

Highlights

- *The portfolio generated strong absolute returns trailing the Russell 1000 Growth Index and outperforming the S&P 500 Index as markets continued their rebound led by e-commerce, technology and more economically sensitive companies*
- *Relative portfolio performance was negatively impacted primarily by stock selection, but also residual sector allocations during the quarter*
- *Stock selection in the Information Technology and Consumer Discretionary sectors accounted for the vast majority of relative underperformance due largely to stocks not owned; in contrast selection in the Health Care sector contributed to returns*
- *A new position in Thermo Fisher was initiated while the portfolio's position in Adobe was liquidated due to valuation considerations*
- *The portfolio is expected to generate revenue and earnings growth higher than that of the Russell 1000 Growth Index benchmark over the coming three years with greater predictability and sustainability*

Performance

Equity markets posted strong absolute returns for the quarter. SGA's portfolio returned 10.0% (gross) and 9.2% (net) in Q3 versus 13.2% for the Russell 1000 Growth Index and 8.9% for the S&P 500 Index, as equities continued to rebound on improving economic growth and corporate profitability. Year-to-date thru 9/30/20, the portfolio returned 23.8% (gross) and 21.1% (net) versus 24.3% for the Russell 1000 Growth Index and 5.6% for the S&P 500 Index.

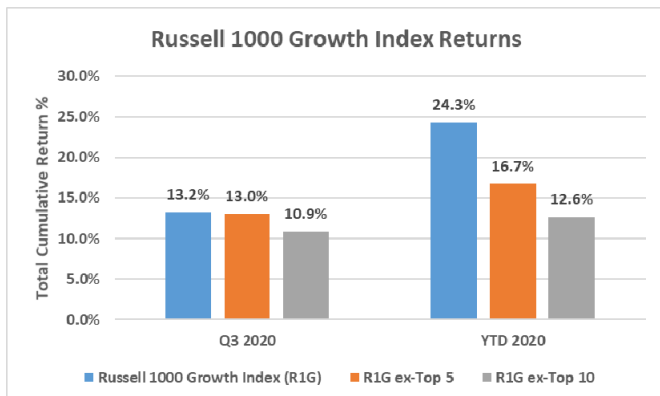
More Optimism for Recovery

Despite an ugly Q2 U.S. GDP report in August indicating that the U.S. economy shrank by -31.7% (annualized) during the period, equity markets continued to rally in July and August, rising 18.8%, on the back of Q2's advance of almost 28% (for the Russell 1000 Growth Index) as investors reacted to gains in PMI's, durable goods orders and employment, and anticipated

continued economic recovery. Concern over advancing COVID-19 caseloads in the Midwestern and Western sections of the U.S., as well as increased uncertainty over additional government assistance, put downward pressure on markets in September. The OECD (Organization for Economic Co-operation and Development) updated its 2020 forecast for U.S. economic growth from -7.3% at the end of June to -3.8%, as rising durable goods orders buoyed manufacturing, but the service side of the U.S. economy remained weak. At the same time, Eurozone growth declined -11.8% in Q2, slightly better than expected, boosted by better than expected recovery in Germany which helped offset further weakness in the UK, Spain and France. Growth in China was strongest of all with its economy growing 3.2% year-over-year in Q2, as it benefited from a strong recovery driven by government stimulus and continued containment of the COVID-19 virus.

Market and Portfolio Attribution

Sectors most heavily levered to e-commerce and improving global economic growth performed best during the quarter while more defensive sectors performed the worst. A surge in options trading centered on large technology stocks by big and small global investors magnified volatility. The Consumer Discretionary sector was the strongest performer but over two-thirds of its return was due to strong performances by Amazon and Tesla. Materials, Information Technology and Industrials also outperformed the Index for the period with returns of 15.0%, 14.9% and 13.4% respectively. While market leadership broadened during the quarter, a narrow band of e-commerce and technology related stocks accounted for a significant portion of the Russell 1000 Growth Index's returns. The portfolio's lack of exposure to Apple and Tesla negatively impacted relative performance by -2.3% in Q3 and -4.2% year-to-date. While we have owned Apple in the past, we have not owned it since 2017 due to concerns over the iPhone's secular growth. Additionally, Apple's services segment and wearables business, still do not have the scale or profitability to effectively move the earnings needle at the company. In the case of Tesla, the company's lack of recurring revenues, inherent cyclicity and the uncertainty over its ability to sustainably and predictably generate profit growth over our investment horizon, has led us to not include the stock on our Qualified Company List. Strong performances by Amazon, NVIDIA, Facebook, Microsoft, and Salesforce.com also contributed meaningfully to the Index's return.



