



**Fort Washington
Investment Advisors, Inc.**

A member of Western & Southern Financial Group

▼ *Uncompromised Focus®*

FORT WASHINGTON CORE PLUS FIXED INCOME — 1Q2025

PORTFOLIO COMMENTARY

The Fort Washington Core Plus strategy returned 2.78% / 2.70% (gross/net) for the quarter, relative to the Bloomberg US Aggregate Index, which returned 2.78%.

Sector allocation was the largest detractor in terms of relative performance during the quarter. The primary driver was an overweight allocation to credit, specifically investment grade corporates, as spreads widened over the quarter.

Security selection was a modest detractor from relative performance during the quarter, driven by securitized and investment grade corporates. Within securitized, the strategy was overweight CMOs which underperformed relative to Agency Passthroughs. Within investment grade corporates, underperformance was driven by broad spread widening as opposed to being concentrated in a specific sector.

Interest rate exposure contributed to relative performance over the quarter. The strategy was managed with longer duration relative to the benchmark, which outperformed as interest rates declined during the period.

INVESTMENT PROFESSIONALS

Daniel J. Carter, CFA

Managing Director
Senior Portfolio Manager
29 Years Experience

Austin R. Kummer, CFA

Managing Director
Senior Portfolio Manager
12 Years Experience

Garrick T. Bauer, CFA

Managing Director
Portfolio Manager, Head of Credit
Leveraged Credit

Paul A. Tomich, CFA

Vice President
Senior Portfolio Manager
Investment Grade Credit

Scott D. Weston

Managing Director
Senior Portfolio Manager
Structured Products

Brendan M. White, CFA

Senior Vice President
Co-Chief Investment Officer

Investment Grade Credit

10 Portfolio Managers & Analysts
Average Industry experience / 2005

Securitized Products

7 Portfolio Managers & Analysts
Average Industry experience / 2006

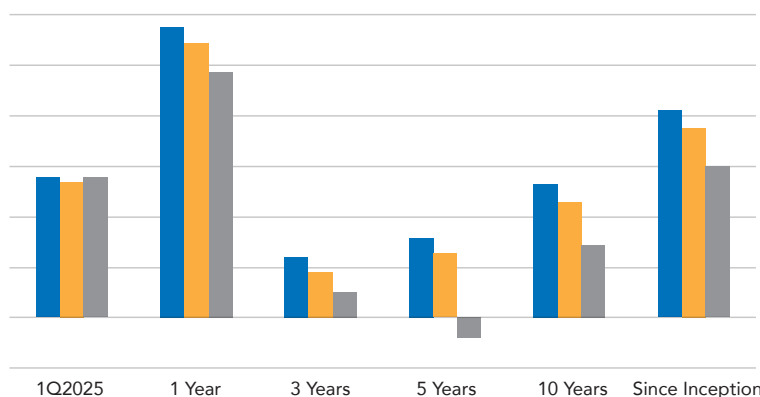
Emerging Markets

4 Portfolio Managers & Analysts
Average Industry experience / 2003

Leveraged Credit

11 Portfolio Managers & Analysts
Average Industry experience / 2003

Trailing Total Returns (as of March 31, 2025)



■ Core Plus (Gross)	2.78	5.76	1.21	1.58	2.65	4.12
■ Core Plus (Net)	2.70	5.45	0.91	1.27	2.31	3.76
■ Bloomberg US Aggregate Index	2.78	4.88	0.52	-0.40	1.46	3.00

Source: Fort Washington. Past performance is not indicative of future results. This supplemental information complements the Core Plus GIPS Report. Inception date: 10/01/2007.

POSITIONING

Risk budget: The strategy is targeting a modest overweight to risk, representing 30% of the risk budget.

Developing trade policy has created elevated uncertainty around economic growth and inflation. Forecasts for U.S. economic activity have declined in recent weeks amid tariffs and weaker sentiment across businesses and consumers. Investor expectations for inflation are for a meaningful short-term impact but one that is not expected to be persistent. While the Federal Reserve (Fed) paused at its last two meetings, expectations are for multiple cuts in 2025 as downside risks to growth have increased and uncertainty remains high. Valuations largely reflect a limited margin of safety with minimal upside. Despite our improved economic outlook, elevated asset prices result in only a modest overweight risk posture within the strategy.

