

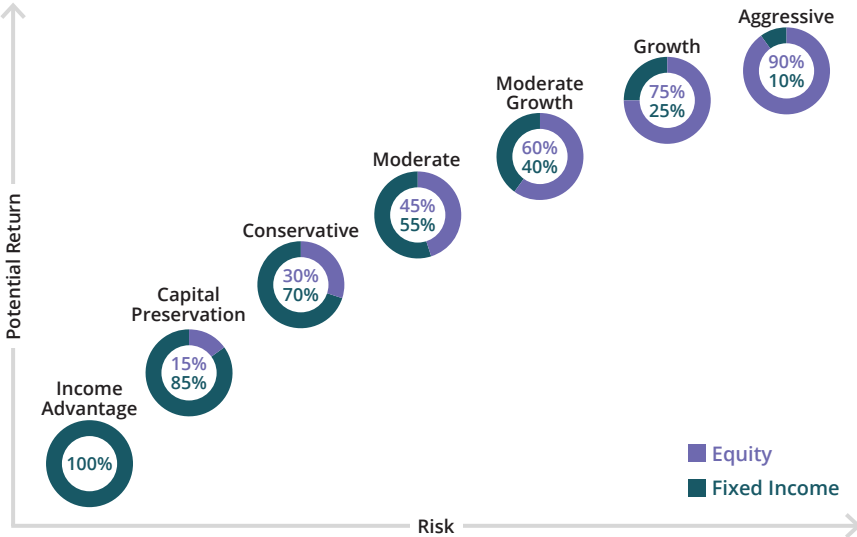
# Mosaic by Madison Investments

Model Portfolios | December 31, 2025



A suite of actively managed, globally diversified portfolios designed to help investors pursue their long-term objectives tailored to their risk tolerance.

## Seven Portfolios Span the Risk Tolerance Spectrum



## Current Holdings (%)

	Income Adv	Capital Pres	Conservative	Moderate	Mod Growth	Growth	Aggressive
<b>Fixed Income</b>	96.9	82.2	67.2	52.1	37.4	22.8	8.6
DoubleLine Total Return Bond I	DBLTX 19.7	17.7	14.8	12.8	8.8	4.9	1.9
TCW Flexible Income ETF	FLXR 11.8	9.8	6.9	5.2	3.3	1.4	--
Vanguard Short-Term Corporate Bond ETF	VCSH 4.9	4.2	2.0	--	--	--	--
SPDR® Portfolio Intmtd Term Trs ETF	SPTI 15.0	11.6	9.4	7.1	5.2	2.8	1.0
Madison Core Bond I	MBOIX 19.4	15.8	13.5	11.3	8.8	5.8	3.3
Baird Aggregate Bond Inst	BAGIX 24.6	22.1	20.6	15.7	11.3	7.8	2.4
SPDR® Portfolio Long Term Treasury ETF	SPTL 1.5	1.0	--	--	--	--	--
<b>U.S. Equity</b>	--	10.5	20.8	31.2	41.7	52.2	62.5
SPDR® S&P Bank ETF	KBE --	--	1.5	2.8	4.0	5.3	6.3
Vanguard Information Technology ETF	VGT --	--	--	3.8	4.9	6.0	7.4
Distillate US Fdmtl Stblty & Val ETF	DSTL --	2.0	4.1	4.8	6.1	6.8	8.0
GMO U.S. Quality	QLTY --	3.5	6.2	6.7	8.7	11.0	13.2
VictoryShares Free Cash Flow	VFLO --	2.1	4.0	5.0	5.7	6.7	8.4
Brown Advisory Sustainable Growth I	BAFWX --	1.8	3.4	5.0	6.8	8.3	9.8
Madison Mid Cap I	MDCIX --	--	--	1.1	3.2	5.1	5.5
iShares Core S&P Small-Cap	IJR --	1.0	1.5	2.0	2.3	3.0	4.0
<b>International Equity</b>	--	4.1	8.4	13.1	17.6	21.9	26.2
Brandes International ETF	BINV --	1.5	2.3	2.5	2.7	3.5	4.1
Aristotle International Equity I-2	AIFFX --	--	--	--	2.0	2.7	3.3
iShares MSCI Eurozone ETF	EZU --	--	1.3	2.1	3.3	4.1	5.3
Franklin FTSE Japan ETF	FLJP --	--	--	1.0	1.0	1.2	1.6
iShares MSCI Emerging Markets Asia ETF	EEMA --	1.0	2.1	3.9	5.1	6.3	7.7
JPMorgan International Rsrch Enh Eq ETF	JIRE --	1.6	2.6	3.6	3.5	4.0	4.3
<b>Cash</b>	3.1	3.2	3.6	3.6	3.3	3.0	2.6
Money Market	3.1	3.2	3.6	3.6	3.3	3.0	2.6

