Broadleaf Partners, LLC

Growth Equity Portfolio
Third Quarter Review
September 30, 2020

Performance Commentary

				[---------	Annualized		--------]
	Q3 2020	Year to Date	Trailing 12 Months	3 Years	5 Years	10 Years	Since Inception
Broadleaf	11.7%	28.8%	44.9%	27.5%	22.5%	17.6%	12.9%
S&P 500	8.9%	5.6%	15.2%	12.3%	14.2%	13.7%	9.2%

The markets continued to rebound from the coronavirus inspired lows of the first quarter, gaining an additional 9% in the third and for several days reaching new all-time highs. The Broadleaf Growth Equity Portfolio continued to make progress relative to the index, up just shy of 12% in the third quarter and up 29% year to date.

Over the short, intermediate and long term periods, the Broadleaf Growth Equity Portfolio has continued to outperform the passive indices as well as our growth oriented peer group. Our disciplined investment process and the results that flow from it are proof that active management can still shine relative to low-cost, passive approaches.

Thank you for your continued interest in and support of Broadleaf Partners!

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

Consistent with our other quarterly updates this year, the following bullet points represent our best thinking at the moment on a few subjects we've been thinking about.

- The stock market continued to work its way higher in the third quarter as the economy has reopened more broadly. At the margin, however, what has been working has started to shift gears in a subtle back and forth fashion. Areas that had lagged have begun to play catch up in what perhaps could most simply be viewed as tug of war between pure play reopening stocks and the work from home (WFH)/recent initial public offering (IPO) crowd.

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- By definition, the markets may be more structurally sound and healthier when more companies and industries participate in the upside rather than a narrower few. From this perspective, the presence of a tug of war, or a rounding out of market participants is a good thing; a potential springboard of optimism to higher overall index levels as opposed to underlying churn.

- The Fed has made it abundantly clear that they are shifting their views on policy, with a bias towards allowing inflation to run hotter than normal in the future primarily because it has repeatedly run below their two percent objective in recent years. For us, this implies that longer term interest rates, now at about .70% on the ten year treasury, could remain lower for much longer and perhaps even the minimal three year investment horizon we consider for any new position. The bottom line? The Fed will allow the economy to run hotter than it has historically without raising interest rates, which may finally enable cyclical characteristics to return to the economy which have largely taken a back seat to secular growth plays for much of the past decade. Stay tuned!

- Given the recent downturn in interest rates and the fact that they will likely remain lower for longer, valuations have taken another leg up, providing a boon not only to historical beneficiaries like housing and housing related stocks, but also to the IPO market.

- With this new leg in easy money, separate fiscal stimulus efforts surrounding the COVID pandemic, and perhaps even a lack of sports betting, day traders have made a big comeback, reminding not only myself but many others of the environment in the late 1990's, when people were jumping over themselves to participate in the latest IPO that could change the world. Fortunatley, this most recent crop of IPO's typically has a sizeable revenue base and sometimes even positive cash flow unlike most in the 1990's that were little more than visionary or hoped for business models. At the same time, we know that IPO's can often fall in price in the first year of being public, providing better entry points after the initial marketing hype. Cisco Systems and Facebook are two examples of once broken IPO's and we suspect there could be more worth waiting on.

- Value stocks have lagged growth stocks for nearly ten years in many cases because many business models have been disrupted by upstarts that have been quietly stealing their lunch in terms of market share and market cap. While every disruptive event has its eventual limits, much of the shift to the growth style of investing has been based on fundamental innovation and disruptive changes in how things like advertising, journalism, shopping, and banking are being done by society. A value stock isn't valuable if its business, in the long run, is going away. An historical analogy might be railroad stocks (growth) versus canal boat stocks (value) in the 1800's. There may have been trading opportunities in canal boat equities here and there, but the longer term trend proved to be a poor one.

- All the same, we are resisting the temptation associated with the fear of missing out (FOMO) by adhering to our long term investment discipline. Almost all new and disruptive technologies experience a historical bubble at one time or another where things are overhyped on the valuation front. Snowflake, for instance, may be a great company seeking to disrupt the traditional database arena, but when its initial public trade approaches the existing market capitalization of Oracle, a company it is seeking to disrupt, it gives one pause about possibly having a better buying opportunity down the road. Historically, our best performers have always been "expensive", but that's also because they've fundamentally lived up to the "hype". When it comes to disruptive plays, not all companies will succeed even when they are valued like they could. It can pay to have long term vision, but it can also be painful when things turn into short term mania.

- We have always said that long term value is a function of three cycles – the economic cycle, the innovation cycle and the credit cycle. Growth through innovation continues to represent the greatest exposure within the portfolio, but we're also mindful that a broader and more aggressive reopening of the economy could usher in greater participation among economic cyclicals, particulalry given new Fed policy goals and its impact on the credit cycle.

- History has shown that all pandemics come to an end. In this light, the biggest risk to watch in the future is whether or not the funding of a surge in reopening plays must come at the expense of work from home and innovation plays that have been so resilient or if the rising tide of such a reopening can ultimately lift all boats. We believe the latter remains most likely given the Fed backdrop, but acknowledge that greater alpha could lie in the areas most neglected in the shorter term. The good news is that we don't need to be a hero and go all in on either theme, but can seek exposure and hopefully success from both.

Portfolio Characteristics

Portfolio Statistics

Avg. Market Cap.	$236.9B
Median Market Cap	141.7B
Forward P/E Ratio	31x
Median P/E Ratio	34x
Free Cash Flow Yield	2.7%
Return on Equity	31%
Beta	1.02
Portfolio Yield	.5%
3yr Avg Rev Growth	18.9%
3yr Avg EPS Growth	32.0%

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 $236.9 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 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 was $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 $320.5 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. 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 ten 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.

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