Despite modestly cheaper valuations since the beginning of the year, current levels are still expensive relative to history. Incorporating elevated uncertainty with current valuations, portfolios are positioned with a modest overweight risk posture and an ability to add risk as opportunities arise.

Sectors: Sector positioning reflects generally expensive valuations, relative value, and opportunities within each sector. Allocations were mostly unchanged during the quarter, and primary risk exposures include:

- ▶ The strategy remains overweight Investment Grade Credit (IG). Within the IG allocation, the strategy is increasingly weighted toward liquid, higher quality issues. We are maintaining a risk overweight to select sectors where compelling bottom-up opportunities exist, such as midstream and banks.
- ▶ Securitized Products remain an overweight exposure relative to the benchmark, focused within high quality non-agency CMBS and RMBS. Spreads moved wider over the quarter, but many non-agency sectors saw parallel increases across the capital structure (AAA to BBB). As a result, the exposure remains biased up-in-quality due to tight credit curves not adequately compensating investors for risk.
- ▶ The strategy maintained its neutral weighting to emerging market debt (EMD). EMD spreads have widened in conjunction with domestic credit and uncertainty over U.S. trade policy, but most of that move has been within the high yield space.
- ▶ The strategy has limited exposure to high yield corporates and maintains the ability to add within the sector as opportunities arise.

Rates: We are currently positioning portfolios long duration relative to the benchmark as we believe longer rates exhibit attractive value, following the meaningful increase over the past couple of months. The yield curve continued to steepen during Q4 as longer rates increased while the Fed cut rates. Portfolios are marginally biased for a steeper curve and are overweight the intermediate part of the curve relative to the index. Volatility has been elevated as investors adjust their expectations for future rate cuts, and we anticipate that to continue as new economic data is released.

Sector Allocation						
	Portfolio		Index		Relative	
	MV %	Spread Risk	MV %	Spread Risk	MV %	Spread Risk
US Government	30.6	-	45.5	0.0	-14.9	-0.0
TIPS	-	-	-	-	-	-
Investment Grade Credit	36.1	2.4	26.4	1.4	+9.7	+0.9
Basic Industry	0.6	0.0	0.5	0.0	+0.1	+0.0
Capital Goods	2.0	0.1	1.3	0.1	+0.7	+0.0
Communications	3.3	0.3	1.8	0.1	+1.4	+0.1
Consumer Cyclical	3.2	0.2	1.6	0.1	+1.6	+0.1
Consumer Non-Cyclical	5.6	0.4	3.6	0.2	+1.9	+0.2
Energy	2.9	0.3	1.7	0.1	+1.2	+0.1
Financials	11.4	0.7	8.1	0.4	+3.3	+0.3
Other Industrial	-	-	0.1	0.0	-0.1	-0.0
Technology	2.7	0.1	2.2	0.1	+0.5	+0.0
Transportation	2.3	0.1	0.5	0.0	+1.8	+0.1
Utility	1.9	0.2	2.3	0.2	-0.4	+0.0
Other	0.3	0.0	2.6	0.0	-2.4	-0.0
Securitized	29.3	1.2	26.8	0.5	+2.4	+0.7
RMBS	19.5	0.7	24.9	0.4	-5.4	+0.3
ABS	2.8	0.1	0.4	0.0	+2.3	+0.1
CLO	1.3	0.1	-	-	+1.3	+0.1
CMBS	5.8	0.3	1.5	0.0	+4.3	+0.2
High Yield	1.0	0.1	-	-	+1.0	+0.1
Emerging Markets Debt	1.2	0.2	1.3	0.1	-0.1	+0.1
Preferred Stock	-	-	-	-	-	-
Other	-	-	-	-	-	-
Cash	1.9	-	-	-	+1.9	-

Source: Bloomberg PORT. Sector Analysis chart is for illustrative purposes only; this illustrates the portfolio's allocation of dollars and risk compared to the benchmark. Information is subject to change at any time without notice. Index is the Bloomberg US Aggregate Bond Index. This should not be considered investment advice or a recommendation of any strategy, product, or particular security. See disclosures for important information about derivatives. This supplemental information complements the Core Plus GIPS Report.