## Mosaic Portfolios

Invested in:

- Active ETFs
- Index ETFs
- Enhanced Index ETFs
- Active Mutual Funds

Strategic intra-quarter rebalancing

## Why Madison Investments?

### Active Asset Allocation

High-conviction positioning and dynamic rebalancing.

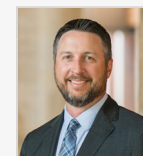
### Active Risk Management

Continuous monitoring to maintain target risk exposures.

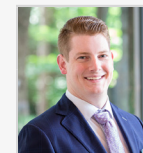
### Independent Thinking

Open architecture framework utilizes best-in-class strategies.

## Portfolio Management



**Patrick Ryan, CFA**  
Head of Multi-Asset Solutions,  
Portfolio Manager  
Industry since 2000



**Stuart Dybdahl, CFA, CAIA**  
Portfolio Manager,  
Analyst  
Industry since 2014

The team leverages the firm's 45+ investment professionals



## Current Positioning

Cautiously optimistic while intentionally avoiding some of the most expensive areas of the equity and credit markets.

	Min	Neutral	Max	
<b>EQUITIES</b>				Valuations remain stretched, we are underweight the market cap and sectors with the most demanding valuations, favoring more reasonably valued opportunities away from the cap-weighted indices.
<b>U.S. Equity</b>				Relative advantages remain attractive; however, valuations remain full. Our overweight to US equities relative to international equities has been reduced.
Large				The balance sheet strength of many large cap companies remain attractive. However, their valuations are among the richest relative to other segments of US and international equities.
Mid				Mid-cap stocks remain attractively positioned as absolute and relative valuations combined with a higher percentage of domestically driven supply chains and sales.
Small				Valuations continue to remain attractive against large caps and stand to benefit from less onerous regulations and lower interest rates.
Value				Overweight Financials, while avoiding the cheapest valued companies, leads us away from deep value sectors and industries.
Growth				Driven by an underweight to Consumer Discretionary and Communication Services, neutral weight Technology.
<b>International</b>				International equity valuations are attractive and central banks around the world have largely shifted toward easing monetary policy.
Developed Markets				Overweight Eurozone equities, neutral-weight Japanese equities relative to the benchmark.
Emerging Markets				Attractive valuations, global monetary easing, and stimulative measures in China, position emerging Asian equities to potentially benefit from multiple tailwinds.
<b>FIXED INCOME</b>				We believe opportunities within fixed income markets are attractive over the mid- to long-term time periods, while recognizing volatility could persist over the short-term.
Duration				Underweight duration, specifically long-duration Treasuries, as the Federal Reserve has restarted cutting interest rates as inflation remains above target and economic growth continues to surprise to the upside.
Treasury				Neutral US Treasuries, favor the securitized sector.
Corporate				Prefer short-term and intermediate-term investment-grade corporate credit relative to long-term. High-quality bias remains, with little value offered in the form of spreads across the high-yield universe.
MBS/Securitized				Attractive relative yield, adequate spreads, and strong implied credit quality position the asset class attractively, specifically, residential mortgages.
<b>ALTERNATIVES</b>				
Commodities				A growing possibility of a quieter geopolitical sphere and a lack of geopolitical risk premium in energy-based commodities combine for a challenging environment moving forward.
<b>CASH</b>				Excess cash position is being driven by our active underweight to international equities.

