

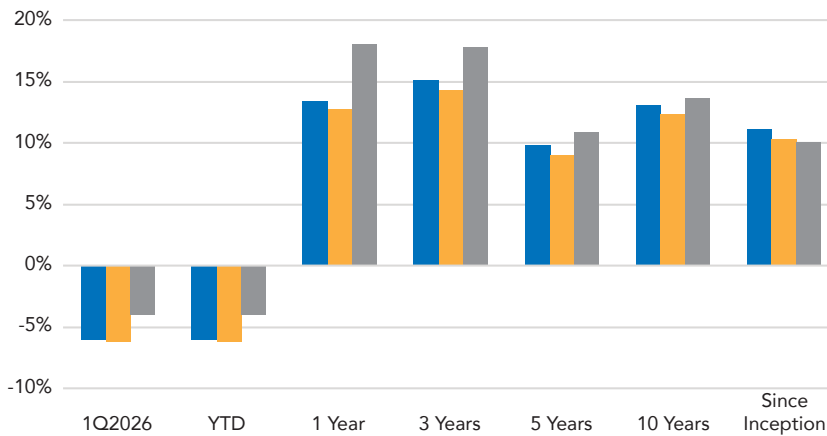


## FORT WASHINGTON FOCUSED EQUITY – 1Q2026

### HIGHLIGHTS

- ▶ U.S. equities were lower in the first quarter of 2026.
- ▶ AI disruption fears were a key headwind during the period, especially in the software space, while escalating geopolitical tensions in the Middle East caused downward pressure on markets later in the quarter.
- ▶ The Focused Equity strategy returned -6.1% (net) during the quarter, underperforming the index.

### Trailing Total Returns (as of March 31, 2026)



	1Q2026	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Focused Equity (Gross)	-6.06	-6.06	13.48	15.15	9.82	13.08	11.11
Focused Equity (Net)	-6.22	-6.22	12.69	14.34	9.05	12.29	10.34
Russell 3000 Index	-3.96	-3.96	18.09	17.86	10.87	13.72	10.07

Inception date: 10/01/2007. Russell Investment Group is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. Past performance is not indicative of future results. This supplemental information complements the Focused Equity GIPS Report.

### MARKET COMMENTARY

U.S. equities were lower in the first quarter, ending a three-quarter streak of gains for major indices. AI disruption fears were a key headwind during the period, especially in the software space, while escalating geopolitical tensions in the Middle East caused downward pressure on markets later in the quarter. The best-performing benchmark sectors were Energy, Materials, and Utilities. The worst-performing sectors for the index were Consumer Discretionary, Information Technology, and Financials. The Focused Equity strategy underperformed the Russell 3000 Index during the quarter.

### PORTFOLIO ACTIVITY

QXO Inc. was added to the portfolio, and RTX Corp was removed from the portfolio. Shares of Waters Corp and Versant Media were received as a result of corporate actions during the quarter. Waters Corp and Versant Media were removed from the portfolio during the quarter.

As the quarter came to a close, the strategy had an overweight in the Communication Services, Consumer Staples, and Financials sectors and an underweight in the Industrials, Materials, Energy, Real Estate, Health Care, and Information Technology sectors. The weight in the Consumer Discretionary sector was roughly in line with that of the index. The strategy held no positions in the Utilities sector.

The sectors where strategy holdings outperformed the most relative to the benchmark were Health Care, Energy, and Consumer Discretionary. Sectors that lagged the most relative to the benchmark included Real Estate, Consumer Staples, and Industrials. Stock selection detracted 117 basis points from performance for the period. Sector allocation detracted 93 basis points from performance for the quarter, primarily due to an underweight in Energy and the zero weighting in Utilities.

### INVESTMENT PROFESSIONALS

**James E. Wilhelm, Jr.**  
Managing Director  
Senior Portfolio Manager  
33 Years Experience

**Sunit Gogia**  
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Portfolio Manager  
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Senior Equity Research Analyst  
30 Years Experience

**Jonathan V. Strickland**  
Assistant Vice President  
Senior Equity Research Analyst  
25 Years Experience

The three holdings that contributed most to performance were Exxon Mobil (Energy), Applied Materials (Information Technology), and Taiwan Semiconductor (Information Technology).