Portfolio Characteristics		
	Core Plus Composite	Bloomberg US Aggregate
Yield to Worst	5.04	4.60
Option Adjusted Spread	79	35
Option Adjusted Duration	6.48	6.09
BBB Equiv Spread Risk	3.88	2.01
Average Quality	Aa3/A1	Aa2/Aa3
Number Issuers	226	1,409

Source: Fort Washington. Portfolio characteristics and credit quality are as of the reported date and subject to change at any time without notice. Past performance is not indicative of future results. This supplemental information complements the Core Plus GIPS Report.

Credit Quality		
	Core Plus Composite	Bloomberg US Aggregate
AAA	11%	3%
AA	47%	73%
A	12%	11%
BBB	26%	12%
BB	1%	0%
B	1%	0%
CCC and Below	0%	0%
Not Rated / Other	0%	0%
Cash	2%	0%

MARKET OVERVIEW

Uncertainty was the dominant theme in markets during the first quarter, driven largely by shifting policies under the new administration. Evolving trade policies and escalating tensions with key trading partners created an added layer of complexity for businesses, impacting corporate planning and investment decisions. At the same time, consumer sentiment showed signs of softening, with investors reassessing the potential impact of new policies on spending behavior.

This growing lack of clarity, combined with rising inflation concerns, has created uncertainty around the trajectory of U.S. economic growth, prompting economists to revise their 2025 GDP forecasts. However, it's worth emphasizing that much of the deterioration so far has been reflected in soft data—surveys, sentiment indicators, and business confidence—rather than hard economic metrics like GDP or employment.

Looking ahead, key factors to watch include potential shifts in fiscal policy, the Federal Reserve's response to evolving macroeconomic conditions, and the extent to which business and consumer sentiment translates into actual spending and business activity. If uncertainty persists or tariffs escalate into larger trade wars, it will likely manifest in weaker hard data. That said, a dovish Fed reaction or a pivot on trade policy could help restore confidence and support domestic growth.

MACRO OUTLOOK | AS OF 03/31/2025

Factor	Outlook	Comments
Economic Growth	Neutral	<ul style="list-style-type: none"> Growth expectations have fallen due to developments over trade policy and softer sentiment across businesses and consumers Aggregate consumer has a solid foundation but negative "wealth effect" could impact spending Overall business fundamentals generally healthy but new trade policy creates uncertainty for capital investment and hiring Market forecasts for inflation have increased due to tariffs, but impacts are not expected to be persistent Economic effects of tariffs and budget reconciliation will be the policy focus over coming quarters
Financial Conditions	Neutral	<ul style="list-style-type: none"> Terminal rate expectations continue to shift, markets currently anticipate 3+ cuts in 2025 Volatility to remain elevated as markets react to incoming data and policy response Lending standards and market-based financial conditions have tightened recently, but largely neutral
Valuations	Credit: Neutral	<ul style="list-style-type: none"> Spreads have widened recently from expensive levels to near median relative to history Risk/reward is more balanced, but downside risk remains elevated
	Equities: Neutral	<ul style="list-style-type: none"> The S&P 500 entered correction territory in March but ended the quarter slightly above the lows. Despite recent price declines, valuations are still above long-term averages.
	Rates: Neutral	<ul style="list-style-type: none"> Longer interest rates appear attractive at current levels. Yields reflect further interest rate cuts from the Fed and benign long-term inflation expectations.
Risk Budget		Summary

30%

The U.S. economy entered the year on solid footing, but growth forecasts have declined in recent weeks. Shifting trade policy and escalating geopolitical tensions have created elevated uncertainty along with weaker sentiment across consumers and businesses. Tariffs have also caused higher inflation forecasts. While they are expected to have a meaningfully short-term impact, investors do not expect the effects to be persistent. Corporate fundamentals remain generally healthy, but the current environment creates uncertainty over capex and hiring. As a result, investors anticipate slower growth and increased their forecasts for Fed cuts, expecting 3+ cuts in 2025. Valuations have cheapened somewhat to near median long-term levels. Valuations, coupled with elevated downside economic risks, result in a modest allocation to credit risk.

