

Core Investment Portfolio—Tax-Advantaged

Portfolio Manager Commentary

As of 12/31/2025



Q4 2025 Overview

The **Core Investment Portfolio—Tax-Advantaged (MCIP)** is a comprehensive, multi-asset wealth accumulation strategy designed for long-term capital appreciation with favorable tax treatment. It is actively managed with thoughtful and disciplined diversification for exposure to domestic and global opportunities as well as for controlling overall portfolio volatility.

Due to the dynamic nature of its tactical allocation, MCIP's equity/fixed income allocation can fluctuate between a maximum of 75/25 to a more conservative 52/48. At quarter end, MCIP's target asset allocation was 67% equities and 33% fixed income—including 11% in cash and short-term Treasuries.

Market Overview

Stocks moved higher in the fourth quarter to cap a third consecutive year of double-digit gains. Despite a tumultuous political environment, equity markets rode an 8-month winning streak into year end on the back of resilient corporate earnings and a six-year economic expansion. The S&P 500 gained 17.88% for the year, while the NASDAQ Composite and Dow Jones Industrial Average rose 21.14% and 14.92%, respectively.

However, with earnings growth highly concentrated among technology and AI-related sectors, the average stock in the S&P 500 significantly underperformed the cap-weighted benchmark. For example, the S&P 500 Equal Weight Index, which is more indicative of the average stock, gained 11.43% in 2025, with nearly 70% of the stocks underperforming the cap-weighted benchmark. At year end, the top 10 largest stocks in the S&P 500 represented a record 41% of the index—a substantial concentration.

Stocks were not alone in enjoying a profitable 2025. The Bloomberg U.S. Municipal Bond Index (MBI) generated an income stream of 4.43% for the year, surpassing the annual rate of inflation of 2.70%, as measured by the 12-month change in the Consumer Price Index (CPI). While the income component of MBI's total return was healthy, the price component was slightly negative due to concerns over a slowing economy and potential funding cuts from the federal government and state and local entities. For the year, MBI's price return was -0.18%, slightly lowering its annual return to 4.25%.

Performance Overview

Against this backdrop, MCIP generated solid results. In the fourth quarter of 2025, the portfolio gained 3.47% (2.71% net of maximum potential fees) versus its blended benchmark, which was up 2.54%. For the year, MCIP increased 14.11% (10.76% net) versus the benchmark, up 15.61%.

Objective

A multi-strategy wealth accumulation approach designed to provide long-term capital appreciation while helping to mitigate risk during bear market drawdowns

Portfolio Management Team



Robert G. Hagstrom, CFA
Chief Investment Officer
Senior Portfolio Manager



Timothy M. McCann
Senior Portfolio Manager



James J. DeMasi, CFA
Senior Portfolio Manager

About EquityCompass

EquityCompass is a Baltimore-based SEC registered investment adviser offering a broad range of portfolio strategies and custom plans for individuals, financial intermediaries, and institutional clients in the U.S. Formally organized in 2008, EquityCompass provides portfolio strategies with respect to total assets over \$5.7 billion as of December 31, 2025.*

The EquityCompass team of professionals represents deep industry experience in security analysis, capital markets, and portfolio management. We are committed to a consistent investment process that relies on enduring principles, sound empirical reasoning, and the recognition of a dynamic investment environment with a global reach.

*Total assets include assets under management and assets under advisement

	Total Returns			Annualized Returns				Calendar-Year Returns							
	3-Mos	6-Mos	YTD	1-year	3-year	5-year	Inception	2018	2019	2020	2021	2022	2023	2024	2025
Gross %	3.47	9.30	14.11	14.11	14.21	7.88	6.93	-8.12	18.61	7.30	17.07	-16.20	16.12	12.43	14.11
Benchmark %	2.54	9.03	15.61	15.61	14.92	8.63	8.84	-4.77	19.16	14.76	14.38	-12.87	15.89	13.28	15.61
Net %	2.71	7.69	10.76	10.76	10.85	4.71	3.78	-10.86	15.16	4.17	13.67	-18.70	12.74	9.07	10.76

As of 12/31/2025; Inception—January 1, 2018; Benchmark = 25% S&P 500 Index / 25% MSCI ACWI Index / 25% HFRI Equity Hedge Index, / 25% Bloomberg Muni Managed Money Short/Intermediate Index, rebalanced monthly.

