Broadleaf Partners, LLC

Growth Equity Portfolio
Third Quarter Review
September 30, 2023

			Trailing	[--------------------------	------	----Annualized----	-----------------------	Since]
	Q3 2023	Year to Date	12 Months	3 Years	5 Years	10 Years	15 Years	Inception
Broadleaf	-2.5%	12.5%	17.2%	5.7%	12.7%	14.8%	13.9%	11.6%
S&P 500	-3.3%	13.1%	21.6%	10.2%	9.9%	11.9%	11.3%	9.4%

Performance Commentary

Fund Inception 8/18/05. Portfolio performance reflects Broadleaf's Growth Equity Composite, described more fully under the caption "Performance Disclosures." You are urged to read that information in its entirety in connection with any evaluation of Broadleaf's performance statistics. All figures are shown net of actual fees. Any assumed fees have been calculated on a pro forma basis, reflecting the highest fee levels that Broadleaf would charge clients per our disclosures in Part II of our Form ADV.

Market Review & Outlook - *Authored by Doug MacKay*

The markets continue to perform in a seemingly random, quarter-to-quarter fashion with few sustained leadership trends. Perhaps this still reflects the rolling nature of recession and recovery forces moving through various sectors of the economy since the onset of the pandemic, when we turned the lights of the economy off and then back on again, as perhaps we've never quite done before.

There have been moments of improved clarity from time to time this year, but the outlook remains cloudy, only a modest improvement from the clear-as-mud characterization we used earlier in the year. Overall economic growth remains strong and generally continues to improve, employment opportunities remain reasonably available to anyone who wants a job, and inflation is moving in the right direction, though still elevated and data dependent as it relates to the Fed's next moves. On the inflation front, Costco made encouraging comments on their recent earnings call a few days ago, foreseeing inflation at just 1-2% next quarter, and perhaps even less, compared to previous forecasts calling for 3-4% last year.

As an amateur photographer, I've learned to use different lenses for different purposes over the years as I attempt to capture subject matter in the best light. The iPhone has become an amazing tool for almost any shoot, with post production filters that can cover up many amateur mistakes. Occasionally, I'll still need my DSLR and a high speed lens to capture a quickly moving baseball, but with the kids out of school, far less so. While there is beauty in a closely focused shot that slows down the action – blurring the background, sometimes the more efficient approach is to take a video and then isolate a screenshot at the perfect time.

In the current investment climate, I am reminded of some of these photography tricks and the need to use different lenses for different purposes. In this vein, we are using three vantage points to make sense of the markets – the near term, the midterm, and the longer run. Each of these "lenses" has a purpose in capturing a view of reality, but may not necessarily portray the full picture. Time horizons, like lenses in photography, can sometimes help us understand what truths are actionable and likely to bear fruit from those that may be noisy or highly dependent on luck.

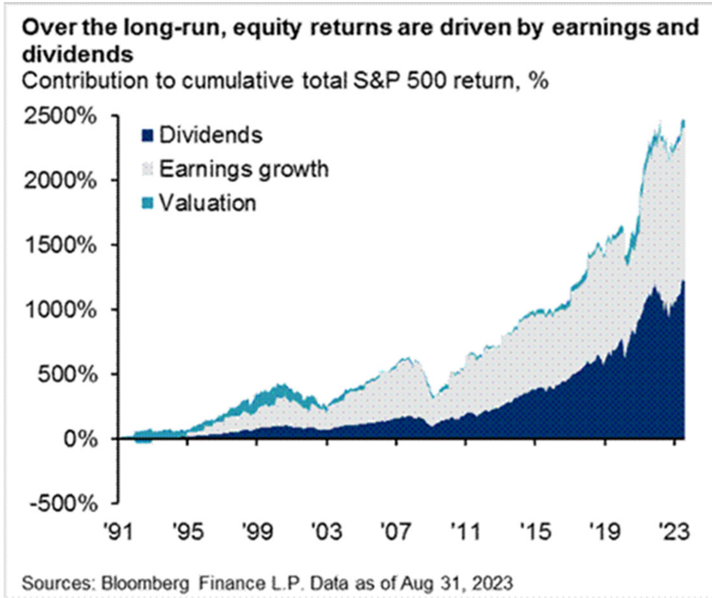
So what do our three lenses suggest about the market today?