Exxon Mobil outperformed during the quarter, driven by higher commodity prices as concerns about supply disruptions supported positive earnings revisions. In the near term, geopolitical tensions involving Iran have been constructive for Exxon, benefiting its upstream, refining, and downstream chemicals segments through elevated pricing and margin expansion. Applied Materials' stock outperformed in the quarter as robust demand for AI semiconductors is driving strong growth in orders for the firm's equipment to manufacture chips. Taiwan Semiconductor is similarly benefiting from strong orders for AI semiconductors resulting in revenue growth and margins above the market's expectations.

The holdings that detracted the most from performance included Microsoft (Information Technology), Salesforce (Information Technology), and Oracle (Information Technology).

Microsoft's stock underperformed in the quarter, as management's allocation of incremental AI capacity to internal R&D and products such as Copilot—rather than to paying third-party customers via Azure—pressured revenue growth.

While management's allocation decision undoubtedly pressures near-term revenue growth, we view it as the right long-term decision for the business and consider the stock undervalued at current levels. Salesforce's stock has been weak as investors are concerned about the impact of AI advancements on the business of enterprise software vendors. We continue to view Salesforce as well-positioned to bring AI capabilities to the CRM market as the company's systems benefit from direct access to customer data, giving it an advantage in creating competitive AI solutions for customers. Oracle's stock underperformed due to concerns about the company's financial capacity to deliver on its large AI backlog. Admittedly, low external visibility into the nuances of large contracts with customers and suppliers can cause the stock to be volatile. However, we view Oracle as a well-run company and expect management to remain financially disciplined.

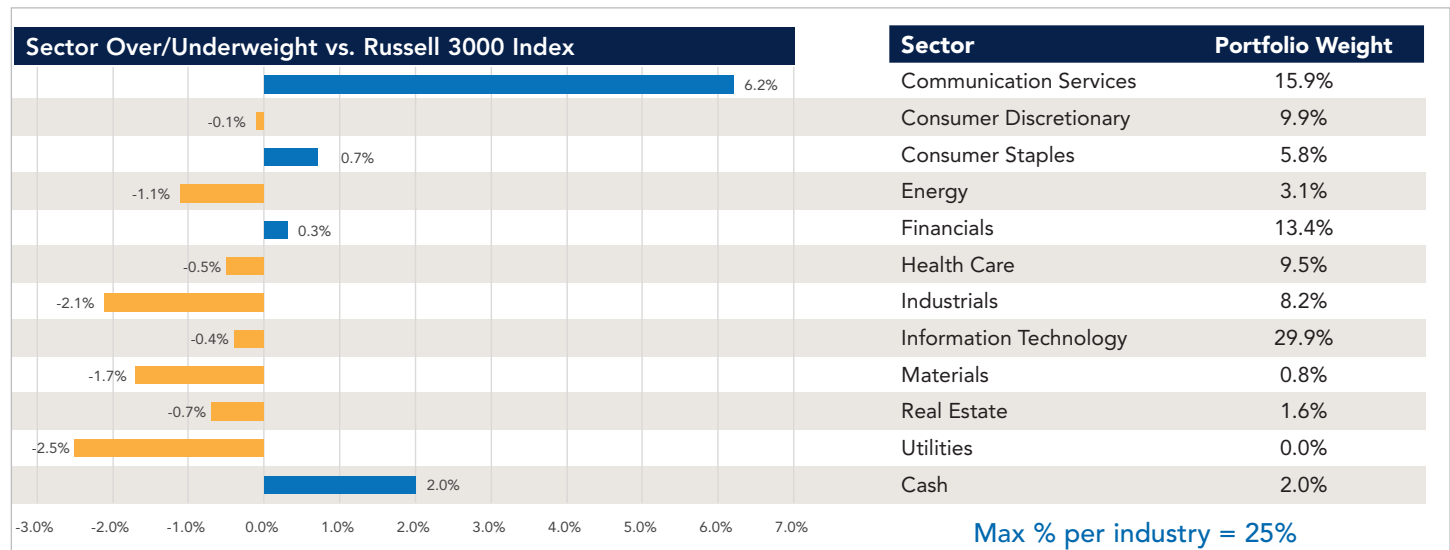
From a market-cap perspective, the strategy ended the period with a 0.0% weight in smaller-cap stocks (companies with a market cap below \$2 billion). The index weight for this segment was 1.6% at the end of the quarter. The strategy had an underweight in mid-cap businesses, which now comprise 3.3% of assets, compared to an index weight of 6.1%. Lastly, the strategy was overweight in larger-cap businesses (companies with a market cap above \$10 billion). The weight in that segment at the end of the quarter was 94.7%, which was higher than the index weight of 92.3%. Cash holdings ended the quarter at 2.0%. This allocation decision had a positive impact to performance during the quarter.

