

Madison Large Cap Fund

Investment Strategy Letter | December 31, 2025



In the fourth quarter, the S&P 500 generated a 2.65% total return, bringing the full year 2025 total return to 17.9%. Over the past three years, on a price basis, the index has risen at an annual rate of just over 21%. For historical perspective, that remarkable rate of return places the past three-year period in approximately the 94th percentile of rolling three-year returns going back to 1931. Echoing the trends of recent years, in 2025, market leadership once again favored High Beta and Momentum factors and participation remained narrow, which masked more muted returns for stocks across much of the market. This narrow leadership is underscored by the fact that only three of the eleven sectors outperformed the index and less than a third of individual stocks within the S&P 500 bested the broader benchmark. In the fourth quarter, the market broadened modestly, with sectors that lagged for the majority of the year (e.g. Healthcare, Financials, Consumer Discretionary) performing a bit better. Yet, the mega cap technology orientated companies continue to drive the overall index's return and the S&P 500 remains highly concentrated in these stocks.

Portfolio Performance

The Madison Large Cap Fund (Class I) increased 3.43% in the fourth quarter of 2025, compared to the 2.66% increase in the S&P 500 Index.

The top five contributors for the quarter were Alphabet, Parker-Hannifin, Keysight Technologies, Danaher, and PACCAR. Shares in Alphabet continued to appreciate in the fourth quarter as its main businesses across Search, YouTube, and Cloud continued to accelerate. Furthermore, Alphabet released new AI models that gave investors further confidence that the company is well positioned for growth.

Parker-Hannifin, a diversified industrial, reported another strong quarter of margin improvement and robust results in its aerospace segment with low-teens organic growth. Electronic test and measurement company Keysight Technologies reported strong quarterly results and an even better outlook. Keysight's end markets have been subdued for the past few years but are now returning to growth. Improving end market conditions was also the theme at Danaher and PACCAR. Organic growth at Danaher, a diversified life science tools and diagnostics company, continues to show improvement with its Bioprocessing business returning to high-single digit growth. At PACCAR, a heavy-duty truck manufacturer, current results continued to be pressured by the depressed end market environment, but tariff relief, environmental regulations, and a cyclical end market recovery point to results improving from here.

The bottom five detractors for the quarter were Fiserv, CDW Corporation, Copart, Progressive, and Texas Instruments. Fiserv reported disappointing results with revenue declining in its Financial Solutions segment. Furthermore, new management believes the company requires additional investment across its businesses in order to improve its product suite. As a result, we lost conviction in the company's durable growth profile and sold our shares.

CDW, a value-added reseller of technology products, reported improving revenue growth. However, operating expenses grew faster in the quarter, so earnings growth was muted. Longer term, we believe that expenses will be held in check and earnings growth will pick back up. Volume growth at Copart, which manages salvage vehicle auctions, continued to slow as a result of more under-and-uninsured auto drivers and shifting market share amongst insurance carriers. Still, Copart's earnings have grown at a healthy clip over the past few years and its competitive position remains strong. Pricing at auto insurer Progressive slowed in the quarter which constrained premium growth. Finally, while Texas Instruments reported strong results and its end markets are in the early stages of recovering, its shares underperformed as investors were expecting growth to recover a bit quicker.

Tickers

Class R6: MNVRX	Class I: MIVIX
Class Y: MINVX	Class A: MNVAX

Portfolio Management



Joe Maginot
Portfolio Manager, Analyst
Industry since 2012



Haruki Toyama
Head of Mid & Large Cap Equity,
Portfolio Manager
Industry since 1994



Rich Eisinger
Head of Equities, Portfolio
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Industry since 1994

Performance data shown represents past performance. Investment returns and principal value will fluctuate, so that fund shares, when redeemed, may be worth more or less than the original cost. Past performance does not guarantee future results and current performance may be lower or higher than the performance data shown. Visit madisonfunds.com or call 800.877.6089 to obtain performance data current to the most recent month-end.



Portfolio Activity

It was an active quarter for the portfolio. We initiated positions in Workday and Honeywell and sold Fiserv and Nike.

