Fort Washington Investment Advisors, Inc.
A member of Western & Southern Financial Group

FORT WASHINGTON OVERVIEW OF STRATEGIC INCOME

HIGHLIGHTS

- The Fort Washington Strategic Income strategy is a multi-sector fixed income strategy designed to provide investors with a high level of current income and total return with a focus on capital protection through multiple sources of returns.
- The strategy seeks to provide investors with premium yield and return through high-conviction security selection, dynamic sector allocations, prudent duration management, and a high-quality bias.
- The strategy invests across an expanded investment opportunity set with increased flexibility compared to traditional Core Fixed Income and Core Plus Fixed Income strategies.
- Fort Washington's unique approach utilizes cause-and-effect relationships to assess relative value between asset classes and balances interest rate risk with credit risk.
- The strategy is implemented by an experienced team of 30+ investment professionals with proven track records overseeing $67.4 billion in fixed income assets.[1]
- The strategy has produced competitive results, targeting an excess return of +300 basis points annually relative to the Bloomberg US Aggregate Bond Index.

HOW DOES STRATEGIC INCOME DIFFER FROM OTHER MULTI-SECTOR FIXED INCOME STRATEGIES?

Premium Yield With a Quality Bias

Strategic Income has delivered an above-average yield compared to its peers and traditional fixed income strategies, historically exceeding the Bloomberg US Aggregate Index by 2%. The strategy achieves this premium yield while maintaining an average credit rating of Investment Grade, distinguishing itself from peers that rely more heavily on High Yield securities.[2]

Enhanced Return

Strategic Income utilizes a broad investment universe to generate alpha across multiple sectors. The approach is designed to deliver enhanced portfolio diversification and differentiated patterns of returns. Since inception, the strategy ranks in the top quartile relative to peers and has exceeded the Bloomberg US Aggregate Index by an annualized 2.94% (net).[3]

High-Conviction Security Selection

Bottom-up security selection in fixed income has proven to be a reliable source of alpha. Strategic Income typically has 125–175 issuers, focusing on the best ideas from our deeply experienced team of sector specialists.

Portfolio Diversification

Strategic Income avoids large concentrations in single sectors, such as High Yield or preferred securities, while offering dedicated exposure to diversifying fixed-income asset classes with low correlation to traditional fixed income.

Duration Management

Multi-sector fixed income strategies commonly take large, and sometimes negative, duration positions. Strategic Income uses duration as a risk mitigation tool and seeks to avoid taking large duration positions due to the difficulty in predicting interest rates.

Flexibility & Expanded Opportunity Set

The strategy dynamically adapts to changing market conditions, capitalizing on niche opportunities to generate alpha. This flexible approach offers a meaningful advantage over more restrictive fixed-income strategies.

INVESTMENT PROCESS

The investment process is guided by a well-defined and consistent philosophy:

- The state of the economy and valuations drive asset prices.
- Relative value is best assessed through explicit measurement of risk and return.
- Active fixed income security selection adds alpha over time.
- Avoid large exposures not supported by strong investment rationale.

Incorporating these philosophical elements, the strategy employs a disciplined approach to sector allocation and relative value through a proprietary risk-management framework implemented by an experienced team with demonstrated experience in security selection.

The investment process can be summarized as follows:

RISK APPETITE	SECTOR ALLOCATION	SECURITY SELECTION	RISK MANAGEMENT
Determine how much risk to take.	*Identify optimal sector combinations.*	*Perform fundamental analysis.*	*Prudent monitoring of exposures.*
▸ Risk budget target set based on the current state of the economy and asset valuations. ▸ Target risk levels applied to strategy and client-specific risk budgets.	▸ Make explicit estimates of risk and return for relative value assessment. ▸ Seek opportunities in niche markets.	▸ Drive security selection decisions at the "Sector PM" (analyst level). ▸ Dedicated sector analysts focused on bottom-up fundamental analysis.	▸ Continuous monitoring of risk, both top-down and bottom-up. ▸ Multiple layers of oversight.

