

## MADISON INTERMEDIATE GOVERNMENT CORPORATE BOND

September 30, 2024 | Separately Managed Account Investment Strategy Letter

*Madison's philosophy revolves around the principle of "Participate and Protect®", which means we strive to build portfolios that participate as fully as possible in favorable markets and, more importantly, protect principal in difficult markets. We believe that this is best pursued through active duration, yield curve and sector management with the goal of minimizing portfolio risk. Our general objective for this portfolio is to pursue the highest risk-adjusted total investment return within the policy limitations of (1) investing in U.S. Treasuries, U.S. Agencies and investment grade corporate bonds issued by U.S. domiciled firms (2) maintaining a dollar weighted average maturity of ten years or less.*

Economic data during the third quarter of 2024 lent support to the Fed's case for declining inflationary pressures and stable economic activity. With evidence of continued progress towards their stated goals, the Federal Open Market Committee (FOMC) acted to reduce the Fed Funds rate at their September 18th meeting. This rate reduction initiated the long-awaited policy easing hinted at by Chairman Powell just over a year ago when the FOMC 'pivoted' policy direction.

### MAINTAINING THE 'JUST RIGHT' LANDING

The much-debated economic 'soft landing' appears to be turning into a 'just right' landing with gradually slowing inflation and stable economic growth. The Fed's preferred inflation measure, Core PCE, slowed to 2.7% year-over-year, showing meaningful progress towards their stated 2% target. Meanwhile, second quarter final GDP showed the economy grew at an annualized rate of 3% while expectations for the third quarter remain near 2.5%. Meanwhile, labor market concerns emerged as initial claims and hiring data suggested a more rapid decline in recent months. The 4-week moving average of initial weekly jobless claims, now above 225k, remains elevated and well above the sub-200k level seen earlier this year. Additionally, the unemployment rate has risen to 4.2%, the highest level since 2022. The string of weaker labor market data drew the attention of the FOMC heading into the September meeting as several members highlighted the need to adjust policy proactively to avoid more severe labor market weakness. The recent shift to better inflation data, following higher than expected inflation to start the year, has been welcomed by Fed members and markets alike. However, weakening labor market data could push the Fed to increase policy easing to avoid a 'hard landing'.

### HIGHER FOR LONGER COMES TO AN END

With the FOMC gaining confidence that progress was continuing towards their stated 2% inflation goal, at the September 18th FOMC meeting the committee refocused upon the labor market and weakening employment data. At that September meeting, the Fed cut its interest rate target range 50 basis points from 5.25-5.50% to 4.75-5.00%. Along with the interest rate target cut, the Fed's median interest rate forecast was also reduced to 4.375% by year-end 2024 and to 3.375% by year-end 2025. This is likely a function of inflation slowing consistently over the past six months giving the FOMC increased confidence that their targeted 2% inflation level was attainable. With increased confidence they were on the right track, they were able to shift focus towards reducing restrictive policy toward preventing a material economic slowdown.

As investors evaluated benign economic data, expectations for a rate cut at the September FOMC policy meeting grew stronger. By the time the meeting date arrived, the Fed's move was widely anticipated with investors pushing U.S. Treasury ("Treasury") yields sharply lower. During the quarter, two-year Treasury yields declined 111 basis points while ten-year Treasury yields fell 62 basis points. These changes led to a sharply steeper yield curve and ended the 'inverted' two-year to ten-year Treasury curve in place since June 2022. Market expectations for future



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rate cuts are currently priced slightly more aggressively than the FOMC's median rate targets, suggesting investors are concerned about a more severe economic slow-down and the need for aggressive rate cuts. While the direction of policy is no longer in question, the exact path for policy remains dependent upon fundamental data. The FOMC remains 'data dependent' and has shown a willingness to be patient and methodical in their approach. We expect continued rate cuts and view the aggressive initial 50 basis-point rate cut as an attempt to get ahead of softer economic data. Going forward, we expect continued rate volatility as each economic release, especially employment and inflation data, is evaluated for its potential impact on future FOMC policy actions.

