Fort Washington
Investment Advisors, Inc.

A member of Western & Southern Financial Group

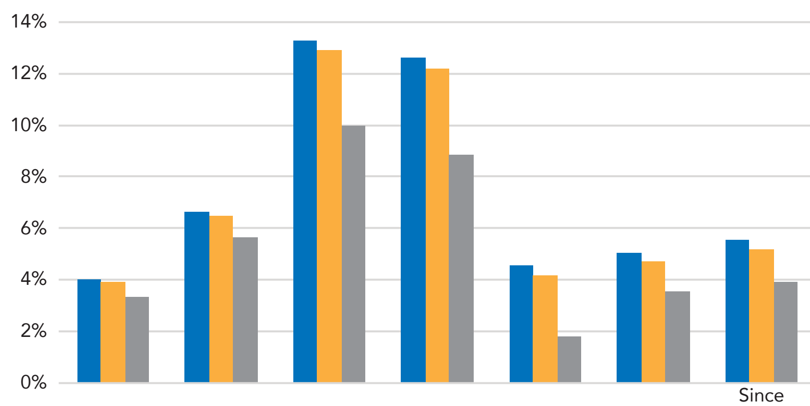
Uncompromised Focus®

FORT WASHINGTON EMERGING MARKETS DEBT — 2Q2025

HIGHLIGHTS

- Our Emerging Markets Debt Fixed Income (EMD) strategy finished the second quarter 68bps ahead of its benchmark on a gross basis (58bps net), returning 4.00% gross (3.91% net) versus 3.32% for the JPM EMBI Global Diversified (EMBIGD). Year to date, this puts the EMD strategy 101bps over the benchmark on a gross basis (78bps net), with an overall return of 6.65% gross (6.42% net) versus 5.64% for the EMBIGD.
- EMBIGD spreads tightened by 27bps during the quarter, though volatility was high intra-quarter, with spreads widening almost 50bps in early April, before tightening to end June at 322bps. All regions contributed positively to performance during the quarter. By country, the top contributors were our overweight positions in Ecuador and Mexico and our underweight position in Bahrain. The top detractors were overweight positions in Brazil corporates, Ukraine, and Morocco.
- The second quarter was kicked off by President Trump's "Liberation Day" tariff announcement, the severity of which surprised the market both in terms of tariff levels and their broad application to the extent that it caused simultaneous sell-offs of risk markets, US Treasuries, and the U.S. dollar. Over the following week and a half, markets continued to deteriorate. To prevent market contagion from spilling over into the rest of the economy, President Trump announced a "pause" on most tariffs, giving much-needed relief to the markets. In the emerging market bond market, mid-April to early-May was marked by a sharp relief rally, followed by a continued, slower demand for through into the end of June.
- As we enter July, the markets have seemingly become ambivalent to the risk of trade wars, despite the approaching August 1st deadline marking the end of the "pause" and no signed trade deals.

Trailing Total Returns (as of June 30, 2025)



	2Q2025	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Emerging Markets Debt (Gross)	4.00	6.65	13.30	12.61	4.56	5.07	5.53
Emerging Markets Debt (Net)	3.91	6.47	12.90	12.22	4.19	4.70	5.16
JPM EMBI Global Diversified	3.32	5.64	9.97	8.86	1.79	3.53	3.92

Inception date: 07/01/2013. Source: Fort Washington Investment Advisors. Past performance is not indicative of future results. This supplemental information complements the Emerging Markets Debt Fixed Income GIPS Report.

INVESTMENT PROFESSIONALS

Daniel J. Carter, CFA
Managing Director
Senior Portfolio Manager
29 Years Experience

Bojan Vidosevic, CFA
Assistant Vice President
Portfolio Manager
Senior Credit Analyst
14 Years Experience

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Assistant Vice President
Portfolio Manager
Senior Credit Analyst
19 Years Experience

Brian M. Nunes, CFA, CPA
Assistant Vice President
Senior Credit Analyst
25 Years Experience

PEER GROUP PERFORMANCE

	Percentile Rank[1] (Net)
2Q2025	12
1 Year	6
3 Years	7
5 Years	8
10 Years	5
Since Inception	2

Source: Nasdaq eVestment
[1]Peer ranks are percentile rankings versus the eVestment Global Emerging Markets Fixed Income - Hard Currency Universe based on net performance relative to peer group. Past performance is not indicative of future results.

MARKET OVERVIEW

The emerging markets debt market was not immune to the market volatility triggered by the harsher-than-expected U.S. import tariff announcements in early April. We experienced a broad, sharp sell-off in higher yielding, riskier credits. Producers of Oil and other industrial commodities were hit as spot price declines eroded cash flow expectations. However, the weaker U.S. dollar cushioned the fall, as markets appreciated that EM central banks would have more room to maneuver to support local markets, and issuers' fundamentals would appear stronger. Latin America outperformed other regions with the belief that they were the least impacted by the tariffs, with most of Mexico-U.S. trade covered by the USMCA trade agreement and other countries having smaller trade imbalances with the U.S.

