

# Quarterly *Insight*

## Letter from the CEO

FROM CHIEF EXECUTIVE OFFICER JASON JACKMAN, CFA



As one year draws to a close and we look ahead to the next, it's natural to pause and reflect. As I consider the end of 2025—our 60th year of serving clients—I'm struck by both how much has changed and how much has remained constant.

Over six decades, we have grown into one of the nation's largest independent wealth management firms, helping more people than ever before and providing wealth management for clients in all 50 states. Our footprint has expanded to six offices across the Midwest, supported by 165 dedicated employees. We leverage sophisticated technology and secure, modern systems to enhance efficiency and safeguard client information.

Yet the most meaningful part of our story is what has not changed. Since our very first client relationship in 1965, our focus has remained clear: put clients first. Our mission—to provide financial peace of mind through trusted counsel, exemplary service, and a genuine heart to serve—continues to guide every decision we make.

We also continued to invest in talented professionals who bring expertise, care, and dedication to those we serve. Our commitment to ongoing learning and professional growth is evident as team members pursue advanced training and industry credentials. A strong, people-first culture has long been one of our greatest strengths. Many employees choose to build their entire careers here, creating continuity and deep relationships with generations of client families.

In 2025, we welcomed six new shareholders and reaffirmed our commitment to remaining employee-owned and independent. At a time when mergers and acquisitions are reshaping wealth management landscape, we remain steadfast in offering truly client-first guidance, free from external pressures or competing interests. Our ownership group is comprised entirely of team members serving clients. There is no external agenda, only a shared mission to do what is right, every time. At Johnson Investment Counsel, independence is not a tagline – it's the foundation that allows us to serve our clients the way they deserve. In a landscape increasingly shaped by short-term deals and outside ownership, we believe independence is not just a matter of structure, it is a reflection of our values. It means every decision we make is rooted in what is in the best interest of the individuals and families that place their trust in us. That trust is foundational to everything we do and it is something we will never compromise.

Thank you for the trust you place in us. It is a privilege to serve you, and we look forward to continuing our journey together in the years ahead.



Jason Jackman, CFA  
Chief Executive Officer

**2025**  
**FOURTH QUARTER**

## Featuring

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## Total *returns*

|  | <b>4Q 2025</b> | <b>2025</b> |
|--|----------------|-------------|
| <b>S&amp;P 500</b>                         | 2.7%           | 17.9%       |
| <b>DOW JONES INDUSTRIAL AVERAGE</b>        | 4.0%           | 14.9%       |
| <b>NASDAQ</b>                              | 2.7%           | 21.1%       |
| <b>RUSSELL 2000</b>                        | 2.2%           | 12.8%       |
| <b>MSCI EAFE (INTERNATIONAL)</b>           | 4.9%           | 31.2%       |
| <b>BLOOMBERG U.S. AGGREGATE BOND INDEX</b> | 1.1%           | 7.3%        |

## Our *divisions*

**WEALTH MANAGEMENT**

**FAMILY OFFICE SERVICES**

**TRUST COMPANY**

**ASSET MANAGEMENT**

# Market update

## FROM THE DESK OF CIO CHARLES RINEHART, CFA, CAIA Market update

As we look toward 2026, there is much to be excited about. The United States will celebrate its 250th birthday, we will host the World Cup on our own shores, and, as someone who endured years of Latin and Greek lessons, I am personally looking forward to the release of Christopher Nolan's *The Odyssey* later this year.



In the original myth, Odysseus faces a unique challenge: the Sirens, whose beautiful and persuasive songs lure sailors toward rocky shores and certain destruction. Odysseus knows in advance that their song will be irresistible. Understanding that willpower alone will not be enough, he prepares. He has his crew plug their ears with wax, and he ties himself to the mast, instructing them not to untie him, no matter what he says. He survives not by ignoring the song, but by ensuring it cannot change his course.