### SPREADS DISCOUNTING 'IDEAL' OUTCOME

For the quarter, intermediate corporate bond spreads tightened five basis points, with Utilities, Financials, and single-A corporate bonds tightening the most. Year-to-date, spreads were eleven basis points tighter, with Financial spreads 22 basis points tighter, Utility spreads nine basis points tighter, and Industrial spreads unchanged. Financial corporate bonds continue to offer more attractive spreads than higher-quality Industrial corporate bonds. However, given the recent outperformance of Financial corporate bonds, even Financial spreads are now tighter than historical levels. Year-to-date, lower quality corporate bonds (BBB) outperformed higher quality corporate bonds (AAA and AA). Given tighter spreads and lower interest rates, corporate bonds have experienced positive total returns in 2024. The Bloomberg Intermediate Corporate index posted a +4.66% total return in the third quarter and a +5.71% total return year-to-date. However, with spreads near the tightest levels over the last decade, they provide little cushion if the economy weakens meaningfully.

### PERFORMANCE & POSITIONING

During the third quarter, Sector/Quality, Yield/Income, and Yield Curve positioning proved additive to relative performance as credit spreads tightened, portfolio yield exceeded the benchmark, and the yield curve steepened during the period. Duration positioning was detractive to relative performance as rates declined sharply during the quarter. Security selection was slightly detractive to performance as high-quality industrial sectors underperformed financials during the period.

In recent months, the debate has evolved from whether the Fed has achieved a 'soft landing' to how to maintain it. The Fed, far from proclaiming a 'mission accomplished' moment, has shifted their focus to avoiding labor market deterioration. This new focus was clear during the September FOMC meeting and the resulting 50 basis point cut. While their direction is now clear, the path forward is far from obvious. Continued data volatility and changing market expectations will drive markets until a clear policy end point emerges. The challenge to continue reducing inflation without materially slowing the economy will dictate policy changes over the coming months. We are pleased to see fixed income portfolios benefitting as yields decline, but current yield levels, while still offering value, are less attractive than earlier this year. We are pleased to have increased duration exposure and yield in portfolio's while we evaluate future Fed policy. We expect further yield movement will be dictated by changing economic fundamentals and stand ready to take further action as expectations for monetary policy adjust in the months ahead.

*Mike Sanders*

*Chris Nisbet*

## MADISON INTERMEDIATE GOVERNMENT CORPORATE BOND

September 30, 2024 | Separately Managed Account Performance & Characteristics

*Portfolio Characteristics may help you understand how the portfolio, taken as a whole, is situated relative to other portfolios or the benchmark. See the Definitions section contained in these materials for more details about each metric presented below.*

### Portfolio Characteristics

	Madison Intermediate Govt/Corp Bond	Bloomberg US Interm. Govt/ Credit Bond Index
Effective Duration (years)	3.55	3.73
Wtd. Avg. Maturity (years)	4.03	4.21
Wtd. Avg. Quality <sup>1</sup>	AA-	AA
Wtd. Avg. Yield to Worst	4.03%	3.92%
Wtd. Avg. Current Yield	3.29%	3.32%
Avg. Turnover	20-40%	--

### Sector Distribution (%)

	Madison	Index
Corporate Bonds	47.81	29.83
Treasury	48.51	63.69
Agency/Government Related	2.46	6.48
Securitized	0.01	--
Cash	1.22	--

*Figures rounded to the nearest 0.01% and may not total 100%.*

### Portfolio Statistics (%)

Since Inception	Madison	Index
Up Capture Ratio	88.18	100.00
Down Capture Ratio	74.78	100.00
Standard Deviation	2.78	3.20

### Quality<sup>2</sup> Distribution (%)

	Madison	Index
AAA	0.05	3.13
AA	52.97	67.73
A	27.26	14.12
BBB	18.50	15.02
Cash	1.22	--

*Figures rounded to the nearest 0.01% and may not total 100%.*

### Maturity Distribution (%)

	Madison	Index
0-1 Years	11.16	1.53
1-3 Years	24.40	37.41
3-5 Years	26.27	28.07
5-7 Years	22.46	16.94
7-10+ Years	15.71	16.05

*Cash is included in 0-1 Year segment.*

## MADISON INTERMEDIATE GOVERNMENT CORPORATE BOND

### September 30, 2024 | Separately Managed Account Performance & Characteristics

*Portfolio Performance may help you understand how the portfolio, taken as a whole, is situated relative to other portfolios or the benchmark. See the Definitions section contained in these materials for more details about each metric presented below.*

#### Trailing Returns (%)

	Gross	Net of Fee Performance**			Index
		0.50% fee	1.25% fee	3.00% fee	
QTD	3.96	3.83	3.63	3.17	4.16
YTD	4.79	4.40	3.81	2.42	4.67
1-Year*	9.41	8.87	8.05	6.13	9.45
3-Year*	0.61	0.11	-0.65	-2.41	0.17
5-Year*	1.40	0.90	0.14	-1.62	1.26
10-Year*	1.90	1.39	0.63	-1.13	1.96
Since Inception*	4.15	3.63	2.86	1.08	4.32

\*Figures are annualized.

