

# MID CAP GROWTH STRATEGY

Inception 10/1/1999



CONGRESS ASSET  
MANAGEMENT COMPANY, LLP

Third Quarter 2023

## Firm Overview

Founded	1985
Investment Professionals	26
Enterprise Assets*	\$18.9bn
Total Strategy Assets*	\$5.9bn

\*Totals include model management assets.

## Key Investment Tenets

<b>GROWTH</b>	<ul style="list-style-type: none"> <li>Positive revenue and earnings growth</li> <li>Strong competitive position in stable, expanding industry</li> </ul>
<b>PROFITABILITY</b>	<ul style="list-style-type: none"> <li>Positive earnings</li> <li>Free cash flow positive</li> <li>Established profit margins</li> </ul>
<b>FRANCHISE</b>	<ul style="list-style-type: none"> <li>Management focused on core business and aligned with stakeholders' interests</li> <li>Prudent use of debt and leverage</li> </ul>
<b>VALUATION</b>	<ul style="list-style-type: none"> <li>Evaluate relative to history, peers, and economic conditions</li> </ul>

## Portfolio Construction

- 35 to 45 securities
- Market capitalization at initial purchase between \$800 million and \$30 billion
- Industry exposure not to exceed 25% and no more than 5% to any one security, in general
- Fully invested with a cash allocation not in excess of 5%
- Average annual turnover of 25-50%

## Average Annualized Performance % as of 9/30/2023

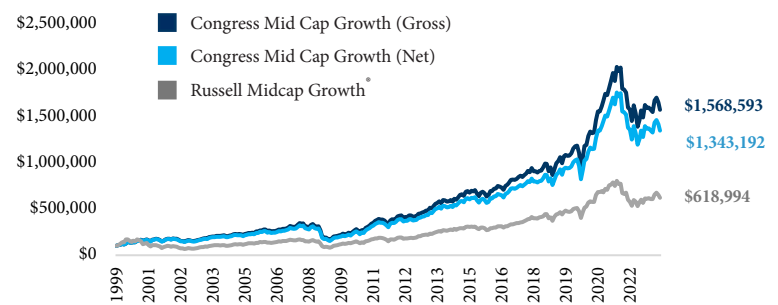
	QTD	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception 10/1/1999
Congress Mid Cap Growth Composite (Gross of Fees)	-5.9	5.6	13.3	6.1	9.7	11.4	12.2
Congress Mid Cap Growth Composite (Net Fees)	-6.1	5.2	12.8	5.5	9.2	10.9	11.4
Russell Midcap Growth <sup>®</sup>	-5.2	9.9	17.5	2.6	7.0	9.9	7.9

Data is as of 9/30/2023. Sources throughout this presentation: Congress Asset Management, FactSet, Russell Investments, and Morningstar Direct. The information throughout this presentation is for illustrative purposes and is subject to change at any time. Holdings and sector weightings 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. This information is supplemental to the GIPS Report. Performance returns of less than one year are not annualized. This managed account strategy involves risk, may not be profitable, may not achieve its objective, and may not be suitable or appropriate for all investors. Investors should consider the investment objectives, risks, and fees of this strategy carefully with their financial professional before investing. <sup>1</sup>The information shown is for a representative account as of 9/30/2023. Actual client account holdings and sector allocations may vary. 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

Characteristics <sup>1</sup>	Representative Mid Cap Growth Account	Russell Midcap Growth <sup>®</sup>
P/E Trailing 12 months	22.1x	23.9x
5-Yr EPS Growth Rate %	19.8	21.7
Price/Book	4.7x	9.2x
Return on Equity %	23.8	19.5
Long Term Debt/Capital %	36.4	52.2
Active Share %	89.7	--
Market Cap (Wtd Avg)	\$14.4bn	\$24.3bn
Number of Holdings	40	335
1 Yr. Turnover %	39.3	--

Risk/Return 10/1/1999 - 9/30/2023	Congress Mid Cap Growth (Gross)	Congress Mid Cap Growth (Net)	Russell Midcap Growth <sup>®</sup>
Standard Deviation	19.32	19.29	23.97
Beta	0.73	0.73	1.00
Sharpe Ratio	0.61	0.57	0.37
Alpha	5.30	4.64	--
Up Capture Ratio	94.2	92.2	100.0
Down Capture Ratio	66.0	67.5	100.0

## Growth of \$100,000 10/1/1999 through 9/30/2023



Performance is preliminary and subject to change at any time.