In the very near term, say through the end of the year, we would liken the environment to final exams during our college years. Labor strikes, including the UAW, the potential for a government shutdown, and the resumption of student loan payments could all have the power to move markets in the short run. These concerns can raise anxiety levels, but fortunately tend to have discrete lifetimes. When I was in school, I hated exam week, but could always find comfort in knowing that whether I passed or failed, it would all be over in a week. I would advocate the same approach viewing the investment landscape through this short term lens today. More often than not, survival and managing risks are what is important in the near term. Success for most investors is a longevity game, similar to a student surviving each finals week until graduation, or a marathon runner saving enough energy to finish a race.

In the intermediate term, six to eighteen months, the outlook may be less dependent on the details of individual data points, but rather, the overall direction of a series of more macro data points. We know that Fed policy will be very data dependent in regards to incoming inflation data that could affect the trajectory of the economy and whether or not a soft landing, hard landing, or no landing is in the cards. Fed policy is important to the markets viewed from our midterm lens, as changes in the risk free rate affect the present value of all financial assets and what someone is willing to pay for them today. This means that buy and sell points can matter quite a bit in the intermediate term, especially when the Fed is on the move – said in another way, good companies can be bad investments, and bad companies can be good investments.

While our intermediate term crystal ball isn't any better than the Fed's, progress has been made on the inflation front. Some of the improvement reflects better supply chain dynamics, but additional work needs to be done to get to the stated goal of 2%, either through the passage of time or further hikes. We still believe in the probability of a soft landing and barring a reversal of recent inflation trends, the need for fewer, if any, additional rate hikes.

Viewed from our longer term lens, three years or more, our clarity improves yet further. Over the long haul, evidence suggests that the bulk of the markets' cumulative returns are determined not by changes in interest rates and Fed policy, but by earnings and dividends. Additionally, while dreamers and disruptors are not often rewarded in the near or intermediate term, patience eventually rewards imagination and innovation. With interest rates as a proxy for "valuation", we thought the attached longer term chart painted a terrific picture of what really matters using a longer term lens. While there are times when valuations contribute to investment returns, earnings and dividends matter the most.



In the longer run, we believe the Fed will achieve its mandate – full employment and a return to stable pricing. We aren't as convinced that inflation has to be the strict 2% level given a global backdrop that may require more labor-intensive capex than we've seen in decades, but as long as it is a stable 2-3%, that is far better for investing and planning purposes than having it run hotter and more variably. A generational step-function in productivity, perhaps from AI, could also play a big factor in helping the Fed achieve its goals.

Through our long term lens, we envision an earnings-driven growth environment for investors, one which places a higher value on clean accounting and free cash flow. Economic cycle names stand to benefit from reshoring efforts and heightened geopolitical concerns. Innovation cycle names and particularly, artificial intelligence, should drive topline opportunities for a select few and perhaps margin improvement for many first movers. Disruptive forces should continue to shrink old industries as new ways of doing the same old things shift market cap from old companies to new ones. In the process, new natural resource demands may be unlocked as a key ingredient enabling these transformations. Perhaps energy and technology shares can both do well over the longer haul, an unusual leadership duo.

With respect to the credit cycle, with rates no longer set at zero, money is no longer under the illusion of being "free". As a result, daydreaming may be put on the back burner with a far shorter leash than we've seen in years. While disruption will still be investable, it may not come at the expense of profits. Profits may no longer be a societal dirty word, but an important ingredient to truly "sustainable" investing.

While all information may have a basis in fact, not all information is valuable. Knowledge isn't the same as wisdom. As I've learned with photography, a still shot can capture a beautiful moment in time, but sometimes you need a longer or wider lens or even a video to see the full story.

Say Cheese!