Investments made in international companies, which comprised 4.7% of assets at the end of the period, outperformed the benchmark.

## Top Ten Holdings

Name	Sector	% of Portfolio
Alphabet	Communication Services	8.4%
Microsoft	Information Technology	7.4%
Apple	Information Technology	6.8%
Meta Platforms	Communication Services	5.9%
Nvidia	Information Technology	5.1%
Amazon.com	Consumer Discretionary	5.0%
Exxon Mobil	Energy	3.1%
Taiwan Semiconductor	Information Technology	2.7%
Philip Morris	Consumer Staples	2.7%
Bank of America	Financials	2.7%
<b>Total</b>		<b>49.6%</b>

Source: Fort Washington. Data as of 03/31/2026. This supplemental information complements the Focused Equity GIPS Report. For a complete listing of securities held, sold, or purchased over the last year please contact us. The securities identified do not represent all of the securities purchased, sold, or recommended; reader should not assume that investments in securities identified and discussed were or will be profitable. This is not a recommendation with respect to the purchase or sale of any of these securities. See Focused Equity GIPS Report for complete disclosure. The above data is rounded for informational purposes. Holdings subject to change at any time without notice.



Source: Fort Washington. Data as of 03/31/2026. Data above includes cash. This supplemental information complements the Focused Equity GIPS Report.

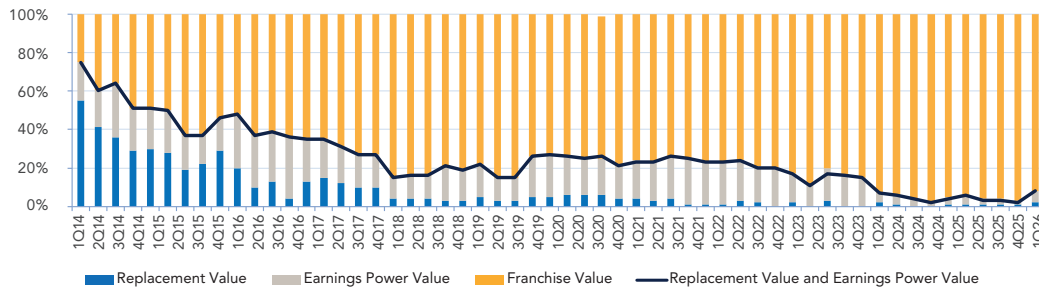
## Portfolio Characteristics

Replacement Value, Earnings Power Value, Franchise Value <sup>1</sup>	1%	6%	92%
Weighted average excess return on capital <sup>2</sup>	~1,726 bps above the cost of capital		
Barriers to entry (none, moderate, high) <sup>1</sup>	0%	43%	57%
Price to intrinsic value (weighted average)	\$0.76		
Small, mid, large cap % <sup>1</sup>	0%	5%	95%
International %	4.7%		
Number of holdings	47		
Cash position	2.0%		