Source: Fort Washington. This is for informational purposes only and should not be construed as investment advice. Outlook reflects subjective judgments and assumptions subject to change without notice. Unexpected events may occur, there can be no assurance that developments will transpire as forecast. Past performance is not indicative of future results.

CORE PLUS FIXED INCOME COMPOSITE GIPS REPORT

	1Q2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Core Plus Fixed Income (Gross)	2.78%	2.84%	6.74%	-13.56%	-0.75%	10.31%	11.09%	-0.73%	4.51%	6.62%	1.11%
Core Plus Fixed Income (Net)	2.70%	2.53%	6.42%	-13.83%	-1.07%	9.97%	10.75%	-1.03%	4.14%	6.21%	0.71%
Bloomberg US Aggregate Bond Index	2.78%	1.25%	5.53%	-13.01%	-1.54%	7.51%	8.72%	0.01%	3.54%	2.65%	0.55%
Core Plus Fixed Income 3-Year Annual Standard Deviation ¹	-	8.17%	7.60%	6.96%	4.59%	4.59%	2.76%	2.80%	2.76%	3.03%	3.06%
Bloomberg Aggregate 3-Year Annual Standard Deviation ¹	-	7.72%	7.14%	5.77%	3.35%	3.36%	2.87%	2.84%	2.78%	2.98%	2.88%
Dispersion ²	0.03%	0.22%	-	-	-	-	-	-	-	-	-
Number of Accounts	7	7	5	≤5	≤5	≤5	≤5	≤5	≤5	≤5	≤5
Composite Assets (\$ millions)	\$1,861.9	\$1,848.7	\$1,635.3	\$1,570.3	\$1,918.5	\$1,643.3	\$1,335.7	\$1,163.6	\$1,101.6	\$607.0	\$310.4
Total Firm Assets (\$ millions)	\$82,871	\$81,286	\$74,613	\$66,365	\$73,804	\$65,086	\$59,174	\$49,225	\$52,774	\$45,656	\$42,959

Composite inception date: 10/01/2007 and Composite creation date: 07/01/2015. ¹The 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. ²Dispersion is not calculated for years in which the composite contains five portfolios or less. Dispersion is calculated as the equal weighted standard deviation of gross-of-fee returns for those portfolios held in the composite during the entire period. Past performance is not indicative of future results. 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. Fort Washington's Core Plus Fixed Income strategy uses explicit measures of value and risk as a guide to investment decisions. Combined with intensive fundamental research, the portfolio management team believes this provides the best opportunity for excess return. The Core Plus Composite includes all fixed income accounts above \$50MM with the ability to invest in High Yield (at least 30%) and have the unrestricted ability to invest in Investment Grade Securities across all durations relative to the Bloomberg US Aggregate. Accounts within this composite may also have the ability to hold derivatives. These investments, whether or not traded on an established market, include but are not limited to options, notional principal contracts, futures or forward contracts, VIX futures; and options on futures, forward contracts, or debt obligations. Investments made in derivatives are used in line with the portfolio's risk exposure, allowing for the portfolio to reduce its exposure to an existing position or increase exposure within the portfolio's guidelines. Derivatives involve risks in addition to the risks of underlying securities, including liquidity, interest rate, market, credit, and management. Investing in derivatives could lose more than the amount invested. All fee-paying, fully discretionary portfolios managed in the Core Plus Fixed Income style, with a minimum of \$50 million under our management, are included in this composite. The strategy's fee schedule is 0.35% on the first \$50 million, 0.25% on the next \$50 million, and 0.20% on additional amounts over \$100 million 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 of 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 of fee performance was calculated using the actual management fees charged. Individual portfolio returns are calculated on a daily valuation basis. Fort Washington Investment Advisors, Inc. 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RISK DISCLOSURE

The Fort Washington Core Plus Fixed 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 has had more frequent and larger price changes than other debt securities. The strategy invests in derivatives and securities such as forward foreign currency exchange contracts, futures contracts, options and swap agreements. 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 sovereign debt securities which are issued by foreign governments whose respective economies could have an important effect on their ability or willingness to service their debt which could affect the value of the securities.

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