Source: FactSet, Russell. Companies excluded based on largest index weights at 9/30/20.

More traditionally defensive sectors such as Utilities and Real Estate performed poorly amid the cyclical relief rally, and Energy which continued to be negatively impacted by low oil prices and possibly some growing concerns about increased regulation should a new administration enter the White House, performed worst.

Both stock selection and residual sector allocations detracted from the portfolio's relative performance in Q3. Stock selection in the Information Technology sector accounted for a vast majority of the portfolio's underperformance for the period with the decision to not own Apple detracting about -1.4% from the portfolio's relative return. Selection in the Consumer Discretionary sector was the second largest detractor, again driven by a position we did not own, as Tesla's shares continued to soar, detracting about 0.9% from relative returns. Stock selection in the Health Care and Real Estate sectors contributed positively due to positions in Intuitive Surgical, Danaher, Abbott, Thermo Fisher and Equinix. The portfolio's overweight in Health Care, one of the weaker performing sectors, and its underweight in Consumer Discretionary stocks also hurt relative performance.

Largest Contributors

Salesforce.com was the largest contributor to portfolio performance during the quarter. The company posted a strong Q2 and subsequently addressed key shorter-term and longer-term controversies having to do with revenue and backlog outperformance, and evidence of acquisition synergy in the form of Tableau growth acceleration. They also reported record margins and raised their guidance for both their top and bottom lines while reiterating that they are committed to integrating the company's recent acquisitions rather than initiating new M&A. This was well received by the market. Salesforce.com continues to be well positioned with a broad

suite of market leading "front office" software-as-a-service applications which generate attractive recurring revenue streams and have ample room to grow in the global salesforce management, customer service and marketing automation areas. In addition, we continue to expect further revenue synergies from the Tableau acquisition. We trimmed the position on strength during the period due to valuation, but maintained an average weight in the portfolio given our positive long-term growth expectations.

Nike was the second largest contributor to portfolio performance this quarter. The company reported an excellent quarter with both revenue and earnings significantly above our forecasts as the company continued to recover from pandemic-related weakness at a faster rate and with a sharp acceleration in North American and EMEA operations. We were pleased to see significant progress in Nike's key digital transformation where it is increasing its engagement with consumers and deepening their connection to the company's brands. We were also pleased to see accelerating penetration and growth in women's shoes and athletic leisurewear. Each of these initiatives portends longer-term benefits for the company and when combined with its impressive scale and ability to provide customers with a seamless shopping experience, should enhance competitive barriers further making it more difficult for competitors to duplicate. Accordingly, we maintained an above-average weight position in the stock, while trimming on recent strength.

Amazon was the third largest contributor to performance during the quarter as the company reported strong retail sales in North America and international markets which exceeded our estimates as well as the consensus. Given the very large step-up in retail sales this year due to the COVID-19 pandemic, earnings growth in 2021 will face difficult comparisons, but we continue to expect growth over our 3-5-year investment horizon to be strong. Profitability in the Retail segment of the business remained strong, as the company's systems continued to run at very high capacity, and expenses tied to travel and marketing declined. International also posted its first profit in some time. The company's Amazon Web Services (AWS) grew at a slightly slower rate of 29% during the period, but showed strong growth in new contracts. Margins in AWS remained strong. The company has continued to benefit from increased retail demand during the pandemic, experiencing impressive revenue and earnings growth. As the stock continues to fall within the top (most attractive) decile of our Discounted Cash Flow valuation model, we maintained an above-average weight position.