#### Experienced Management

##### Mike Sanders, CFA®, FRM®

Head of Fixed Income,  
Portfolio Manager  
Industry since 2004

##### Chris Nisbet, CFA®

Portfolio Manager  
Industry since 1990

#### Annual Total Returns (%)

	Gross	Net of Fee Performance**			Index
		0.50% fee	1.25% fee	3.00% fee	
2023	5.10	4.58	3.79	1.95	5.24
2022	-6.91	-7.38	-8.07	-9.70	-8.23
2021	-1.36	-1.85	-2.59	-4.29	-1.44
2020	5.51	4.98	4.20	2.40	6.43
2019	5.82	5.30	4.51	2.69	6.80
2018	1.25	0.75	-0.01	-1.76	0.88
2017	1.90	1.39	0.64	-1.11	2.14
2016	1.86	1.36	0.60	-1.15	2.08
2015	1.11	0.61	-0.14	-1.88	1.07
2014	2.16	1.65	0.90	-0.86	3.13

\*\*Net returns are reduced by three separate annual model fees. The first net return is reduced by an annual non-bundled model fee which represents the standard fee: 0.50%, applied quarterly for periods prior to January 1, 2022 & applied monthly for periods beginning January 1, 2022. The next two net returns are reduced by annual bundled model fees of 1.25% and 3.00%, applied quarterly for periods prior to January 1, 2022 & applied monthly for periods beginning January 1, 2022. Due to variances between wrap/UMA programs, multiple net returns are presented to show three possible outcomes at different total annual bundled fee rates. Bundled fees include Madison's portfolio management fee, as well as all charges for trading costs, custody, other administrative fees and any third-party manager fees. Bundled-fee accounts make up 100% of the composite for all periods shown prior to June 1, 2023. Actual returns may vary depending on a particular account's trading platform and trading discretion. Any differences in the timing of trades may result in various performance outcomes for Madison's separately managed accounts versus model manager accounts. Actual returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account.

## DISCLOSURES & DEFINITIONS

1. This measure is not the result of an assessment of the credit quality of the composite's portfolio by a Nationally Recognized Statistical Rating Agency ("NRSRO") or any other independent entity.

2. Credit quality ratings on underlying securities of the composite are received from one or more NRSRO (e.g., S&P, Moody's, Fitch, etc.) and converted to the equivalent major rating category commonly utilized by more than one NRSRO. In the event of split rating between NRSROs, (i.e., when a majority rating cannot be derived), the lower rating is used. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Ratings and portfolio credit quality may change over time. Portfolio distributions are rounded to the nearest 0.1%.

All or some of the above information is presented as "supplemental information" included as part of the GIPS® Report for the Intermediate Government/Corporate Bond Composite on the reverse side, which must be included with this material. References to "Madison" are to that composite and references to inception date refer to performance since 1/1/1993. Year-to-date, quarterly and annualized performance figures are considered "preliminary" as of the date of this piece. 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.

Indices are unmanaged. An investor cannot invest directly in an index. They are shown for illustrative purposes only, and do not represent the performance of any specific investment. Index returns do not include any expenses, fees or sales charges, which would lower performance.

All investing involves risks including the possible loss of principal. There can be no assurance the portfolios will achieve their investment objectives. The risks associated with an investment in the portfolio can increase during times of significant market volatility. The principal risks of investing in the portfolio include: interest rate risk, call risk, risk of default and liquidity risk. As interest rates rise, the prices of bonds fall. Long-term bonds are more exposed to interest-rate risk than short-term bonds. Unlike bonds, bond portfolios have ongoing fees and expenses. Please consult with your financial advisor to determine your risk tolerance and investment objectives.

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list.

Holdings may vary depending on account inception date, objective, cash flows, market volatility, and other variables. Any securities identified and described herein do not represent all of the securities purchased or sold, and these securities may not be purchased for a new account. There is no guarantee that any securities transactions identified and described herein were, or will be profitable.

Upon request, Madison may furnish to the client or institution a list of all security recommendations made within the past year.