Net returns reflect the deduction of the potential maximum managed account fee of 3.00% which includes the wrap sponsor fee and EquityCompass investment management fees. Actual fees may vary.

Perhaps more impressively, MCIP's full year return surpassed the 11.43% gain generated by the S&P 500 Equal Weight Index, despite its blended allocation to both stocks and bonds. MCIP's long-term results can be found in the performance table at the bottom of page 1.

We continue to believe MCIP's barbell strategy to equity management, owning both U.S. value stocks coupled with global growth stocks, remains an effective approach for navigating the market's inherent volatility with the aligned objective of long-term capital appreciation. The active equity portion of the portfolio remains diversified across major economic sectors along with balanced exposure to both growth and value areas of the stock market.

Within the strategy, MCIP's U.S. value-oriented stock portion finished 2025 on a strong note. In the fourth quarter, broadening performance within the Information Technology sector benefited stocks not directly tied to AI, several Communications Services behemoths endured double-digit pullbacks, and oversold Health Care stocks were coiled for a bounce. These factors benefited MCIP on both an absolute and relative basis in the quarter.

In addition, MCIP's growth stock exposure generated solid returns in the fourth quarter and outperformed the technology growth-centric NASDAQ Composite as well as the broader S&P 500 Index for the full year. The outperformance of MCIP's growth exposure is linked to the above-average growth in earnings per share (EPS) among the companies it owns. In 2025, the market prices of the stocks in MCIP's growth segment largely followed the EPS growth of its companies.

Driven by the same macro factors of solid income generation partially offset by modest price depreciation attributable to a weakening economy and the potential of government funding cuts, MCIP's municipal bond exposure produced a similar return profile to the MBI for both the year and the fourth quarter.

Supplementing MCIP's stock and bond positions, one quarter of the portfolio is allocated to a tactical asset allocation strategy with the ability to invest in stocks, bonds, or cash/short-term U.S. Treasuries, dependent on market conditions. At the beginning of the year, the tactical asset allocation (25% of the portfolio) was equally weighted between equities (50%) alongside bonds and cash/short-term U.S. Treasuries (50%). A 50/50 allocation is best thought of as a viewpoint, in our opinion, that the market's upside opportunity and its downside risk are roughly equal.

Soon after the announcement of reciprocal tariffs on April 2, stocks prices and earnings estimates were summarily cut. While at the time it was thought an economic contraction and market reversal may be imminent, a full reduction in earnings never materialized, and by mid-May, earnings estimates reverted to their positive trend. The spring recovery in earnings occurred as swiftly as it deteriorated. At that time, our asset allocation model shifted 12.5% of the short-term U.S. Treasuries exposure to equities, resulting in an increase in the overall equity allocation to 63% and the remaining 37% invested in cash/short-term U.S. Treasuries. At the end of the fourth quarter, we remain comfortable with our current tactical positioning.

Outlook

While repeating last year's stellar results may prove challenging, we believe both stocks and bonds continue to be well positioned to generate positive returns in 2026.

First, the bond market. In addition to offering attractive tax-advantage income, municipal bonds appear to have some capacity to generate capital appreciation this year. Two competing factors should largely determine the direction and magnitude of price change in the municipal fixed income market in 2026. On the positive side, the Federal Reserve (Fed) is widely expected to continue to lower short-term interest rates over the next several quarters. At the most recent Federal Open Market Committee (FOMC) meeting on December 18, the statement of Economic Projections included 50 basis points (bps) of additional rate cuts, which would lower the overnight federal funds rate to 3.0%, effectively shifting monetary policy from mildly restrictive to neutral by the end of 2027.

U.S. gross domestic product (GDP) growth should accelerate in the first half of the year following a relatively sluggish fourth quarter, due to a double-barreled infusion of monetary policy and fiscal stimulus. According to interest rate futures, another 25 bps rate cut could likely be forthcoming from the Fed by late in the first quarter or early in the second quarter.

In addition to the economic boost provided by lower interest rates, many households and corporations should experience a lift in after-tax income from the administration's large fiscal package (One Big Beautiful Bill) that was enacted in 2025. Another major expansion in capital expenditures to support the AI industry could also bolster economic activity, providing higher corporate earnings in 2026.