The fourth and fifth largest contributors to performance were **Abbott** and **Facebook**.

Largest Detractors

Next generation sequencing and genomic analysis leader **Illumina** was the largest detractor from returns this quarter after announcing an \$8 billion acquisition of GRAIL, a company focused on detecting cancer earlier through blood testing. The stock declined in excess of 20% on the deal's announcement given that Illumina agreed to a price that will lead to near term share dilution for existing shareholders in the area of 7% and EPS dilution in the area of 50% the first 12 months post-closing. The aggressive nature of the deal structure also further raised concerns over whether the company's core sequencing business is reaching maturity. Given the announcement, we initiated a Man Overboard Drill as we typically do in situations where there has been an event that potentially impacts our thesis for a company held in client portfolios. In this case, we first reviewed our original thesis for Illumina to determine whether the acquisition had negatively impacted our growth expectations for the business over our investment horizon. Based on our analysis, we continued to see Illumina dominating the growing DNA sequencing space, and saw no reason to believe that the number of applications including academic research, prenatal testing, and the diagnosis and treatment of cancer and other diseases had changed. Next, we determined that the new information would not impact our willingness to place Illumina on SGA's Qualified Company List. While not pleased with the near-term dilution resulting from the deal, the company expects it to be revenue growth accretive three years post the closing date. We concur with the advantages the combination will likely provide going forward as the company benefits from exposure to the large downstream market opportunity, and the enhanced scale of data of the merged business, which will help advance GRAIL's early-stage cancer-screening product and accelerate its commercialization. We also expect the deal to enable Illumina to accelerate the pace of its innovations to reduce the cost of sequencing and extend sequencing to other therapeutic areas. However, given the near term dilution expected and the longer-term nature of the ultimate benefit of the acquisition, we maintained the below-average size of the position, purchasing additional shares on the weakness, after having trimmed the position on strength earlier in the quarter.

Payments solutions provider **FleetCor** was the second largest detractor from results during the quarter as the company reported earnings results which disappointed some shorter-term focused investors. Revenues were in-line with our expectations with -17% organic revenue growth, however the

recovery in their Fuel Card is a little slower than our expectations. Retention levels remained steady at 91%, which should bode well for future growth as volumes recover. FleetCor's Corporate Payments segment declined 17% organically, but showed positive recovery trends through the quarter, although within this segment a recovery in T&E products remains challenged. Its Brazilian Toll business surprised positively, growing 3% organically with an increase of 5% in average monthly tags. The announcement of CFO Eric Dey's retirement was a surprise and may have weighed on the stock as well. We came away impressed with Charles Freund, his successor, following a subsequent conversation with him during the month. Our longer-term thesis remains intact and we continue to have high conviction in FleetCor's growth opportunity moving forward.

Regeneron was the third largest detractor from performance despite reporting solid revenue and earnings growth of 24%+ and 19%+ respectively. Sales held up better than expected in spite of the COVID-19 pandemic and its affects, with the firm's atopic dermatitis drug Dupixent and its immuno-oncology drug Libtayo posting strong growth of 70% and 85% respectively. Eylea sales, which still generate the vast majority of the company's overall sales, were down about 6% which was in line with our expectations. The company continues to work toward an effective COVID-19 therapeutic cocktail, but we do not include that in our forecasts given the high degree of uncertainty. We continue to think that Regeneron's pipeline is promising, however maintain a below-average weight position in the company given uncertainties related to the election and potential changes to drug pricing policies in the U.S.

The fourth and fifth largest detractors from returns were **Autodesk** and **Ecolab**.

Portfolio Activity

We continued to take advantage of significant market movements to actively reallocate capital from positions which were becoming less attractively valued to those growth businesses where valuation continued to appear attractive. We sold the portfolio's position in Adobe to initiate a new position in Thermo Fisher. Positions in PayPal, Alphabet, Salesforce.com, Intuitive Surgical and Linde were trimmed with their proceeds flowing to more attractively valued stocks including Union Pacific, Ball Corp, FleetCor, Visa and Yum! Brands.