Although the information in this report has been obtained from sources that the firm believes to be reliable, we do not guarantee its accuracy, and any such information may be incomplete or condensed. All opinions included in this report constitute the firm's judgment as of the date of this report and are subject to change without notice.

This piece is not intended to provide investment advice directly to investors. Opinions stated are informational only and should not be taken as investment recommendation or advice of any kind whatsoever (whether impartial or otherwise).

Gross performance results do not reflect the deduction of investment advisory fees. Your returns will be reduced by advisory fees and other expenses that may be incurred in the management of your investment advisory account. Investment advisory fees are described in our disclosure brochure.

Any performance data shown represents past performance. Past performance is no guarantee of future results.

Madison's expectation is that investors in the strategy will participate near fully in market appreciation during bull markets and experience something less than full participation during bear markets compared with investors in portfolios holding more speculative and volatile securities. Therefore, the investment philosophy is intended to represent a conservative investment strategy. There is no assurance that Madison's expectations regarding this investment strategy will be realized.

**Effective Duration:** a measure of a portfolio's interest-rate sensitivity. The longer a portfolio's duration, the more sensitive the portfolio is to shifts in interest rates.

**Average Maturity:** computed by weighting the maturity of each security in the portfolio by the market value of the security, then averaging these weighted figures.

**Standard Deviation:** a statistical measurement of dispersion about an average, which, for a portfolio, depicts how widely the returns varied over a certain period of time. Investors may use the standard deviation of historical performance to understand the range of returns for a portfolio. When a portfolio has a higher standard deviation than its benchmark, it implies higher relative volatility. Standard deviation has been calculated using the trailing monthly total returns for the appropriate time period. The standard deviation values are annualized.

**Downside Capture Ratio:** a portfolio's performance in down markets relative to its benchmark. The security's downside capture return is divided by the benchmark's downside capture return over the time period.

**Upside Capture Ratio:** a portfolio's performance in up markets relative to its benchmark. The security's upside capture return is divided by the benchmark's upside capture return over the time period.

**Yield to Maturity** measures the annual return an investor would receive if they held a particular bond until maturity as of the end of a report period. In order to make comparisons between instruments with different payment frequencies, a standard yield calculation basis is assumed. This yield is calculated assuming semiannual compounding.

**Portfolio Turnover:** a measure of the trading activity in an investment portfolio—how often securities are bought and sold by a portfolio. The range represents the typical turnover of the portfolio.

**Yield to Worst** the lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call or sinking fund, are used by the issuer.

**Bond Spread** is the difference between yields on differing debt instruments of varying maturities, credit ratings, and risk, calculated by deducting the yield of one instrument from another.

"Madison" and/or "Madison Investments" is the unifying tradename of Madison Investment Holdings, Inc., Madison Asset Management, LLC ("MAM"), and Madison Investment Advisors, LLC ("MIA"). MAM and MIA are registered as investment advisers with the U.S. Securities and Exchange Commission. Madison Funds are distributed by MFD Distributor, LLC. MFD Distributor, LLC is registered with the U.S. Securities and Exchange Commission as a broker-dealer and is a member firm of the Financial Industry Regulatory Authority. The home office for each firm listed above is 550 Science Drive, Madison, WI 53711. Madison's toll-free number is 800-767-0300.

Non-deposit investment products are not federally insured, involve investment risk, may lose value and are not obligations of, or guaranteed by, any financial institution. Investment returns and principal value will fluctuate.

This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security.

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## DISCLOSURES AND DEFINITIONS

A basis point is one hundredth of a percent.

Yield Curve is a line that plots yields (interest rates) of bonds having equal credit quality but differing maturity dates. The slope of the yield curve gives an idea of future interest rate changes and economic activity. There are three main types of yield curve shapes: normal (upward sloping curve), inverted (downward sloping curve) and flat. Yield curve strategies involve positioning a portfolio to capitalize on expected changes.

The Bloomberg US Intermediate Corporate Bond Index measures performance of United States dollar-denominated investment grade, fixed-rate, taxable corporate bond securities with maturities greater than or equal to one year, but less than ten years, that are issued by U.S and non-U.S. industrial, utility and financial issuers.

The federal funds rate is the target interest rate range set by the Federal Open Market Committee (FOMC) for banks to lend or borrow excess reserves overnight. It influences monetary and financial conditions, short-term interest rates, and the stock market.