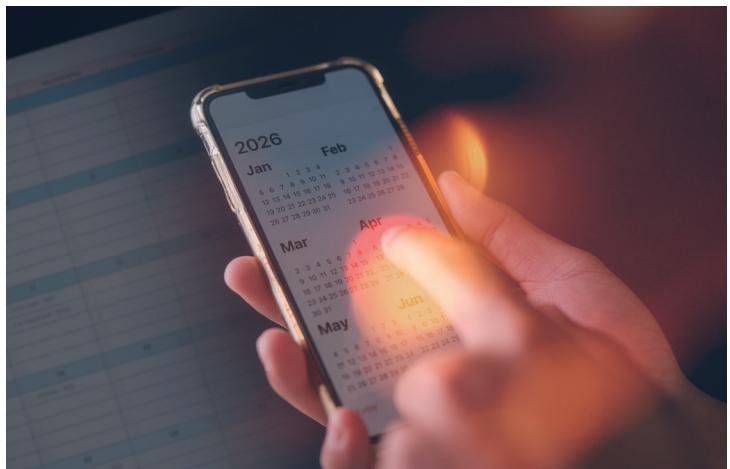
The financial world has its own siren songs. They often present as persuasive, emotional narratives that tempt investors to abandon discipline. In 2025, those songs took the form of massive tariff announcements, renewed questions around Federal Reserve independence, and the longest government shutdown on record. The headlines were constant and often unsettling. And yet, by staying tied to a disciplined investment approach, investors who remained patient were rewarded.

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Despite the steady drumbeat of uncertainty, markets delivered strong results. The S&P 500 finished the year up nearly 18%. International equity markets were one of the year's most pleasant surprises, with the ACWI ex-U.S. index surging roughly 33%. Bonds also played their role, delivering returns in excess of their starting yields, and the Bloomberg Aggregate Bond Index finished the year up more than 7%. No matter how you measure it, 2025 was a good year for investors — a reminder that markets often reward patience even when the news flow feels anything but calm.

Beneath the surface, the economic picture remained uneven. Lower-income consumers and traditional "old economy" sectors largely treaded water, while AI investment progressed at a rapid pace. That technology-driven spending acted as a powerful engine, helping an economy that might otherwise have struggled to accelerate, with GDP growing 4.3% in the most recently reported third quarter.

Following several years of economic concentration, there are signs that growth may begin to broaden beyond narrow pockets of technology investment. Lower mortgage rates, a year of Federal Reserve easing, lower oil prices, and expectations for a healthy tax refund season all provide reasons for cautious optimism that broader economic activity could pick up in 2026.



Monetary policy remains a balancing act. Inflation is still above the Fed's target but appears contained for now. At the same time, unemployment has edged gradually higher, with signs of softness continuing in the labor market. While both the market and the Federal Reserve expect modest policy easing ahead, it is likely that the bulk of the rate-cutting cycle is already behind us, absent a significant external shock. Even so, a stable to easing policy environment leaves bond investors well positioned for another good year in 2026. Economically, the effects of last year's easing are still working their way through the system and should remain a supportive force in the year ahead.

Broader growth and easier policy will be important, as investors are entering 2026 with high expectations. Valuations remain elevated by historical standards, with the S&P 500 trading

*(article continued)*

## Market update

around 22 times forward earnings — a level historically associated with periods of excessive optimism. While this does not preclude further gains, it does raise the bar for future returns and reinforces the importance of selectivity, diversification, and a focus on sustainable earnings growth.

The coming year will bring its own siren songs: mid-term elections, geopolitical strife, and inevitable market volatility. Our promise to you remains the same: we will not let the noise of the moment dictate the strategy of a lifetime. Wise planning and commitment to investment discipline are the best ways to maintain our course through ever-changing narratives and stay focused on the long-term goals that matter most to you and your family.

Thank you for your continued trust and confidence. We look forward to navigating 2026 together.

Here's to a great year ahead.



**Chief Investment Officer, Charles Rinehart, CFA, CAIA,** leads our dedicated team of research analysts and portfolio managers as they manage our investment strategies to deliver financial peace of mind to our clients.

## Upcoming webinars

**Your Guide to P&G PST Distributions & Tax Implications**

**JOHNSON INVESTMENT COUNSEL**

**Feb 4, 4-5pm (EST)**  
**Feb 25, 12-1pm (EST)**  
**Mar 24, 12-1pm (EST)**

Are you a current or former Procter & Gamble employee? This webinar, led by Michael Stanis, CFA, CFP®, MBA, a former P&G employee, is designed to help owners of the P&G Profit Sharing Trust (PST) understand how the proceeds may be distributed and invested, and how taxes are impacted. Johnson Investment Counsel has helped hundreds of P&G employees navigate PST distribution options. We want to share what we know so that you can make the best decisions for your family.