### Top 10 Active Holdings<sup>1</sup> as of 9/30/2023

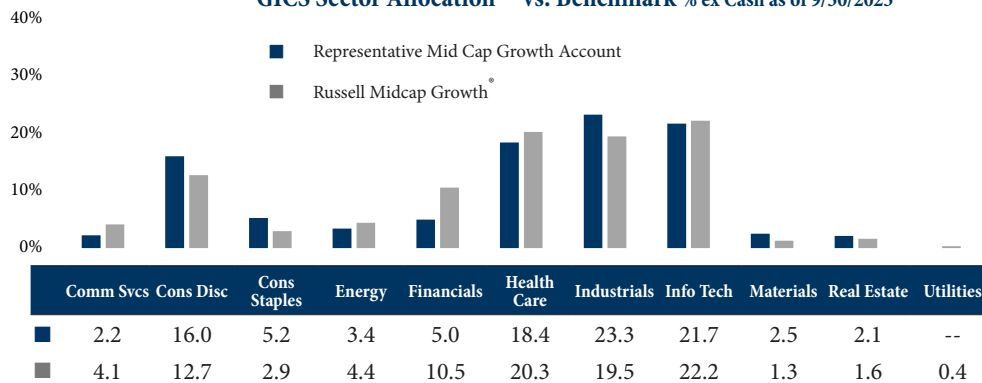
Qualys, Inc.	3.4
ChampionX Corporation	3.4
Deckers Outdoor Corporation	3.3
Saia, Inc.	3.2
SPS Commerce, Inc.	3.0
West Pharmaceutical Services, Inc.	3.0
nVent Electric Plc	2.9
STERIS Plc	2.9
Crane Company	2.8
Booz Allen Hamilton Holding Co.	2.8
<b>Total:</b>	<b>30.6</b>

### Investment Committee

### Company Tenure

Todd Solomon, CFA	<i>Committee Chair</i>	2001
Gregg O'Keefe, CFA		1986
Amy Noyes, CFA		1996
John O'Reilly, CFA		2001
Aaron Fellows, CFA		2017

### GICS Sector Allocation<sup>1,2</sup> vs. Benchmark % ex Cash as of 9/30/2023



<sup>1</sup>The information shown is for a representative account as of 9/30/2023. Actual client account holdings and sector allocations may vary. <sup>2</sup>0.57% Cash and Cash Equivalents

The Russell Midcap Growth Index measures the performance of the Mid cap growth segment of the US equity universe. It includes those Russell Midcap companies with higher price-to-value ratios and higher forecasted growth values. **P/E Ratio** is the ratio of a company's share price to the company's earnings per share. **Price-to-Book ratio (Price/Book)** is a stock's price divided by the stock's per share book value. Market Capitalization measures the number of outstanding common shares of a given corporation multiplied by the latest price per share. **Weighted Average Market Capitalization** represents the average value of the companies held in the portfolio. When that figure is weighted, the impact of each company's capitalization on the overall average is proportional to the total market value of its shares. **Return on Equity** is equal to a company's net income for a full fiscal year, divided by total shareholder equity. **5-Year EPS Growth** is the average predicted annual earnings growth over the next five years based on estimates provided to Factset. **Active Share** is a measure of the stock holdings in a portfolio that differ from the stated benchmark index. **Long Term Debt to Capital** is a solvency measure that shows the degree of financial leverage a firm takes on. **Standard Deviation** is a measure of the dispersion of a set of data from its mean. It is used by investors as a gauge for the amount of expected volatility. **Sharpe Ratio** is a risk-adjusted measure, calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical adjusted performance. **Alpha** is a measure of the difference between actual returns and expected performance, given the level of risk as measured by Beta, where Beta measures sensitivity to benchmark movements. **Beta** is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the entire market or a benchmark. **Upside Capture ratio** measures the manager's overall performance to the benchmark's overall performance, considering only months that are positive in the benchmark. An Upside Capture Ratio of more than 100% indicates a manager who outperforms the relative benchmark in the benchmark's positive months. **Downside Capture ratio** is the ratio of the manager's overall performance to the benchmark's overall performance, considering only months that are negative in the benchmark. A Downside Capture Ratio of less than 100% indicates a manager who outperforms the relative benchmark in the benchmark's negative months and protects more of a portfolio's value during down markets.