ASSESSING RELATIVE VALUE BETWEEN ASSET CLASSES

The Fort Washington Strategic Income strategy takes the approach of a value investor, employing disciplined sector allocations and relative value analysis through a proprietary risk management framework. The explicit measurement of risk and return, combined with a prudent approach to portfolio construction throughout the cycle, is key to long-term success.

The team analyzes individual sectors on a risk-adjusted basis using proprietary tools, including qualitative and quantitative methods. Analysis is performed to determine a sector's potential excess return compared to the downside risk in a stress scenario. This allows for an apples-to-apples comparison of the risk-adjusted value between different asset classes. This forward-looking approach is differentiated in the marketplace because it is based on cause-and-effect relationships, whereas most investors rely on traditional techniques involving historical correlations and volatility.

MANAGING INTEREST RATE DURATION

Rather than taking large duration positions within the strategy, we use interest rate duration as a valuable risk mitigation tool. Interest rates often fall when risk assets sell-off, as investors flee to less risky assets such as Treasuries. By maintaining exposure to interest rate duration, the strategy has downside protection in volatile environments—a characteristic often desired when investing in fixed income. The strategy has historically been managed with a duration between 4 and 6 years.

THE INVESTMENT MANAGEMENT TEAM

The Strategic Income strategy is managed by a highly experienced and stable investment team of 30+ investment professionals averaging 18 years in the industry and 12 years with Fort Washington. The team manages $67.4 billion in fixed income assets, including $7.7 billion in multi-sector fixed income assets.

There are six senior portfolio managers responsible for the overall management of the strategy, with Daniel J. Carter, CFA, and Austin R. Kummer, CFA, serving as the Lead Portfolio Managers.

Dan Carter joined the Firm in 2000, and Austin Kummer joined the Firm in 2013. Both have led the strategy since its inception. This team sets the overall risk appetite, sector allocation, duration, and macro position of the portfolio (i.e., top-down positioning). This process is a collaborative effort including all members of the portfolio management team with input from all Fort Washington asset managers.

The Fort Washington Strategic Income strategy utilizes sub-sector portfolio managers (Investment Grade Corporate, High Yield, Securitized Products, Emerging Market Debt, etc.) for the composition of the sub-allocations (i.e., bottom-up positioning). These portfolio managers have discretion over their sub-portfolios subject to overall portfolio risk, sector constraints, duration risk, and other targets set by the portfolio management team (e.g., sector or duration may be constrained due to portfolio risk management).

PORTFOLIO CHARACTERISTICS | AS OF 09/30/2026[4]

- Average Yield to Worst: **6.56%**
- Effective Duration (Years): **5.30**
- Average Credit Quality: **A3/Baa1**

Credit Quality (% of Fixed Income)	
AAA	4%
AA	32%
A	8%
BBB	33%
BB	11%
B	8%
CCC and Below	1%
Not Rated / Other	3%
Cash	0%

Sector Allocation	
Investment Grade Credit	31%
High Yield Corporate	11%
U.S. Treasuries	28%
Securitized	23%
Emerging Markets Debt	4%
Other	2%
Cash	0%

ABOUT FORT WASHINGTON

Fort Washington is a diversified asset manager serving institutional and individual investors. As the primary investment management arm of W&SFG, a *Fortune* 500® company[5], we combine broad investment capabilities with the resources and stability of a diversified financial services organization.

$97.3 BILLION	SINCE 1990	20+ YEARS	CINCINNATI, OH
Total Assets Under Management[6]	Registered Investment Advisor[7]	Average Client Relationship	Headquarters

$67.4 BILLION	$17.5 BILLION	$5.6 BILLION
Fixed Income Assets	Public Equity Assets	Private Equity Assets

ADDITIONAL CAPABILITIES

$3.9 BILLION	$1.3 BILLION	$1.5 BILLION
Cash Management	High-Net-Worth Individuals & Families	Other Institutional Investment Strategies