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**MADISON**  
**INTERMEDIATE GOVERNMENT/CORPORATE BOND COMPOSITE**  
**GIPS COMPOSITE REPORT**

Year End	Total Firm Assets (millions)	Composite Assets			Annual Performance Results							
		USD (millions)	Number of Accounts	Composite Pure Gross	Composite Net (.50%)	Composite Net (1.25%)	Composite Net (3.00%)	Bloomberg U.S. Intermediate Government/Credit Bond Index	Composite Dispersion	Composite 3-Yr. Annualized Ex-Post Standard Deviation	Index 3-Yr. Annualized Ex-Post Standard Deviation	% of Bundled Fee Accounts
QTD+				3.96%	3.83%	3.63%	3.17%	4.16%				
YTD+				4.79%	4.40%	3.81%	2.42%	4.67%				
1 Year <sup>A</sup>				9.41%	8.87%	8.05%	6.13%	9.45%				
3 Years <sup>A</sup>				0.61%	0.11%	-0.65%	-2.41%	0.17%				
5 Years <sup>A</sup>				1.40%	0.90%	0.14%	-1.62%	1.26%				
10 Years <sup>A</sup>				1.90%	1.39%	0.63%	-1.13%	1.96%				
Since Inception <sup>A</sup>				4.15%	3.63%	2.86%	1.08%	4.32%				
Figures above are as of September 30, 2024. <sup>A</sup> Returns are annualized if inception date is more than one year ago.												
2023	17,291	572	517	5.10%	4.58%	3.79%	1.95%	5.24%	0.14%	4.04%	4.58%	34%
2022	16,693	157	390	-6.91%	-7.38%	-8.07%	-9.70%	-8.23%	0.17%	3.33%	3.82%	100%
2021	19,129	171	375	-1.36%	-1.85%	-2.59%	-4.29%	-1.44%	0.10%	1.92%	2.34%	100%
2020	14,498	155	379	5.51%	4.98%	4.20%	2.40%	6.43%	0.43%	1.89%	2.31%	100%
2019	13,993	106	279	5.82%	5.30%	4.51%	2.69%	6.80%	0.10%	1.63%	2.04%	100%
2018	12,895	86	249	1.25%	0.75%	-0.01%	-1.76%	0.88%	0.14%	1.58%	2.09%	100%
2017	13,761	85	255	1.90%	1.39%	0.64%	-1.11%	2.14%	0.08%	1.40%	2.11%	100%
2016	13,312	83	244	1.86%	1.36%	0.60%	-1.15%	2.08%	0.23%	1.47%	2.22%	100%
2015	13,030	76	225	1.11%	0.61%	-0.14%	-1.88%	1.07%	0.18%	1.38%	2.10%	100%
2014	13,953	119	288	2.16%	1.65%	0.90%	-0.86%	3.13%	0.16%	1.37%	1.94%	100%
2013	12,112	44	111	0.05%	-0.45%	-1.20%	-2.93%	-0.86%	0.16%	1.47%	2.11%	100%
2012	6,984	37	37	2.77%	2.26%	1.50%	-0.25%	3.89%	0.20%	1.55%	2.16%	100%
2011	7,320	3,024	7,176	4.39%	3.87%	3.10%	1.33%	5.80%	0.22%	1.92%	2.55%	100%
2010	7,349	2,987	7,212	4.50%	3.99%	3.22%	1.43%	5.89%	0.28%	3.71%	3.91%	100%
2009	6,766	2,705	6,113	5.00%	4.49%	3.71%	1.93%	5.24%	0.61%	3.79%	3.82%	100%
2008	5,282	1,974	4,365	7.55%	7.02%	6.23%	4.43%	5.08%	0.57%	3.67%	3.64%	100%
2007	7,273	2,009	4,661	8.22%	7.69%	6.90%	5.07%	7.39%	0.18%	2.06%	2.35%	100%
2006	7,782	2,282	5,337	4.31%	3.79%	3.02%	1.25%	4.08%	0.09%	1.90%	2.75%	100%
2005	8,793	2,774	6,571	1.65%	1.15%	0.39%	-1.35%	1.58%	0.11%	2.24%	3.64%	100%
2004	8,813	3,088	7,149	1.88%	1.38%	0.62%	-1.12%	3.04%	0.16%	2.62%	3.96%	100%
2003	7,419	3,010	6,458	3.42%	2.91%	2.14%	0.38%	4.31%	0.30%	2.82%	3.82%	100%
2002	6,272	2,822	5,554	7.97%	7.44%	6.65%	4.83%	9.84%	0.66%	2.61%	3.02%	100%
2001	5,526	2,260	4,058	8.63%	8.10%	7.31%	5.47%	8.96%	0.55%	2.67%	2.86%	100%
2000	4,584	1,748	2,876	9.67%	9.14%	8.34%	6.50%	10.12%	0.31%	2.54%	2.64%	100%
1999	3,956	1,312	2,324	0.56%	0.06%	-0.69%	-2.42%	0.39%	0.20%	2.66%	2.63%	100%
1998	3,682	1,059	1,736	8.90%	8.37%	7.57%	5.74%	8.44%	0.18%	3.01%	2.79%	100%
1997	3,122	761	1,228	7.90%	7.37%	6.58%	4.76%	7.87%	0.16%	3.12%	3.02%	100%
1996	2,641	531	1,073	3.90%	3.39%	2.62%	0.84%	4.05%	0.16%	3.41%	3.53%	100%
1995	2,265	421	905	15.05%	14.49%	13.66%	11.75%	15.33%	0.33%	2.93%	3.40%	100%
1994	1,833	261	717	-0.58%	-1.07%	-1.82%	-3.53%	-1.93%	0.24%	-	-	100%
1993	1,696	167	450	7.16%	6.63%	5.85%	4.03%	8.79%	0.63%	-	-	100%