EM markets stabilized when President Trump announced a "pause" on reciprocal tariffs until July 9th (later extended to August 1); however, this was coupled with a tit-for-tat raising of tariffs between the U.S. and China, causing Asian markets to continue to lag other regions. Ultimately, both China and the U.S. backed down from their reciprocal import tariffs of over 100%, setting off a rapid reversal in the sell-off, as markets assumed a floor had been put in place. As U.S. economic data proved to be resilient, though not particularly strong, in the aftermath, EM credit spreads continued to grind tighter through May and June, ending 27bps tighter than at the end of Q1.

In the quarter, EMBIGD posted a total return of 3.32%, closing at +322bps spread. The high yield portion of the index led the way, returning 4.45%. Ecuador returned an impressive 48.1% in the quarter, as the market had become overly pessimistic about President Noboa a disappointing result in the first round of the presidential election–only to be caught on the back foot as another election surprise resulted in him winning easily in the second round in early April. This proved advantageous for the EMD strategy as we took advantage of the weakness in the first quarter to add to our position.

In Mexico, the state-owned oil company outperformed on speculation that the Sheinbaum Administration is planning a comprehensive package to reform the balance sheet and operations of the heavily-indebted company. Lebanon bonds continued their impressive run as a weaker Hezbollah creates an opening for a government to form and reach a deal with the IMF. Maldives bonds bounced sharply on increasing confidence in the market that they will be able to roll over their 2026 bond maturity. Broadly, highly indebted sovereigns performed well, as a continual weaking of the U.S. dollar provided some leverage relief. Senegal was the standout underperformer in the quarter at -8.54%, as the government reported higher debt than expected at the end of 2024, bringing into question their path to debt sustainability and increasing risk that a restructuring is likely in the near term. Venezuela and Ukraine both continued to trade in reaction to geopolitical headline risk, both ending slightly negative on the quarter.

The EMD Strategy benefitted greatly from the USD weakening versus the euro, having swapped some USD-denominated bonds from benchmark issuers into EUR-denominated bonds from the same issuers. The euro strengthened over 9% versus the dollar in the second quarter. We continue to believe in the merits of this trade as we expect further repatriation and diversification away from U.S. markets.

MARKET OUTLOOK

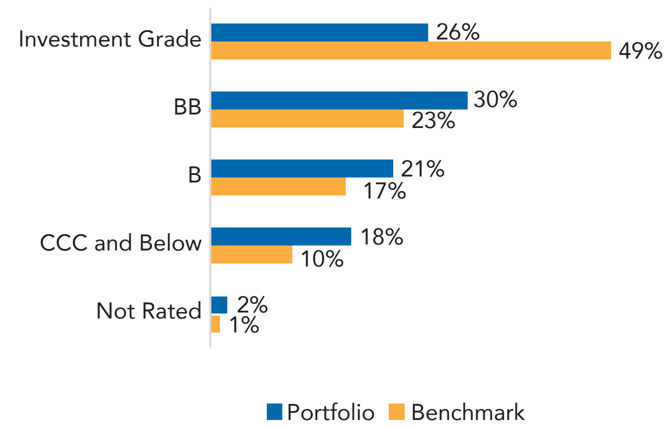
Looking into Q3, we believe fundamentals within the EM debt space appear healthy overall. There are no major issuers at risk of going into default and the market has proven resilient to geopolitical risk in the Middle East. While valuations remain at the tight end of their range, particularly within the investment grade segment of the market, we see ample opportunities to generate alpha for investors. Argentina, Ecuador, Ghana, and Zambia can each outperform if they continue along their current recovery trajectories and regain normal market access. In addition, there are multiple issuers that could cross the BBB/BB divide in both directions over the coming months.

The biggest macro risk impacting EM emanates from the U.S. policy sphere. As we approach the August 1st deadline for trade deals with still no finalized deals, the impact from a second round of the trade war impacting the U.S. and global economies cannot be overlooked. In addition, tensions are still simmering in the Middle East, and the Ukraine-Russia war shows no signs of de-escalation. Mid-term elections in Argentina will be viewed as a vote of confidence on President Milei's reform agenda, with the markets likely to begin to focus on polling in early-September.

Top 10 Countries by Market Value

Country	% of Portfolio
Mexico	6.76
Argentina	5.02
Brazil	4.88
Cash	4.66
Romania	3.67
Saudi Arabia	3.60
Colombia	3.55
Turkey	3.52
India	3.44
Paraguay	3.11

Credit Quality



Source: Fort Washington. This supplemental information complements the Emerging Market Debt Fixed Income GIPS Report. Quality distribution is subject to change at any time. The above data is rounded for informational purposes. Benchmark: J.P. Morgan Emerging Market Bond Index Global Diversified. Portfolio characteristics are subject to change at any time.