With three consecutive years of stock market outperformance in the books, some may question the probability of another positive return in 2026. However, from an economic perspective, the odds are in its favor. According to FactSet, S&P 500 2026 earnings expectations are estimated to be \$309, a 14% gain over the 2025 estimate of \$271. This is the highest year-over-year gain in S&P 500 earnings since the 2021 economic recovery following the 2020 COVID-19 global pandemic. Yes, the price-to-earnings (P/E) ratio is high at 22x forward EPS, but still lower than the peak forward EPS in 2000.

In today's uncertain environment, we believe investors would be best served by owning a diversified portfolio of both value and growth stocks paired with government bonds that seek to provide current income and help preserve principal.

Even so, we continue to caution investors to brace for high, short-term market volatility. In the days, weeks, and months ahead, the daily barrage of economic and political news could negatively impact markets. On other days, however, the headline news might signal promising opportunities on the horizon. One thing we know, with the market's tendency to quickly extrapolate the latest headline news, there could very well be days of exaggerated market returns—both up and down.

All this can be unnerving—even fearful—for many investors. Recognizing uncertainty remains a hallmark of investing, the ongoing rash of economic and political news can be troubling. At EquityCompass, we believe it is a useful exercise for investors to focus on the businesses they own, as oftentimes the market's volatility can exceed the volatility of individual companies.

As always, our mandate remains the same. We believe if you can answer these two questions—**what do I own** and **why do I own it**—smartly and rationally, the pathway for higher investment returns may be made easier.

CORE INVESTMENT PORTFOLIO – TAX-ADVANTAGED WRAP COMPOSITE (01/01/2018 – 12/31/2024)

Year-End	Gross-of-Fees Return*	Net-of-Fees Return**	Custom Benchmark Return	Composite 3 Yr. Ex Post Std. Deviation	Custom Benchmark 3 Yr. Ex Post Standard Deviation	Composite Number of Portfolios	Internal Dispersion	Composite Assets (USD Mil.)	Strategy Assets (USD Mil.)†	Firm AUM (USD Mil.)	Firm & Advisory Assets (USD Mil.)†
2018	-8.1%	-10.9%	-4.8%	N/A	N/A	<6	N/A	\$0.18	\$15	\$167	\$3,831
2019	18.6%	15.2%	19.2%	N/A	N/A	<6	N/A	\$0.22	\$18	\$146	\$4,294
2020	7.3%	4.2%	14.8%	15.1%	12.4%	<6	N/A	\$0.23	\$36	\$153	\$4,012
2021	17.1%	13.7%	14.5%	14.2%	11.5%	<6	N/A	\$0.27	\$38	\$221	\$5,038
2022	-16.2%	-18.7%	-12.9%	16.4%	13.8%	<6	N/A	\$0.23	\$29	\$184	\$4,469
2023	16.1%	12.7%	15.9%	12.9%	11.4%	<6	N/A	\$0.27	\$28	\$179	\$4,707
2024	12.4%	9.1%	13.3%	12.7%	11.5%	<6	N/A	\$0.21	\$30	\$225	\$5,184

* Supplemental information. Please see Fees section for details. ** Net returns are calculated by subtracting the highest applicable wrap fee (3.00% on an annual basis) from the gross composite return. † Supplemental Information.

EquityCompass Investment Management, LLC (“EquityCompass”) claims compliance with the Global Investment Performance Standards (“GIPS®”) and has prepared and presented this report in compliance with the GIPS standards. EquityCompass has been independently verified for the periods 06/01/2014–12/31/2024. 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.

Definition of the Firm

EquityCompass is registered as an investment adviser with the Securities and Exchange Commission. The firm provides a broad range of investment strategies to individuals, financial intermediaries, and institutions in the United States. EquityCompass, a wholly owned subsidiary of Stifel Financial Corp., was organized as an entity in 2007, and has been registered with the SEC since May 5, 2008. SEC Registration does not imply a certain level of skill or training. Please refer to the firm’s ADV Part 2 for additional disclosures regarding the firm and its practices. To obtain a GIPS Report or a list of our composite descriptions and/or policies for valuing investments, calculating performance, and preparing GIPS reports, please call (443) 224-1231 or send an e-mail to info@equitycompass.com.