Portfolio Characteristics

Portfolio Statistics	
Avg. Wtd. Market Cap.	$272.3B
Median Market Cap	$101.0B
Forward P/E Ratio	31x
Median P/E Ratio	27x
Free Cash Flow Yield	3.0%
Median Return on Equity	27.3%
Beta	1.16
Portfolio Yield	.5%
3yr Avg Rev Growth	18.9%
3yr Avg EPS Growth	15.0%

Investment Style

The Broadleaf Growth Equity Portfolio employs a concentrated growth style of investing, holding approximately 25-35 equity positions from a cross section of economic sectors. Morningstar would classify us as a large cap growth manager, but we will invest in select small and midsize companies as unique opportunities avail themselves. Currently, the portfolio has an average market capitalization of $464.2 billion. Sector exposures are strongly influenced by our views on three determinants of investment value, which we define as the economic cycle, the innovation cycle, and the credit cycle. Individual securities are ultimately selected on the basis of their long term growth potential, profitability, and intrinsic value as measured by their free cash flow generating characteristics. Innovative new ideas and themes are of particular interest.

Investment Objective

The portfolio's goal is to provide equity like returns and to outperform the S&P 500 over a three to five-year time horizon or full market cycle, utilizing a growth oriented investment style. The portfolio is suitable for investors seeking an exposure to a concentrated investment style which may be more volatile than the market as a whole. Investors should consider it as a portion of their investment portfolio within the context of their overall asset allocation and related investment goals.

Performance Disclosures

Results reflect the actual performance of Broadleaf's Growth Equity Composite. Performance data is shown net of advisory fees and trading costs. Broadleaf may charge different advisory fees to clients based on several factors, but primarily based on the size of a client's account. Broadleaf's basic fee schedule is available on its Form ADV, Part II. Results reflect the reinvestment of dividends and distributions, if any. Leverage has not been utilized. The U.S. Dollar is the currency used to express performance.

Broadleaf's growth Equity Composite includes all fully discretionary accounts utilizing our growth equity style of investing with a minimum initial account size of $250,000. (From firm inception to 6/30/2009 our minimum account size for composite inclusion was $250,000 and from 6/30/2009 to 6/30/2013, the minimum had been $100,000. Historical results have not been updated retroactively to reflect changes in account minimums, but are reflected on a going forward basis.) To be included in the composite, an account must have been under management for at least one full quarter. If a significant cash flow in an underlying composite account during the quarter causes it to deviate from our intended growth style, we will remove the account for the period in which the significant cash event occurred. A significant cash flow is currently defined as 10% or more.

Total firm assets at quarter end were $401 million. Prior to January 5th, 2006 the firm did not have any investment advisory clients. As a result, composite data prior to March 31st, 2006 only reflects the performance of Doug MacKay's personal retirement account.

The S&P 500 Index has been used for comparative benchmark purposes because the goal of the stated strategy is to provide equity-like returns and to outperform the S&P 500 over a three to five-year time horizon or full market cycle. The S&P 500 is a broad based index reflecting the performance of the equity market in general. The S&P 500 Index is based on total returns which includes dividends. We monitor the performance of our growth style of investing by comparing our results to those of other large cap growth peers. While we believe these are appropriate benchmarks to use for comparison purposes, it should be expected that the volatility of the Broadleaf Growth Equity Portfolio may be higher due to its concentrated nature.

Performance information since inception reflects actual performance of the composite over a period of greater than fifteen years. You are cautioned that information concerning comparative performance over this period of time may bear no relationship whatsoever to performance over other time periods. This information should not be regarded as in anyway representing the likely future performance of the portfolio in absolute terms or in comparison to the indices. Investment in securities, including mutual funds, involves risk of loss. Past performance is no guarantee of future returns.

Broadleaf Partners, LLC is a registered investment advisor with the Securities and Exchange Commission. The firm maintains a complete list and description of composites, which is available upon request.

Performance information contained in this document including any reference to the purchase or sale of a security, or a strategy, is not intended to constitute personalized investment advice. Personalized investment advice is always dependent on individual factors, involves risk and is not a guarantee that any investment will produce favorable results.

For Additional Information Contact:

Doug MacKay, CFA
CEO & Chief Investment Officer
(O) 330.650.0921
dmackay@broadleafpartners.com

Bill Hoover
President & COO
(O) 330.650.0921
bhoover@broadleafpartners.com