[1]Data is as of 09/30/2026. Assets are across multiple strategies. [2]Source: Fort Washington and Bloomberg. Traditional fixed income represented by the Bloomberg US Aggregate Bond Index. [3]Source: Fort Washington and Nasdaq eVestment. Inception date: 07/01/2017. Peer rankings are relative to the eVestment US Multi-Sector Fixed Income Universe (Peer Group). Ranks as of 09/30/2026 were calculated on 10/20/2026 with 87.2% of firms reporting and are subject to change at any time. [4]Source: Fort Washington and Bloomberg PORT. Past performance is not indicative of future results. Portfolio characteristics subject to change at any time without notice. Cash within Sector Allocation includes look-through to underlying securities within portfolio investments. This supplemental information complements the Strategic Income GIPS report. [5]Fortune and Fortune 500® are registered trademarks of Fortune Media IP Limited and are used under license. [6]Includes assets under management as of 09/30/2026 by Fort Washington Investment Advisors, Inc. of $91.6 billion and $5.6 billion in commitments managed by Fort Washington Capital Partners Group, a division. Values may be subject to rounding. [7]Registration as an investment advisor does not imply any level of skill or training.

STRATEGIC INCOME COMPOSITE GIPS REPORT

	3Q2026	2025	2024	2023	2022	2021	2020	2019	2018	2017[1]
Strategic Income (Gross)	-3.00%	9.75%	7.28%	8.64%	-9.86%	3.24%	10.72%	12.84%	0.49%	3.10%
Strategic Income (Net)	-3.09%	9.31%	6.85%	8.21%	-10.22%	2.83%	10.28%	12.39%	0.09%	2.90%
Bloomberg US Aggregate Bond Index	-3.51%	7.30%	1.25%	5.53%	-13.01%	-1.54%	7.51%	8.72%	0.01%	1.24%
Strategic Income 3-Year Annual Standard Deviation[2]	–	5.30%	7.48%	6.96%	8.41%	6.68%	6.87%	–	–	–
Bloomberg US Aggregate Bond Index 3-Year Annual Standard Deviation[2]	–	5.98%	7.72%	7.14%	5.77%	3.35%	3.36%	–	–	–
Dispersion[3]	0.06%	0.35%	1.05%	–	–	–	–	–	–	–
Number of Accounts	6	6	6	≤5	≤5	≤5	≤5	≤5	≤5	≤5
Composite Assets ($ Millions)[4]	$1,844	$1,572	$1,212	$880	$605	$1,060	$386	$286	$58	$51
Total Firm Assets ($ Millions)	$91,619	$89,448	$81,286	$74,613	$66,365	$73,804	$65,086	$59,174	$49,225	$52,774