+Preliminary

As of December 31, 2023, total assets under advisement in this strategy are \$639 million encompassing bundled fee accounts, non-bundled fee accounts and non-discretionary accounts. This is presented as supplemental information.

**Intermediate Government/Corporate Bond Composite** contains fully discretionary intermediate government/corporate bundled and non-bundled fee accounts. The composite seeks to invest in investment grade securities, both government and corporate. Average maturities range from 0 to 12 years, with average duration of 0 to 9 years. Composite strategy is to determine the overall direction of interest rates and position durations accordingly, analyze the yield curve to determine the most advantageous portfolio construction and determine the relative attractiveness of corporate vs. government and/or government agency securities. In January 2012, composite accounts which were managed with investment grade securities rated below A were split off from the original Intermediate Government/Corporate Bond Sub-Advisory Composite to form this new composite which retained the original composite's name of Intermediate Government/Corporate Bond Sub-Advisory Composite. The original Intermediate Government/Corporate Bond Sub-Advisory Composite was renamed to the High Quality Intermediate Government/Corporate Bond Sub-Advisory Composite. Both composites retain the same composite performance history prior to January 2012, and such performance prior to January 2012 reflects the composite of accounts with corporate securities rated A or better. The principal risks of investing in the portfolio include: interest rate risk, call risk, risk of default and liquidity risk. As interest rates rise, the prices of bonds fall. Long-term bonds are more exposed to interest-rate risk than short-term bonds. Unlike bonds, bond portfolios have ongoing fees and expenses. In a low-interest environment, there may be less opportunity for price appreciation. For comparison purposes the composite is measured against the Bloomberg U.S. Intermediate Government/Credit Bond Index (Index) which measures the performance of United States dollar-denominated United States Treasuries, government-related and investment-grade United States corporate securities that have a remaining maturity of greater than or equal to one year and less than 10 years. Effective June 1, 2023, the composite was redefined to begin including both bundled and non-bundled fee accounts. Prior to June 1, 2023, the composite was named Intermediate Government/Corporate Bond Sub-Advisory Composite.