Workday is a market-leading human resources and financial management software company. Over the last couple years, the company has transitioned to a new leadership team, which is focused on both sustaining double-digit revenue growth and expanding margins. To sustain double digit growth, Workday has expanded its product suite to address underpenetrated customer groups across public institutions, international corporations, and medium sized enterprises. It's also investing in commercializing AI agents, which should be additive to revenue growth. Similar to what we've observed at other leading software companies, we also believe margins have the potential to meaningfully expand under the new leadership team. Over the coming years, this combination of solid revenue growth, expanding margins, and share repurchases should generate considerable earnings-per-share growth. We believe this growth profile is underappreciated, especially since Workday also has an excellent balance sheet, terrific cash flow, and best-in-class customer retention rates.

The second new investment was in Honeywell, a high-quality industrial conglomerate. Currently, the company is undergoing a portfolio transformation with the sale and spin-off of a variety of assets in 2025 and the anticipated separation of the aerospace and automation businesses in the second half of 2026. We believe this separation will further enhance the return on invested capital and growth opportunities for each business, and that Honeywell's portfolio transformation is underappreciated by equity investors.

During the quarter, we sold Fiserv and Nike. We discussed our rationale for exiting Fiserv in the portfolio performance section. The second investment we sold was Nike, a sports-focused apparel company. While we have been encouraged by new CEO Elliot Hill's "Win Now" recovery plan and the return of revenue growth, the stock had rebounded towards our estimate of intrinsic value, and therefore, we elected to sell the shares.

Outlook and Positioning

While a soaring market driven by High Beta and Momentum stocks is typically an environment in which we would not expect to outperform, 2025 was uniquely challenging for our Large Cap strategy. The portfolio is populated with high-quality, durable businesses across a wide range of industries, selling for reasonable prices. Historically, this has been a strong foundation for attractive long-term investment performance. We don't believe that has changed, but, in 2025, stocks with these attributes were out of favor and lagged the broader market by a considerable margin. From our perspective, this underperformance stems from one or more headwinds at play, including earnings growth lagging historical averages, heightened concerns of AI-related disruption, and just the simple lack of market interest in some of these 'boring' businesses.

The U.S. economy enters 2026 on relatively firm footing. Corporations have largely adopted business practices to manage policy uncertainty, particularly around tariffs, which dominated headlines and corporate decision making for much of 2025. On the policy side, the Fed has reduced rates, and fiscal policy is also expected to be a tailwind with tax incentives set to take effect. While these dynamics are certainly positive, economic activity in the manufacturing and housing industries remains muted and there is lingering uncertainty around employment and inflation. Regardless of what drives stock prices in the new year, we will not abandon our philosophy. We invest in the proven over the promise, the long-term over the short-term, and durability over momentum.

Respectfully,

Joe Maginot

Haruki Toyama

Rich Eisinger

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Madison Large Cap Fund

Fact Sheet | December 31, 2025



Why Madison Large Cap Fund?

High-quality, concentrated portfolio of 25-40 stocks

Focused on risk management and downside protection

Long-tenured management

Average Annual Total Returns¹ (%)

	3-Months	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
Class R6	3.47	3.51	3.51	15.10	10.26	12.98	12.22
Class I	3.43	3.40	3.40	15.00	--	--	11.49
Class Y	3.41	3.31	3.31	14.90	10.07	12.79	11.06
Class A without sales charge	3.34	3.05	3.05	14.61	9.78	12.50	11.73
Class A with sales charge	-2.62	-2.87	-2.87	12.37	8.49	11.84	11.19
S&P 500	2.66	17.88	17.88	23.01	14.42	14.82	--

Calendar Year Returns¹ (%)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Class Y	12.97	22.51	-0.20	30.48	14.42	22.68	-13.17	26.09	16.44	3.31
S&P 500	11.96	21.83	-4.38	31.49	18.40	28.71	-18.11	26.29	25.02	17.88

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Sector Allocation (%)

	Madison	Index
Comm Services	9.06	10.58
Cons Discr	20.57	10.41
Cons Staples	--	4.71
Energy	--	2.81
Financials	23.62	13.40
Health Care	8.46	9.59
Industrials	15.62	8.16
Info Tech	20.03	34.43
Materials	--	1.83
Real Estate	--	1.83
Utilities	--	2.25
Cash	2.64	--

5-Year Risk Metrics (%) - Class Y

	Madison	Index
Standard Deviation	15.00	15.11
Up Capture	87.48	100.00
Down Capture	101.75	100.00
Beta	0.91	1.00

10-Year Risk Metrics (%) - Class Y

	Madison	Index
Standard Deviation	14.32	15.12
Up Capture	89.47	100.00
Down Capture	92.20	100.00
Beta	0.89	1.00

Investment Objective

The Madison Large Cap Fund seeks long-term capital appreciation.