Composite Description

The performance results displayed herein represent the investment performance record for the Core Investment Portfolio–Tax-Advantaged Wrap Composite. The composite includes wrap and non-wrap accounts that are invested in the composite strategy and managed on a discretionary basis by EquityCompass. The Core Investment Portfolio –Tax-Advantaged is a comprehensive multi-strategy, risk-managed, equity-centric portfolio for accumulating wealth towards retirement. The portfolio employs focused, actively managed equity strategies that seek to generate above-average returns. The fixed income allocation is allocated to highly liquid exchange-traded funds and closed-end mutual funds investing in municipal bonds which provide the added benefit of generating tax-advantaged income. It is available in wrap fee programs through third-party intermediaries (each, a “Sponsor”) that have engaged EquityCompass to manage client accounts on a discretionary basis or to provide non-discretionary investment recommendations in the form of model portfolios. The composite was created in January 2019 and the inception date is January 1, 2018. A sub-advisor was used to manage the strategy’s fixed income allocation from the composite’s inception until 12/31/2018.

Benchmark Description

The custom benchmark is comprised of 25% S&P 500 Index / 25% MSCI ACWI Index / 25% HFRI Equity Hedge Index / 25% Bloomberg Municipal Managed Money Short/Intermediate Index, rebalanced monthly. The **S&P 500 Index** is a capitalization-weighted index that is generally considered representative of the U.S. large capitalization market. **MSCI ACWI Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets around the globe, including the United States. MSCI ACWI Index returns are net of withholding taxes. The **HFRI Equity Hedge Index** is a fund-weighted index of strategies that maintain positions both long and short in primarily equity and equity derivative securities. The **Bloomberg Municipal Managed Money Short/Intermediate Index** is a rules-based, market-value-weighted index engineered for the tax-exempt bond market. To be included in the index, bonds must be rated Aa3/AA- or higher by at least two of the following ratings agencies: Moody’s, S&P, Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. If only one of the three agencies rates a security, the rating must be at least Aa3/AA-. They must have an outstanding par value of at least \$7 million and be issued as part of a transaction of at least \$75 million. The bonds must be fixed rate, have been issued within the last five years, and must be at least one year from their maturity date. All benchmark returns are shown on a total return basis and assume that all cash distributions, such as dividends, are reinvested. The volatility of the indices identified in this report may be materially different from the volatility of the model portfolios presented by EquityCompass. Indices are unmanaged, do not reflect fees and expenses, and are not available for direct investment.

Fees

Gross-of-fees returns, are gross of portfolio management fees, custody fees and withholding taxes and net of all actual transaction costs in the case of non-wrap accounts and those wrap accounts traded by EquityCompass. If the wrap account trades are executed by the Sponsor, transaction costs are bundled with the wrap fee and therefore not deducted from gross-of-fee return calculation. Net returns are calculated by subtracting the highest applicable wrap fee (3.00% on an annual basis, or 0.75% quarterly) from the gross composite return. The EquityCompass management fee schedule per annum is 0.35% on up to 1,000,000, 0.32% on 1,000,000–2,500,000 million, 0.28% on 2,500,000–5,000,000, 0.25% on 5,000,000–10,000,000, and negotiable over 10,000,000. Clients are typically charged a wrap fee which includes, in addition to the manager fee, trading expenses, as well as custody and administrative fees. The wrap fee schedule varies by Sponsor and is available upon request.

Reporting Currency

Valuations are computed and performance reported in U.S. dollars (USD).

Annualized Standard Deviation

The three-year annualized ex post standard deviation measures the variability of the monthly returns of the composite (gross-of-fee) and the benchmark over the preceding 36-month period; it is not presented for periods of less than three years.

Internal Dispersion

Internal dispersion is calculated using the asset-weighted standard deviation of annual gross returns of all accounts that were in the composite for the entire year; it is not presented for periods less than one year or when there were fewer than five accounts in the composite for the entire year.

Assets

Strategy Assets include all discretionary and non-discretionary accounts invested in the Core Investment Portfolio–Tax-Advantaged strategy. Accounts that are excluded from the composite because of significant cash flows or for other reasons are also included in Strategy Assets. This is presented as supplemental information.

Trademark Disclosures

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.

