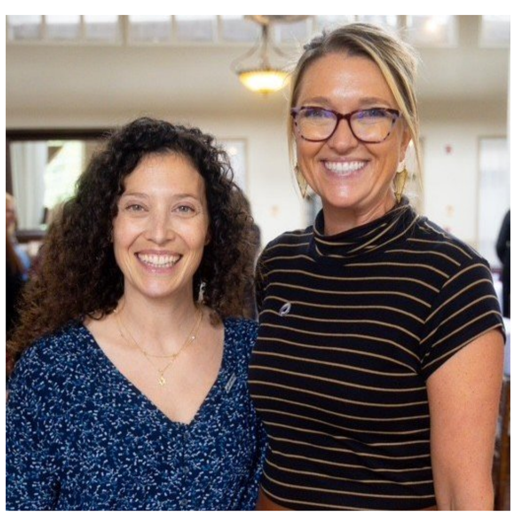
IMPACT CAPITAL STRATEGIES

Leverage the Power of Your Money

Impact Capital Strategies Is Celebrating Its 10 Year Anniversary

Jon Ellenbogen, Steve Badt and Lori Johnson founded Impact Capital Strategies in 2016 and this April we will be celebrating our 10 year anniversary! Along the way, Lori Johnson started a new adventure running the Little Dipper Farm in Connecticut and ICS added a Maryland office with Ashley Lazarewicz and Pamela Nehemia. We are excited to begin our next decade serving our wonderful clients.

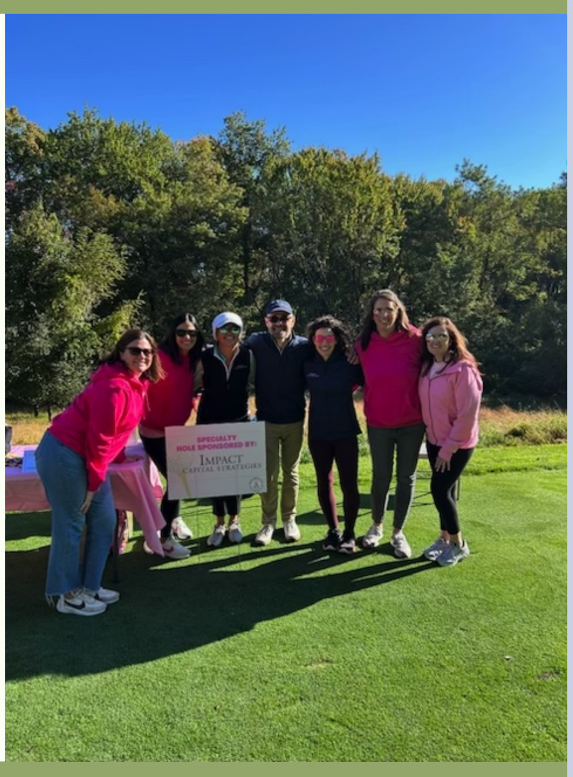


ICS: Giving Back

Impact Capital Strategies is committed to giving back, locally and globally.

ICS: Giving Back

Ashley Lazarewicz, Steve Badt and Pamela Nehemia (center) at the 2025 15th Annual Pink Ribbon Girls Charity Golf Tournament which raised funds to directly support the National Breast Cancer Foundation and Chad Tough Defeat DIPG Foundation.



NATIONAL BREAST CANCER FOUNDATION, INC.®

The National Breast Cancer Foundation provides help and inspires hope to those affected by breast cancer through early detection, education, and support services.

ChadTough Defeat DIPG Foundation

In the fight for a DIPG/DMG cure, Chad Tough helps patients and families by funding game-changing research and providing navigation throughout their journey.

How Well Do You Know Your ICS Team? Guess Who...

1

2

3

4

**Answer key below*

2026 Outlook: Trendlines over Headlines

Darrell L. Cronk, CFA®

President,
Wells Fargo Investment Institute
Chief Investment Officer,
Wealth & Investment Management

"Successful investing takes time, discipline, and patience. No matter how great the talent or effort, some things just take time."

— Warren Buffett

When negative headlines prevail, readers often reflexively reach for Murphy's Law and a "Well, that figures" shrug. Even good news in abundance can prompt a squint to find the negatives that must be in there somewhere.

2025 certainly created a lot of headline fatigue around rapid, sometimes abrupt changes, both in government policies and in the technological revolution of artificial intelligence (AI). But we are looking through the headlines and see economic and policy trends that should drive the economy and capital markets in 2026. An essential goal of our 2026 Outlook report is to present those contours and explain how we see them as not only durable but also reinforcing each other. To be blunt, it seems time to give old Murphy a rest.

Policy changes may remain prominent, particularly the Federal Reserve's (Fed's) path of further interest-rate cuts. But we are looking past the headlines about membership on the Fed's Board of Governors to focus on the historically rare but positive signal of rate cuts in an already growing economy. Likewise, we see tariff impacts as diffuse and less potent than the positive duo of deregulation and tax cuts already in place.

Spending on AI development also looks to grow and broaden across sectors. Some market volatility could develop as investors periodically test whether AI-related profitability continues to meet expectations. In such cases, we expect new opportunities across a widening group of sectors, as the transformation that AI is leading touches almost every area of our lives.

These trends could be mutually reinforcing. Business tax cuts for capital spending should promote business expansion and modernization. Lower borrowing costs could reinforce this expansion, promoting hiring and raising worker productivity. In turn, workers who can produce more in a day can lower average costs and limit price inflation. These positive convergences should increase equity market breadth, reinforce margin and earnings growth, and bolster business and consumer spending.

2026 may still bring market pullbacks, and sometimes headlines deliver genuine negative surprises. But our outlook for the next year hinges on some unusually complementary trends already in place. The following pages offer our highest-conviction investment ideas around this theme, and we will watch for new opportunities as the year progresses.

Please contact us to receive the full report.

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Please don't hesitate to contact us if you have any questions.

Answers: Steve (1), Ashley (2), Pamela (3), Jon (4)