For the purposes of GIPS compliance and the determination of total assets under management, the Firm is defined as Madison. Madison represents Madison Investment Advisors, LLC ("MIA") and Madison Asset Management, LLC ("MAM"), two investment advisers under common control registered with the U.S. Securities and Exchange Commission pursuant to the Investment Advisers Act of 1940. (Registration does not imply a certain level of skill or training.) Prior to December 1, 2010, the Firm's composites were maintained by Madison Investment Advisors, Inc. ("MIA Inc."). On November 30, 2010, pursuant to a corporate reorganization that involved no change of control or personnel relating to account composite management, all composite accounts managed by MIA Inc. were transferred to MIA and performance information for periods prior to December 1, 2010 refer to this composite as managed by MIA Inc. During the first quarter of 2013, MIA and its parent company, MAM (also a registered investment adviser), began the process of eliminating the distinction between accounts and products managed by the two companies. Because MIA and MAM share all resources and personnel at their mutual Wisconsin office location and because there is no longer a brand or line of business distinction between products and services offered by the two registered investment advisers, for periods after March 31, 2013, the collective definition of the firm (Madison) includes accounts and assets managed by MAM and MIA. However, the firm does not claim compliance with the GIPS standards for assets and accounts managed by MAM prior to April 1, 2013. As of December 31, 2013, Madison Scottsdale, LC ("Scottsdale"), another registered investment adviser under common control with MIA, merged its assets into, and became part of, MIA and subsequently those assets became part of the firm (Madison). The transaction resulted in no change to the resources or personnel as the sole purpose of this change was to simplify Madison's legal corporate structure. Prior to January 1, 2014, Scottsdale did not claim GIPS compliance and no performance for composites formally maintained by Scottsdale are contained in this performance presentation or included in the definition of the firm (Madison). As of October 30, 2020, Hansberger Growth Investors, LP ("HGI LP"), an affiliated registered investment adviser under common control with MIA, consolidated its assets into MIA, and subsequently those assets became part of the firm (Madison). The transaction resulted in no change to the resources or personnel as the sole purpose of this change was to simplify the legal corporate structure. Prior to October 30, 2020, HGI LP claimed GIPS® compliance and all composite accounts managed by HGI LP were transferred to MIA and performance information for periods prior to October 30, 2020 refer to those composites as managed by HGI LP. On June 11, 2021, Madison acquired the fixed income management assets of Reinhart Partners, Inc. ("Reinhart"), an unaffiliated registered investment adviser, and subsequently those assets became part of the firm (Madison). The Investment Team of Reinhart, who were responsible for composite performance prior to June 11, 2021, joined Madison on that date and continue to manage the Reinhart Fixed Income Strategies. A list of composite descriptions and a list of broad distribution pooled funds are available upon request.

Madison claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The firm, as defined above, has been independently verified for the periods January 1, 1991 through June 30, 2024. A copy of the verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures 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. Verification does not provide assurance on the accuracy of any specific performance report. 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.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite policy requires the temporary removal of any portfolio incurring a client-initiated significant cash inflow or outflow of greater than 75% of portfolio assets for the period. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Time-weighted returns are presented gross and net of fees and include the reinvestment of all income. For bundled fee accounts, pure gross returns are shown as supplemental information and are stated gross of all fees and have not been reduced by transaction costs. For non-bundled fee accounts, the gross returns are stated gross of all fees and have been reduced by transaction costs. Net returns are reduced by three separate annual model fees. The first net return is reduced by an annual non-bundled model fee which represents the standard fee: 0.50%, applied quarterly for periods prior to January 1, 2022 & applied monthly for periods beginning January 1, 2022. The next two net returns are reduced by annual bundled model fees of 1.25% and 3.00%, applied quarterly for periods prior to January 1, 2022 & applied monthly for periods beginning January 1, 2022. Due to variances between wrap/UMA programs, multiple net returns are presented to show three possible outcomes at different total annual bundled fee rates. Bundled fees include Madison's portfolio management fee, as well as all charges for trading costs, custody, other administrative fees and any third-party manager fees. Bundled-fee accounts make up 100% of the composite for all periods shown prior to June 1, 2023. Actual returns may vary depending on a particular account's trading platform and trading discretion. Any differences in the timing of trades may result in various performance outcomes for Madison's separately managed accounts versus model manager accounts. Actual returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. The collection of fees produces a compounding effect on the total rate of return net of management fees. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 1.00% annual investment advisory fee would be \$10,416 in the first year, and cumulative effects of \$59,816 over five years and \$143,430 over ten years. The annual composite dispersion presented is an equal-weighted standard deviation calculated using the annual pure gross returns of the accounts in the composite for the entire year. The three-year annualized ex-post standard deviation of both the composite (using monthly pure gross returns) and the benchmark are presented for year-end periods beginning in 2011. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The management fee schedule is as follows: 0.50% annually on the first \$5 million and 0.40% annually on the balance. Total annual bundled fees charged by wrap/UMA sponsors familiar to Madison are generally in the range of 1.00% to 3.00% annually. Bundled fee schedules are provided by independent wrap/UMA program sponsors and are available upon request from the respective wrap/UMA sponsor. Actual investment advisory fees incurred by clients may vary. Additional information regarding investment advisory fees are described in our disclosure brochure.

The Intermediate Government/Corporate Bond Composite was created January 1, 2012, and the inception date is January 1, 1993.