**SCAN TO REGISTER**

## Wealth Management Forum



### 2026 Wealth Management Forum Coming February 5th

Our annual Wealth Management Forum will be available to view on Thursday, February 5th at 4:00 pm EST. You do not need to register ahead of time to view the forum. Once recorded, the presentation will be immediately available online for you to watch at your convenience. We will send an email once the recording is available.

In this year's Wealth Management Forum, CEO Jason Jackman will provide firm highlights from 2025, and CIO Charles Rinehart and Managing Director Brandon Zureick will share insights on the market and economy.

If you are signed up to receive our emails, we will send an email once the recording of our Wealth Management Forum is available and you will also be able to access the recording on our website, JOHNSONINV.COM. Feel free to share this information with friends; you do not need to be a Johnson client to view the forum.



**SCAN TO VIEW THE  
WEALTH MANAGEMENT  
FORUM ON FEB. 5TH**

*Disclaimer: Any expectations presented should not be taken as a guarantee or other assurance as to future results. Our opinions are a reflection of our best judgment at the time this presentation was created, and we disclaim any obligation to update or alter forward-looking statements as a result of new information, future events or otherwise. The material contained herein is based upon proprietary information and is provided purely for reference and as such is confidential and intended solely for those to whom it was provided by Johnson Investment Counsel. Johnson Investment Counsel does 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.*

## Retirements

Johnson Investment Counsel congratulates Senior Managing Director of Human Resources Steve Linder, CCP® on his retirement. Steve became a part of the Johnson team in 1999.

Jason Jackman, Chief Executive Officer shared: "Steve has been an integral part of our culture since the day he was hired. Our culture is better, and the firm is stronger because of his impact over his 26-year career."



LINDER

## Promotions

We are pleased to announce that these individuals have been promoted to new positions:

- **JOSH BASINGER, ESQ., CTFA**  
Manager of Trust Compliance and Operations,  
Senior Trust Officer
- **MARY BURNS, ESQ.**  
Senior Vice President, Senior Trust Counsel



BASINGER



BURNS

## New designations

We are committed to continuing education to provide personal development for our employees and better service to our clients. We are pleased to announce that Brandon Davidson has earned a new designation. Congratulations to Brandon Davidson, CFP® who has earned the CERTIFIED FINANCIAL PLANNER™ designation.



DAVIDSON

## In the news

The expertise of our Johnson team members is often sought after by local and national media sources. Scan the QR code to see recent articles and videos featuring our employees.

Recent highlights include:

- **CHARLES RINEHART, CFA, CAIA** in Barron's
- **VINCE RUSSELL** on 2News
- **JOE ABBOTT, CFA** in the Cincinnati Business Courier
- **TONY KURE, CFP®** in MarketWatch
- **BRANDON ZUREICK, CFA** in CBS MoneyWatch



## About us

Johnson Investment Counsel is one of the nation's largest independent wealth management firms, managing more than \$22 billion in assets for clients in 50 states. Johnson Investment Counsel is an employee-owned firm, offering a full range of fee-only, integrated wealth management services, including: investment portfolios, education and retirement planning, cash management, estate planning, trust services, charitable giving, mutual funds, 401(k) plans, IRAs, and more. Johnson Investment Counsel has built strong, long-term relationships with individuals, families, charitable organizations, foundations, and corporations through four integrated divisions.

## Our divisions

**WEALTH MANAGEMENT**

**FAMILY OFFICE SERVICES**

**TRUST COMPANY**

**ASSET MANAGEMENT**

*If you are a client of Johnson Investment Counsel, you should receive account statements on at least a quarterly basis directly from the qualified custodian that holds and maintains your assets. You are urged to carefully review all custodial statements for accuracy. If you are not receiving custodial statements, please contact our Chief Compliance Officer, Scott Bischoff at (513) 661-3100.*