New Positions

We initiated an average weight position in health care instrument and consumables company **Thermo Fisher** during the quarter. The company, which serves over 400,000 customers across 50 countries, was formed by the 2006 merger of Thermo Electron and Fisher Scientific and serves customers in the pharmaceutical, biotech, hospital, clinical diagnostic labs, university, government agency and industrial segments. It offers products ranging from analytical instruments, reagents, consumables, and services used in scientific research, drug development, manufacturing, diagnostics, to food and consumer product safety, and environmental testing.

Thermo Fisher benefits from strong pricing power in most of its businesses. Specifically, in the quickly growing biopharma market, which comprises about 40% of its revenues, the company has an especially strong value proposition with its customers as it supplies key components of their R&D and production processes while accounting for only a small portion of the overall customer R&D budget. In consumables which comprise about 52% of its revenues, Thermo Fisher has strong pricing power because many of its products are standardized into its customers' workflows for performance, consistency and regulatory reasons. The company also generates a significant level of recurring revenues, approximating 75% of its total, due largely to its consumables and services businesses. Thermo Fisher also enjoys a diverse clientele and deep C-suite relationships which help it to identify new customer needs earlier and develop technologies and applications to serve those needs. We also find the company's long-term growth runway to be quite attractive given its unmatched distribution scale, the breadth and depth of its capabilities and its broad service presence which provides it with a unique value proposition that is difficult for competitors to replicate. Its "one-stop-shop" offering for biopharma, research, healthcare, and industrial clients allow it to develop deeper and "stickier" client relationships. This, and the factors previously mentioned allow the company to grow at about 1.5 times its specific market growth rate.

Among the key risks we are monitoring at TMO are R&D trends and funding budgets at biopharma, academic, government and industrial firms, global demand for instruments, slowing in China (which accounts for about 11% of its revenues) or a de-emphasis of scientific research in the country's 14th Five-Year Plan covering 2021-2025.

Sold Positions

We liquidated the portfolio's position in design-software company **Adobe** due to valuation given the strong surge in the stock's price since we initiated the position. We continue to view the company's growth prospects positively, but determined that we could reallocate the capital to other more attractively valued growth opportunities.

Summary

As noted in previous letters, we expect the process of the global recovery from the pandemic to be a gradual and non-linear process with alternating periods of optimism and fear driven by economic hardships, changing data, virus resurgences and successes in developing therapeutics and vaccines. The massive global stimulus aimed at buoying the U.S. and global economies serves as a backstop during this process, but is not likely to eliminate these swings in investor emotions or the ensuing market volatility. Increased geopolitical conflicts, slow growth around the globe, ongoing trade tensions, rising debt levels and the U.S. elections are likely to continue to enhance this volatility. In periods when optimism reigns and those stocks most levered to an improvement in economic activity outperform, the consistent and predictable revenue and earnings growth generated by our portfolio isn't likely to be fully rewarded relative to the market. As we have seen in previous periods, we should generate strong absolute returns during these times and protect capital and generate strong relative returns when cyclical rebounds are replaced by steady single digit growth or economic weakness. Given the opportunities we see today in a wide array of truly unique and attractively valued growth businesses (based on our proprietary cash flow based valuation metrics), we are confident in the ability of our portfolio to compound mid-teens earnings growth over the next 3-5 years, and believe that this will continue to attract investor attention and benefit our clients over the long term.

Separately, we want to take this opportunity to say **thank you** to our clients who have partnered with us over the years as well as to our newer clients who have joined us over the course of 2020. We have experienced strong growth through the pandemic, and our team has remained healthy, stable and productive. We continue to focus on providing our clients superior returns and the best service and support possible, and to that end we are in the process of hiring another member of our client service team. We truly appreciate the confidence our clients are placing in SGA and we will continue to do our utmost to continue to earn your trust. We will manage our firm responsibly, factoring in our regular liquidity analysis to

ascertain firm capacity which remains at about \$30 billion. Thank you again for your continued support and we wish you all the best for the upcoming holiday season.