## Market Recap – Fourth Quarter 2025

While the final quarter of 2025 resulted in a more modest, +2.7%, gain for the US stock market, as measured by the S&P 500 Index, the year’s +17.9% advance caps a historical 3+ year run that has seen the US market double off the October 2022 low that marked the dawn of the AI era. Notably, the year wound down with questions percolating around AI’s circular investments, true earnings potential, vastly growing capital intensity, and the introduction of debt-based versus internally generated financing to pay for the AI buildout. This newfound skepticism resulted in a bit of a timeout for the ongoing AI and momentum-based boom, as the Technology sector and growth stocks gave way to Health Care and value stocks for 2025’s final chapter.

Herding and concentration in mega cap growth stocks continued to be a path to outperformance in the US market for 2025. However, low-quality, high beta stocks

proved to be the biggest winners of the year, especially off the April low, where the S&P 500 High Beta Index jumped 75% into year-end, nearly double the 39% for the S&P 500 and light years ahead of the 28% move in the S&P 500 Quality Index. Encouragingly, global diversification added value for the year as larger returns were found in the international markets with the MSCI ACWI ex-US Index outperforming over the final quarter, with a +5.1% gain, and the year at +32.4%. A nearly 10% drop in the US dollar provided a substantial tailwind for owning non-US dollar assets in 2025.

Fixed income investors were also spoiled with sizeable gains as short to intermediate term interest rates fell, and credit spreads tightened. The broad-based Bloomberg US Aggregate Bond Index gained +7.3% in total, with +1.1% coming from Q4.

Simply put, 2025 was a fantastic year for investors.



## Performance

Within US equities, the AI/momentum pause and broader US stock market performance benefited portfolio results for the quarter, given our underweight exposure to mega cap growth stocks. Our preference for high-quality US large caps was also rewarded, however exposure to US small caps detracted from results. Throughout the year, we have steadily increased our holdings in international stocks, which has been a step in the right direction, however our remaining incremental preference for domestic equities tempered relative returns. Fixed income results were solid, boosted by our overweight to mortgage-backed securities, which benefited from increased investor demand for their credit quality and attractive relative valuations.

## Outlook & Positioning

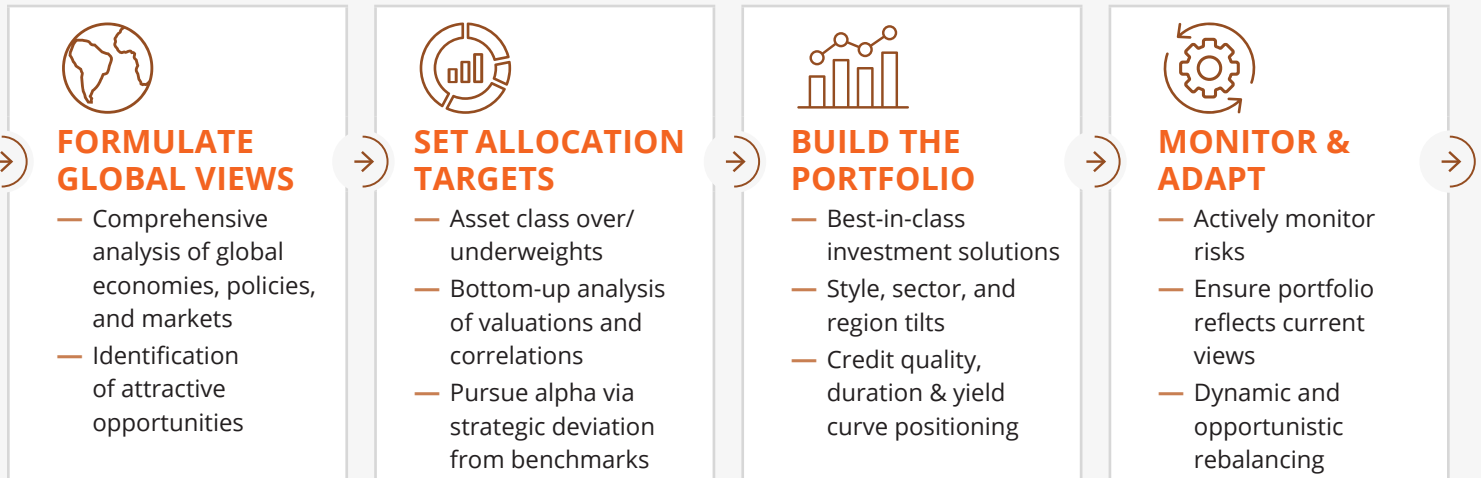
We were encouraged by the broadening of the US equity market as 2025 concluded, as it signaled greater investor confidence in the health of the overall market and the economy's direction. After being burdened by the economic impacts of tariffs on both businesses and consumers in 2025, 2026 looks like a much more favorable set-up. The Federal Reserve has cut interest rates by 1.75% since late 2024, with more cuts expected by mid-year. We should see positive incremental economic growth brought on by the fiscal benefits of the One Big Beautiful Bill Act. Earnings growth expectations across the market cap spectrum are highly encouraging. Combining this supportive backdrop with the growing questions around AI and historically frothy valuations of mega cap growth stocks gives credence to the continued broadening of the US market.