### Congress Asset Management Co. Mid Cap Growth Composite 1/1/2013 - 12/31/2022

Year	Total Return Gross of Fees%	Total Return Net of Fees%	Russell Mid Cap Growth Return % (dividends reinvested)	Composite Gross 3-Yr annualized ex-post St Dev (%)	Russell Mid Cap 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 Advisory-Only Assets End of Period (\$ millions)	Total Firm Assets End of Period # (\$ millions)
2022	-26.7	-27.0	-26.7	23.0	24.5	758	0.81	2,307	10,083	6,799	16,882
2021	30.6	30.0	12.7	18.3	20.2	719	0.41	3,243	12,778	8,018	20,796
2020	32.0	31.4	35.6	19.8	21.5	629	1.14	2,729	10,746	5,523	16,269
2019	35.8	35.2	35.5	12.8	13.9	558	0.49	954	8,445	4,083	12,528
2018	-3.5	-3.9	-4.8	12.2	12.8	506	0.45	850	7,102	3,132	10,234
2017	17.7	17.2	25.3	10.8	10.9	447	0.65	763	7,272	3,274	10,546
2016	13.9	13.3	7.3	12.0	12.2	105	0.54	431	5,693	2,445	8,139
2015	1.9	1.4	-0.2	11.4	11.3	50	0.42	221	5,941	1,153	7,094
2014	13.0	12.4	11.9	10.8	10.9	41	0.51	145	6,328	1,121	7,449
2013	37.9	37.3	35.7	13.2	14.6	35	0.38	84	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 – 12/31/22. 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 Mid Cap Growth Composite has had a performance examination for the periods 10/1/99 – 12/31/22. 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 Advisers 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 Mid Cap Growth Composite is October 1, 1999, 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 portfolios with a value over \$100 thousand (US dollars) managed in the mid cap growth style for a minimum of one full month. The mid cap growth strategy invests in the equity of high-quality companies with market capitalizations between \$800 million and \$15 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 \$500 thousand (US dollars). Prior to September 1, 2005, the composite did not include private client accounts or accounts with less than \$1 million. The primary composite benchmark is the Russell Midcap 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. The % of the composite represented by non-fee paying accounts at annual period end was 100% 1999-2001, 36% in 2002, 20% in 2003, 15% in 2004, 13% in 2005, 22% in 2006 and 18% in 2007. A list of composite descriptions, a list of broad distribution pooled funds, and a list of limited distribution pooled fund descriptions 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. Prior to 2007 net of fees returns were calculated by reducing gross returns by 1/4th of the highest management fee in the Mid Cap Growth Composite, which was 1.00%, applied quarterly. 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.

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 Mid Cap Growth Fund Institutional Shares is 0.60% and 0.79%, respectively. The management fee schedule and expense ratio for the Mid Cap Growth Fund Retail Shares is 0.60% and 1.04%, respectively. The management fee schedule for the Mid Cap Growth Collective Investment Trust is 0.68%.

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, nor does it warrant the accuracy or quality of the content contained herein.