Class	Ticker	Inception	Exp. Ratio
R6	MNVRX	9/23/13	0.73%
I	MIVIX	8/31/20	0.81%
Y	MINVX	11/1/78	0.91%
A	MNVAX	9/23/13	1.16%

Expense ratios are based on the fund's most recent prospectus.

Fund Characteristics

Number of Holdings	29
Active Share (%)	89.0
% Assets in Top 10 Stocks	50.61
Annual Portfolio Turnover (%)	21
Wtd. Avg. Market Cap (\$ billions)	591.5
Net Assets (\$ millions)	337.5
Distribution Frequency	Annual

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Complete Stock Holdings (%)

Alphabet Inc Cl C	9.06	Lowe S Cos Inc	3.58	Deere + Co	2.30
Arch Capital Group Ltd	6.20	Brookfield Corp	3.44	Copart Inc	2.29
Amazon.com Inc	5.45	Analog Devices Inc	3.25	CDW Corp/De	2.20
Ferguson Enterprises Inc	4.66	Progressive Corp	3.23	Marsh + McLennan Cos	2.18
Parker Hannifin Corp	4.63	Agilent Technologies Inc	2.98	Honeywell International Inc	2.05
PACCAR Inc	4.35	Schwab (Charles) Corp	2.79	MSCI Inc	2.02
Keysight Technologies In	4.35	Airbnb Inc Class A	2.68	Starbucks Corp	1.71
Danaher Corp	4.16	Gartner Inc	2.60	Workday Inc Class A	1.33
Texas Instruments Inc	3.99	TJX Companies Inc	2.49	Alcon Inc	1.32
Visa Inc Class A Shares	3.76	Accenture Plc Cl A	2.32	--	--

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This material is authorized for use only when preceded or accompanied by the current prospectus. Before investing, please fully consider the investment objectives, risks, charges and expenses of the fund. This and other important information is contained in the current prospectus, which you should carefully read before investing or sending money. For more complete information about Madison Funds® obtain a prospectus from your financial adviser, by calling 800.877.6089 or by visiting www.madisonfunds.com to view or download a copy.

1. Average annual total returns and calendar year returns assume all distributions are reinvested and reflect applicable fees and expenses. Class A share returns without sales charge would be lower if sales charge were included. Class A share returns with sales charge reflect the deduction of the maximum applicable sales charge of 5.75%. Class Y and R6 shares do not impose an up-front sales charge or a CDSC. From February 6, 2009 through February 28, 2016 the investment adviser waived between 0.11% to 0.15% of its management and/or services fees annually for Class Y shares, 0.15% for Class A shares from September 23, 2013 to February 28, 2016; and 0.10% for Class R6 from September 23, 2013 until May 1, 2014. Investment returns reflect these fee waivers, without which returns would have been lower.

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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.

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An investment in the fund is subject to risk and there can be no assurance the fund will achieve its investment objective. The risks associated with

an investment in the fund can increase during times of significant market volatility. The principal risks of investing in the fund include: equity risk, growth and value investing risk, capital gain realization risks to taxpaying shareholders, foreign security and emerging market risk. More detailed information regarding these risks can be found in the fund's prospectus.

Effective February 28, 2025, the Fund's name changed from Madison Investors Fund to Madison Large Cap Fund. The investment strategy and objective remain unchanged.

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

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.

The S&P 500® Index is a large-cap market index which measures the performance of a representative sample of 500 leading companies in leading industries in the U.S.

Active Share: the percentage of a portfolio that differs from its benchmark index. It can range from 0% for an index fund that perfectly mirrors its benchmark to 100% for a portfolio with no overlap with an index.

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.

Wtd Avg. Market Cap: the size of the companies in which the fund invests. Market capitalization is calculated by number of a company's shares outstanding times its price per share.

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.

Upside Capture Ratio: a fund'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.

Downside Capture Ratio: a fund'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.

Beta: a measure of the fund's sensitivity to market movements. A portfolio with a beta greater than 1 is more volatile than the market, and a portfolio with a beta less than 1 is less volatile than the market.

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