The opinions expressed herein reflect the opinions of Sustainable Growth Advisers, LP and are subject to change without notice. Past performance is no guarantee for future results. This information is supplemental and complements a full disclosure presentation that can be found with composite performance. The securities referenced in the article are not a solicitation or recommendation to buy, sell or hold securities. This commentary is provided only for qualified and sophisticated institutional investors.

Results are presented gross and net of management fees and include the reinvestment of all income. The Net Returns are calculated based upon the highest published fees. The net performance has been reduced by the amount of the highest published fee that may be charged to SGA clients, 3.00%, employing the U.S. Large Cap Growth WRAP equity strategy during the period under consideration. Actual fees charged to clients may vary depending on, among other things, the applicable fees schedule and portfolio size. SGA's fees are available upon request and also may be found in Part 2A of its Form ADV. The performance record presented for periods prior to July 1, 2003 occurred before to the inception of SGA and represents the portable performance record established by two of SGA's founders (and investment committee members) Gordon Marchand and George Fraise while affiliated with a prior firm. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Upon request, free of charge, SGA can provide a list of all portfolio holdings held in SGA's U.S. Large Cap Growth portfolio for the past year. SGA's earnings growth forecast data is based upon portfolio companies' non-GAAP operating earnings.

Period	Total Return				Number of Portfolios	Composite Dispersion	3 Year Standard Deviation			Total Assets at Period End (USD millions)	Total Return Assets at Period End (USD millions)	WRAP Accounts % of Composite Assets
	Before Fees	After Fees	Russell 1000 Growth Index	S&P 500 Index			SGA Composite	Russell 1000 Growth Index	S&P 500 Index			
April 1 - Dec. 31, 2000	3.27%	0.98%	-27.58%	-11.14%	25	-			394	-	0%	
2001	-5.17%	-7.99%	-20.42%	-11.89%	25	0.7%			305	-	0%	
2002	-14.71%	-17.27%	-27.88%	-22.10%	26	2.0%			558	-	0%	
2003	20.32%	16.81%	29.75%	28.08%	Five or Fewer	N/A	14.17%	22.66%	18.07%	747	777	0%
2004	9.96%	6.79%	6.30%	10.88%	6	N/A	12.08%	15.45%	14.86%	1,408	1,460	0%
2005	3.42%	0.36%	5.26%	4.91%	13	0.1%	9.04%	9.53%	9.04%	2,651	2,711	0%
2006	2.70%	-0.34%	9.07%	15.79%	15	0.1%	8.19%	8.31%	6.82%	3,457	3,512	0%
2007	4.88%	1.79%	11.81%	5.49%	17	0.2%	8.48%	8.54%	7.68%	2,883	2,920	0%
2008	-34.29%	-36.31%	-38.44%	-37.00%	16	0.3%	14.51%	16.40%	15.08%	1,324	1,360	0%
2009	46.24%	42.05%	37.21%	26.46%	16	0.4%	18.19%	19.73%	19.63%	1,589	1,711	0%
2010	13.20%	9.88%	16.71%	15.06%	19	0.3%	21.30%	22.11%	21.85%	1,508	1,500	0%
2011	4.83%	1.76%	2.64%	2.11%	25	0.3%	17.85%	17.76%	18.71%	1,637	2,586	0%
2012	21.09%	17.57%	15.26%	16.00%	41	0.3%	16.06%	15.66%	15.09%	2,819	4,278	0%
2013	27.94%	24.23%	33.48%	32.39%	53	0.4%	11.91%	12.18%	11.94%	4,084	5,511	6%
2014	9.41%	6.20%	13.05%	13.69%	52	0.3%	9.66%	9.59%	8.97%	3,842	5,332	6%
2015	9.38%	6.10%	5.67%	1.38%	53	0.3%	11.42%	10.70%	10.47%	4,296	5,318	6%
2016	1.81%	-1.20%	7.08%	11.96%	48	0.2%	12.24%	11.15%	10.59%	4,181	5,672	5%
2017	26.51%	22.84%	30.21%	21.83%	51	0.4%	11.46%	10.54%	9.92%	5,058	9,971	4%
2018	4.69%	1.60%	-1.51%	-4.38%	43	0.7%	11.78%	17.13%	10.87%	4,944	9,096	4%
2019	34.57%	30.68%	36.39%	31.49%	42	0.8%	11.37%	13.07%	11.93%	5,453	12,347	4%
2020 (September)	23.84%	21.14%	24.33%	5.57%	42	0.4%	16.88%	18.78%	17.49%	8,851	16,764	4%
Since Inception (April 1, 2000)	9.00%	5.79%	5.82%	6.07%			14.18%*	17.00%*	14.94%*			