Composite inception and creation date: 07/01/2017. [1]2017 returns are partial-year returns, reflecting the composite inception date of 07/01/2017. [2]The 3-Year annualized ex-post standard deviation is calculated using monthly gross-of-fee returns to measure the average deviations of returns from its mean. [3]Dispersion is not calculated for years in which the composite contains five portfolios or less. Dispersion is calculated as the equal weighted standard deviation of quarterly gross-of-fee returns for those portfolios held in the composite during the full measurement period. Past performance is not indicative of future results. [4]The change in composite assets from 2021 to 2022 was the result of two accounts dropping below the $100 million strategy minimum. The accounts continued to be managed in the style of the Strategic Income strategy and were returned to the composite in 2023 when their asset values once again exceeded the minimum threshold. The benchmark for this composite is the Bloomberg US Aggregate Bond Index. The Bloomberg US Aggregate Bond Index is a market capitalization-weighted index that measures the performance of the U.S. dollar-denominated, fixed-rate, taxable bond market. The index includes investment grade securities such as U.S. Treasuries, government-related and corporate bonds, mortgage-backed securities, asset-backed securities, and commercial mortgage-backed securities. The index accounts for interest payments by incorporating them into the total return calculation. The Strategic Income strategy employs a high conviction, yield oriented investment approach coupled with sector diversification and diligent risk management resulting in attractive risk adjusted returns via high levels of income. The primary objective of Strategic Income is to produce a high level of current income with a secondary objective of capital appreciation. The strategy will invest in public fixed income, private fixed income, common stock and derivatives. The strategy will incorporate the best investment ideas available to Fort Washington, exploiting Fort Washington's core competencies of bottom-up credit and structure analysis. Risk monitoring, performance measurement, and active management are key components to achieving attractive risk adjusted returns. All fee-paying, fully discretionary portfolios managed in the Strategic Income style, with a minimum of $100 million under our management, are included in this composite. The strategy's fee schedule is 0.40% for separate accounts. Portfolios in this composite include cash, cash equivalents, investment securities, interest and dividends. Cash is maintained, within each separately managed account segment, in accordance with our asset allocation ratio. The U.S. dollar is the base currency. The specific securities identified and described do not represent all the securities purchased, sold, or recommended. Returns are presented gross and net of management fees and include the reinvestment of all income. Gross returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. Net returns reflect the portfolio's gross returns with the deduction of expenses and other costs associated with the management of the investments in the portfolio as well as the deduction of the highest advertised fee rate for the applicable strategy shown. Individual portfolio returns are calculated on a daily valuation basis. Fort Washington Investment Advisors, Inc. (Fort Washington), a wholly owned subsidiary of The Western and Southern Life Insurance Company, is a registered investment advisor and provides discretionary money management to a broad range of investors, including both institutional and individual investors. Assets under management include all portfolios managed by Fort Washington and exclude assets managed by and marketed as its Private Equity business unit. Fort Washington claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. Fort Washington has been independently verified for the periods 07/01/1994–12/31/2024. The verification reports are 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. 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. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. To receive a complete list and description of composites, contact Fort Washington by phone at 888.244.8167, in writing at 303 Broadway, Suite 1200, Cincinnati, Ohio 45202, or online at fortwashington.com.

RISK DISCLOSURE

The Fort Washington Strategic Income strategy invests in fixed-income securities which can experience reduced liquidity during certain market events, lose their value as interest rates rise and are subject to credit risk which is the risk of deterioration in the financial condition of an issuer and/or general economic conditions that can cause the issuer to not make timely payments of principal and interest also causing the securities to decline in value and an investor can lose principal. The strategy invests in non-investment grade debt securities which are considered speculative with respect to the issuers' ability to make timely payments of interest and principal, may lack liquidity and have had more frequent and larger price changes than other debt securities. The strategy invests in mortgage-backed securities and asset-backed securities which are subject to the risks of prepayment, defaults, changing interest rates and at times, the financial condition of the issuer. The strategy invests in equities which are subject to market volatility and loss. The strategy invests in preferred stocks which are relegated below bonds for payment should the issuer be liquidated. The strategy invests in foreign securities which carry the associated risks of economic and political instability, market liquidity, currency volatility and accounting standards that differ from those of U.S. markets and may offer less protection to investors. The strategy invests in derivatives such as futures contracts. Derivatives can be highly volatile, illiquid and difficult to value, subject to counterparty and leverage risks and there is risk that changes in the value of a derivative held by the strategy will not correlate with the strategy's other investments. The strategy invests in mortgage dollar rolls which involve increased risk and volatility, as the securities the strategy is required to repurchase may be worth less than the securities that the strategy originally held.

CONTACT

contactus@fortwashington.com

This publication has been distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy, or investment product. Information and statistics contained herein have been obtained from sources believed to be reliable but are not guaranteed to be accurate or complete. Neither Fort Washington nor its sources for the content herein are responsible for any damages or losses arising from the use of this information. No part of this publication may be reproduced in any form, or referred to in any other publication, without express written permission of Fort Washington.

© 2026 Fort Washington Investment Advisors, Inc.



Fort Washington Investment Advisors, Inc.

A member of Western & Southern Financial Group

Uncompromised Focus®

303 Broadway Suite 1200 / Cincinnati, OH 45202-4220 / 513.361.7600 / 888.244.8167 / fortwashington.com