will experience a profound snap back. Savings have accumulated and are up 12.9% from last year and stand at a high level. Pent up demand for experiential activities should supplement spending on housing and autos, not replace it. In addition, the job market continues to heal, supporting growth into 2022.

Europe's recovery should roughly coincide with the U.S. Much of Asia is already recovering, presenting the prospect of a synchronized global expansion later this year.

Post the pandemic, attention may focus on some meaningful macro issues. Trade policy is in flux worldwide. In the U.S., the focus is on job restoration and domestic manufacturing. In Europe, the U.K. has left the European Union necessitating new U.K agreements. Worldwide, countries are increasingly questioning China's motives. Cyber security provisions are likely to become increasingly important in this realm.

Regulators are also lurking in the background, mostly focused on big tech. In December alone Alphabet, Google's owner was hit with two distinct state level lawsuits and the Federal Trade Commission filed suit against Facebook. Europe has numerous initiatives ongoing with a similar focus. Not to be outdone, China has moved against both Alipay Group and Ant Group, two massive internet companies. Regulatory actions generally focus on a company or industry group and have less macro-economic or market effect. Sustained regulatory pressure could, however, threaten technology's stock leadership in the future.

The global economies are healing. Monetary and fiscal support have created a path to renewed growth. The U.S. is proving its resilience and is poised for above trend growth later in 2021. Stock returns are likely to be more pedestrian in the near term as earnings, which were depressed in 2020, need to catch up with prices. Still, with interest rates at record lows, stocks present the best intermediate and longer-term option for capital growth.

Information is as of 12/31/2020

Congress Asset Management Co. Large Cap Growth Composite 1/1/2010 - 12/31/2019

Year	Total Return Gross of Fees %	Total Return Net of Fees %	S&P 500 Return % (dividends reinvested)	Russell 1000 Growth Return % (dividends reinvested)	Composite Gross 3-Yr annualized ex-post St Dev (%)	S&P 500 3-Yr annualized ex-post St Dev (%)	Russell 1000 Growth 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	34.4	33.9	31.5	36.4	11.5	11.9	13.1	114	0.82	207	8,445	12,528
2018	2.5	2.1	-4.4	-1.5	10.5	10.8	12.1	80	0.3	136	7,102	10,234
2017	27.2	26.6	21.8	30.2	9.9	9.9	10.5	78	0.58	111	7,272	10,546
2016	5.6	5.1	12	7.1	10.7	10.6	11.2	81	0.43	98	5,693	8,139
2015	2.8	2.2	1.4	5.7	11.1	10.5	10.7	28	0.49	65	5,941	7,094
2014	10.1	9.5	13.7	13.1	10.1	9	9.6	30	0.47	89	6,328	7,449
2013	30.5	30	32.4	33.5	12.5	11.9	12.2	35	0.5	233	6,489	7,467
2012	11.9	11.5	16	15.3	15.2	15.1	15.7	39	0.4	302	6,755	7,498
2011	3.5	3.1	2.1	2.6	17	18.7	17.8	45	0.66	463	6,329	7,014
2010	11.8	11.3	15.1	16.7				50	0.31	537	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®) 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. 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. The Large Cap Growth Composite has been examined for the periods 1/1/96 – 12/31/19. 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 Large Cap Growth Composite was created on January 1, 1993 and the inception date of the composite is January 1, 1985 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 $100 thousand (US dollars) managed in the large cap growth style for a minimum of one full month. The large cap growth strategy invests in the equity of high quality companies with market capitalizations greater than $5 billion exhibiting consistent earnings growth. The strategy may also invest from time to time in equity securities with capitalizations between $1 billion and $5 billion. Accounts with wrap commissions are excluded from the composite. Prior to January 1, 2016 the composite minimum was $500 thousand (US dollars). Prior to September 1, 2005 the composite did not include taxable accounts, private client accounts, or accounts with less than $1 million. The primary composite benchmark is the S&P 500 Index. The secondary benchmark is the Russell 1000 Growth 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 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, composites are 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 Large Cap Growth composite, which was 1.00%. 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 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 2010 as it is not required for periods prior to 2011. Prior to January 1, 1998 the equity returns of eligible balanced accounts were carved out and included in composite returns. These carveout returns were calculated by splitting each balanced account, extracting the equities data along with a pro-rata share of each cash transaction. Prior to January 1, 1993 the composite is not in compliance with GIPS.

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.