For the year, absolute returns were sizeable, yet the dominance of a small set of US large cap growth stocks, and our preference for higher quality and more attractively valued areas of the market, caused returns relative to blended benchmarks to fall short. Our incremental additions to international stocks throughout the year benefited total return, as did our overweight positioning in emerging Asia and the Eurozone. However, much like the quarter, our overall underweight versus the US detracted from results, given the sizeable outperformance of non-US stocks. Bond performance also mimicked the quarterly returns, where an outsized gain from mortgage-backed securities was the biggest positive driver.

We believe 2026 will be a year in which diversification continues to benefit investors, not just in regard to US versus foreign assets, but within the US market as well. It should pay to seek opportunities outside of the AI sphere. Non-US dollar assets remain attractive given the changing world order and the likely rebalancing of international investors away from US dollar-denominated assets.

Geopolitical risk remains one of the biggest wildcards, yet markets have generally shrugged at every turn. Within the US, the biggest questions are around the true state of the labor market and the economy's ability to move beyond the AI buildout. The labor market appears stagnant but stable, a dynamic that should allow the Federal Reserve to continue to ease monetary policy. Any sign of significant deterioration in the employment picture would be cause for us to revisit our 2026 optimism.

## Mosaic by Madison Investments: Investment Approach



"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.

All investing involves risks including the possible loss of principal. There can be no assurance the asset allocation portfolios will achieve their investment objectives. The portfolios may invest in equities which are subject to market volatility. In addition to the general risk of investing, the portfolio is subject to additional risks including investing in bond and debt securities, which includes credit risk, prepayment risk and interest rate risk. When interest rates rise, bond prices generally fall. Securities rated below investment grade are more sensitive to economic, political and adverse development changes. International equities involve risks of economic and political instability, market liquidity, currency volatility and differences in accounting standards.

Commodity values can be very volatile. They can be impacted by world or local events, government regulations and economic conditions. Investments in commodities can lose value.

Each portfolio is subject to the risks and expenses of the underlying funds in direct proportion to the allocation of assets among the underlying funds.

While Madison constructs portfolios for various risk tolerances, it does not determine individual client's risk tolerance or investment objectives.

Sample position presented for informational purposes only. Not a recommendation to buy or sell. Nothing contained herein is intended to present securities recommendations that were or would have been profitable to any person.

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.

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.

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

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.

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.

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.

S&P 500® Index: large cap market index that measures the performance of a representative sample of 500 leading companies in leading industries in the U.S.

S&P 500® High Beta Index: measures the performance of 100 constituents in the S&P 500 that are most sensitive to changes in market returns.

S&P 500® Quality Index: designed to track high-quality stocks in the S&P 500 by quality score, which is calculated based on return on equity, accruals ratio, and financial leverage ratio.

Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

Russell 2000 Index: measures the performance of the 2,000 smallest companies in the Russell 3000® Index.

MSCI ACWI ex-USA Index: captures large and mid cap representation across 22 of 23 Developed Markets countries (excl. the US) and 23 Emerging Markets countries. With 1,843 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.

Bloomberg US Aggregate Bond Index: measures the investment grade, USD-denominated, fixed-rate taxable bond market. Includes Treasuries, government-related and corporate securities, mortgage-backed securities, asset-backed securities, and corporate securities, with maturities greater than one year.

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

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 and is not investment advice.

Diversification does not assure a profit or protect against loss in a declining market.

Madison-862072-2026-01-09