Portfolio Characteristics

	Emerging Markets Debt	JPM EMBI Global Diversified
Yield to Maturity	7.70%	6.77%
Average Quality	Ba2/Ba3	Baa3/Ba1
Duration	6.52	6.47
Average Life	10.99	10.86
Total # of Countries	60	69
Number of Issuers*	110	161
Number of Issues*	238	1,007

Source: Fort Washington and Bloomberg. This supplemental information complements the Emerging Markets Debt Fixed Income GIPS Report. Portfolio characteristics are subject to change at any time. You cannot invest directly in an index. Past performance is not indicative of future results. *An Emerging Markets Debt Fixed Income Representative Account is being used to illustrate Number of Issuers/Issues.

PORTFOLIO ACTIVITY

Target portfolio spread risk remained in the 30% to 40% of maximum budget range; however, we tactically moved it into the 40%-45% range as the relief rally on the trade war "pause" took hold. This was accomplished both by reducing the size of a CDX hedge and deploying cash reserves, though the fund's cash position remains higher than average. We increased our exposure to euro-denominated bonds to roughly 4% of the fund via a Bulgarian utility company and Romanian sovereign bonds. As Argentina's economic recovery moves forward with corporates regaining market access, we increased our overall exposure to the country via corporate bonds of an electricity generator, an oil driller, and a provincial government issuer. These were partially offset by the sale of the bonds of a state-owned energy company. The volatility in the quarter, combined with a busy new issue market, created many opportunities for relative value swaps in different countries, including Mexico, Peru, Morocco, Bahamas, Hungary, El Salvador, Saudi Arabia, and Indonesia.

EMERGING MARKETS DEBT FIXED INCOME COMPOSITE GIPS REPORT

	2Q2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Emerging Markets Debt (Gross)	4.00%	10.89%	14.04%	-17.13%	-0.24%	7.48%	15.33%	-4.18%	11.65%	12.33%	1.55%
Emerging Markets Debt (Net)	3.91%	10.50%	13.64%	-17.42%	-0.59%	7.10%	14.92%	-4.51%	11.26%	11.94%	1.20%
JPM EMBI Global Diversified Index	3.32%	6.54%	11.09%	-17.78%	-1.80%	5.26%	15.04%	-4.26%	10.26%	10.15%	1.18%
Emerging Markets Debt Fixed Income 3-Year Annual Standard Deviation[1]	–	12.75%	12.74%	16.55%	13.20%	13.17%	5.05%	5.59%	5.43%	6.32%	–
JPM EMBI Global Diversified Index 3-Year Annual Standard Deviation[1]	–	10.84%	10.70%	13.36%	10.67%	10.73%	4.85%	5.46%	5.04%	5.78%	–
Dispersion[2]	–	–	–	–	–	–	–	–	–	–	–
Number of Accounts	≤5	≤5	≤5	≤5	≤5	≤5	≤5	≤5	≤5	≤5	≤5
Composite Assets ($ Millions)	$312.8	$293.4	$264.6	$231.8	$280.2	$282.0	$262.8	$227.9	$237.8	$213.0	$110.2
Total Firm Assets ($ Millions)	$84,969	$81,286	$74,613	$66,365	$73,804	$65,086	$59,174	$49,225	$52,774	$45,656	$42,959

Composite inception and creation date: 07/01/2013. [1]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. [2]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 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 JP Morgan Emerging Markets Bond Index Global Diversified (JPM EMBI Global Diversified). You cannot invest directly in an index. The JPM EMBI Global Diversified Index measures the performance of fixed and floating-rate debt instruments issued by emerging market governments and quasi-sovereign entities. The index tracks U.S. dollar-denominated debt instruments that are liquid. The index accounts for interest payments by incorporating them into the total return calculation. Fort Washington's Emerging Markets Fixed Income strategy seeks to outperform the JP Morgan Emerging Markets Bond Index Global Diversified on a total return basis. The strategy recognizes emerging markets fixed income as a continually evolving asset class as witnessed by the migration and dispersion of credit quality of the benchmark as well as by consistent addition of countries over the years. Therefore, the strategy first employs a forward looking top-down approach drawing on the four analytical pillars of policy, economics, politics, and markets to identify relative value among a truly global opportunity set. Once these opportunities are identified, the fund employs its bottom-up analytical framework to identify the most appropriate securities. All fee-paying, fully discretionary portfolios managed in the Emerging Markets style, with a minimum of $25 million under our management, are included in this composite. The strategy's fee schedule is 0.35% on the first $100 million and 0.30% on additional amounts over $100 million for separate accounts, and 0.40% for the commingled vehicle. Portfolios in this composite include cash, cash equivalents, investment securities, interests 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 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 under management 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 07/01/1994–12/31/2023. 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 Emerging Markets Debt Fixed Income strategy invests in fixed-income securities of both domestic and foreign issuers 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. Investing in foreign denominated and/or domiciled securities may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. Investing in the bond market is subject to risks, including market, interest rate, issuer, credit, inflation risk, and liquidity risk.

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