N/A- Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.
* Since Inception Annualized Standard Deviation

Sustainable Growth Advisers, LP ("SGA") was formed in 2003 and is a registered investment advisor under the Investment Advisers Act of 1940. SGA manages portfolios of publicly traded equity assets according to its "Large Cap Growth Equity" investment approach for pooled funds, institutions, trusts and private accounts. SGA is an operationally independent investment management firm and an affiliate of Virtus Investment Partners. The SGA US Large Cap Growth WRAP Composite was created in July 2018. The firm maintains a complete list and description of all composites, which is available upon request.

Sustainable Growth Advisers, LP claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sustainable Growth Advisers, LP has been independently verified for the periods July 1, 2003 - December 31, 2019. The verification reports are 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. The SGA US Large Cap Growth WRAP composite has been examined for the periods July 1, 2003- December 31, 2019. The verification and performance examination reports are available upon request.

SGA US Large Cap Growth WRAP Composite contains fee-paying large cap growth equity portfolios under full discretionary management of the firm. Except as described above with respect to portability, no alteration of the composite as presented here has occurred because of changes in firm personnel. For comparison purposes the composite is measured against the S&P 500 and Russell 1000 Growth indices. Prior to January 2013, the composite included non-wrap accounts only. Sub-advisory wrap fee portfolios entered the composite beginning January 2013. Each sub-advisory relationship is included in the composite as one account.

The composite calculation has been appropriately weighted for the size of each portfolio on a time-weighted, total return basis. Monthly portfolio returns have been used in the construction of the composite. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm.

The U.S. Dollar is the currency used to express performance. Results are presented gross and net of management fees and include the reinvestment of all income. Gross returns for certain wrap and other bundled fee accounts have not been reduced by transaction costs. Composite gross returns for the periods that include wrap accounts are presented as supplemental information to the net returns. Bundled fees include management, transaction, custody and other administrative fees. Wrap fees include management, transaction, custody and other administrative fees. The Net Returns are calculated based upon the highest published fees. The net performance has been calculated by reducing the gross performance by the amount of the highest published wrap fee that may be charged to SGA clients, 3.00%, employing the U.S. Large Cap Growth WRAP strategy during the period under consideration. Actual fees charged to clients may vary depending on, among other things, the applicable fees schedule and portfolio size. SGA's fees are available upon request and also may be found in Part 2A of its Form ADV. For interest and capital gains, SGA does not withhold taxes. However, for dividends SGA will withhold taxes as reported by the client's custodian. Returns are calculated net of withholding taxes on dividends. The annual dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Indices are unmanaged, hypothetical portfolios of securities that are often used as a benchmark in evaluating the relative performance of a particular investment. An index should only be compared with a mandate that has a similar investment objective. An index is not available for direct investment, and does not reflect any of the costs associated with buying and selling individual securities or management fees. **Past performance is not indicative of future results.**

The standard wrap fee schedule in effect is 3.00% on total assets. Actual investment advisory fees incurred by clients used in the composite may vary from the standard fee schedule.

Risks:

Equity Securities: The market price of equity securities may be adversely affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small or medium-sized companies may enhance that risk. **Limited Number of Investments:** Because the fund has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a fund with a greater number of securities. **Market Volatility:** Local, regional, or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the portfolio and its investments, including hampering the ability of the portfolio manager(s) to invest the portfolio's assets as intended. 4093