GENERAL DISCLOSURES

The information contained herein has been prepared from sources believed to be reliable but is not guaranteed and is not a complete summary or statement of all available data nor is it considered an offer to buy or sell any securities referred to herein. Affiliates of EquityCompass may, at times, release written or oral commentary, technical analysis, or trading strategies that differ from the opinions expressed within. Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation, or needs of individual investors.

This commentary often expresses opinions about the direction of market, investment sector, and other trends. The opinions should not be considered predictions of future results. The information contained in this report is based on sources believed to be reliable, but is not guaranteed and not necessarily complete. All investments involve risk, including loss of principal, and there is no guarantee that investment objectives will be met. It is important to review your investment objectives, risk tolerance, and liquidity needs before choosing an investment style or manager. Equity investments are subject generally to market, market sector, market liquidity, issuer, and investment style risks, among other factors to varying degrees. Fixed Income investments are subject to market, market liquidity, issuer, investment style, interest rate, credit quality, and call risks, among other factors to varying degrees.

It is important to review your investment objectives, risk tolerance, and liquidity needs before choosing an investment style or manager. Foreign investments are subject to risks not ordinarily associated with domestic investments, such as currency, economic and political risks, and different accounting standards. There are special considerations associated with international investing, including the risk of currency fluctuations and political and economic events. Investing in emerging markets may involve greater risk and volatility than investing in more developed countries. Due to their narrow focus, sector-based investments typically exhibit greater volatility and are generally associated with a high degree of risk. Changes in market conditions or a company's financial condition may impact the company's ability to continue to pay dividends. Companies may also choose to discontinue dividend payments. Diversification and/or asset allocation does not ensure a profit or protect against loss. Rebalancing may have tax consequences, which should be discussed with your tax advisor. EquityCompass and its affiliates do not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction.

Exchange Traded Funds (ETFs) are subject to market risk, including the possible loss of principal, and may trade for less than their net asset value. ETFs trade like a stock, and there will be brokerage commissions associated with buying and selling exchange traded funds unless trading occurs in a fee-based account. Investors should consider an ETF's investment objective, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other important information, is available from your Financial Advisor and should be read carefully before investing.

The **S&P 500® Index** is a capitalization-weighted index that is generally considered representative of the U.S. large capitalization market. The **S&P 500® Equal Weight Index** is based on the S&P 500. All index constituents are members of the S&P 500 and follow the eligibility criteria for that index. The S&P EWI is maintained in accordance with the index methodology of the S&P 500, which measures 500 leading companies in leading U.S. industries. The S&P EWI measures the performance of the same 500 companies, in equal weights. As such, sector exposures in the S&P EWI will differ. The **Dow Jones Industrial Average (DJIA)** is an unmanaged, price-weighted index that consists of 30 blue chip U.S. stocks selected for their history of successful growth and interest among investors. The **NASDAQ Composite Index**, comprised mostly of technology and growth companies, is a market value-weighted index of all common stocks listed on NASDAQ. The **Bloomberg U.S. Municipal Bond Index** measures the performance of the U.S. municipal bond market. It is composed of approximately 1,100 bonds; 60% of which are revenue bonds and 40% of which are state government obligations. All index returns are shown on a total return basis and assume that all cash distributions, such as dividends, are reinvested. The volatility of the indices identified in this report may be materially different from the volatility of the model portfolios presented by EquityCompass. Indices are unmanaged, do not reflect fees and expenses, and are not available for direct investment.

The **Consumer Price Index (CPI)** measures the change in prices paid by consumers for goods and services. The CPI reflects spending patterns for each of two population groups: all urban consumers and urban wage earners and clerical workers.

Gross domestic product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period. As a broad measure of overall domestic production, it functions as a comprehensive scorecard of a given country's economic health.

*Total assets combines both Assets Under Management and Assets Under Advisement as of December 31, 2025. Assets Under Management represents the aggregate fair value of all discretionary and non-discretionary assets, including fee paying and non-fee paying portfolios. Assets Under Advisement represent advisory-only assets where the firm provides a model portfolio and does not have trading authority over the assets.

Past performance does not guarantee future performance or investment results.

© 2026 EquityCompass Investment Management, LLC, One South Street, 25th Floor, Baltimore, Maryland 21202. All rights reserved.