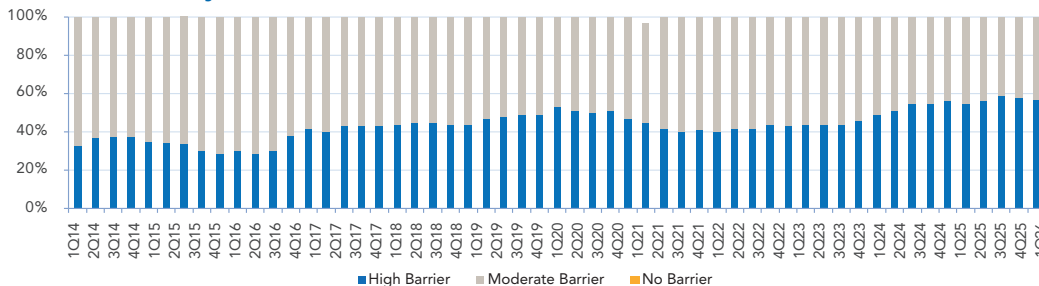
<sup>1</sup>Excludes cash. <sup>2</sup>Returns on capital vs. cost of capital (exfinancials). Source: Fort Washington. Data as of 03/31/2026. This supplemental information complements the Focused Equity GIPS Report. Portfolio characteristics are as of the reported date and are subject to change at anytime without notice. See Focused Equity GIPS Report for complete disclosure.

## Composite Portfolio Characteristics Over Time

### Layers of Value % of Portfolio



### Barriers to Entry % of Portfolio



Source: Fort Washington. Data as of 03/31/2026. This supplemental information complements the Focused Equity GIPS Report. Portfolio characteristics are subject to change at anytime without notice. See Focused Equity GIPS Report for complete disclosure.

## OUTLOOK

After three consecutive quarters of gains, U.S. equities pulled back modestly in the first quarter amid heightened volatility and a shift in macro expectations. The Russell 3000 returned -3.96% for the quarter.

Macro conditions shifted notably as the quarter progressed, driven by escalating geopolitical tensions. The outbreak of U.S.-Iran hostilities—most notably disruptions to energy shipments through the Strait of Hormuz—raised concerns about supply shocks, inflation, and global growth. The resulting spike in oil prices contributed to renewed inflation concerns and a repricing of the Federal Reserve policy expectations, with markets moving away from anticipated rate cuts toward a more prolonged pause.

A key theme in the quarter was investors working to better understand the potential impact of artificial intelligence across sectors. While AI-driven investment has supported growth in recent periods, concerns around returns on capital, competitive disruption, and longer-term winners and losers weighed heavily on software stocks, among others.

Sector performance reflected these crosscurrents. Energy was the standout performer amid the surge in crude prices, while defensive sectors such as Utilities and Consumer Staples also outperformed. Conversely, Consumer Discretionary, Software, and Financials faced meaningful pressure. Beneath the surface, dispersion increased significantly, highlighting a market increasingly driven by idiosyncratic and thematic factors rather than broad-based momentum.

We continue to monitor employment, housing, manufacturing, and market breadth data, among others, to continually reassess our views. Consistent with the last few years, we maintain a high-quality portfolio with a focus on higher return on investment businesses with pricing power. One hundred percent of the portfolio (excluding cash) remains invested in companies we see as having moderate or high barriers to entry. We believe disciplined execution of our process will benefit the portfolio through periods of volatility and over the long term.

## FOCUSED EQUITY COMPOSITE GIPS REPORT

	1Q2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Focused Equity (Gross)	-6.06%	17.16%	20.03%	26.29%	-17.53%	27.91%	25.76%	28.77%	-6.71%	15.20%	13.01%
Focused Equity (Net)	-6.22%	16.35%	19.19%	25.41%	-18.10%	27.01%	24.89%	27.87%	-7.35%	14.40%	12.22%
Russell 3000 Index	-3.96%	17.15%	23.81%	25.96%	-19.21%	25.66%	20.89%	31.01%	-5.24%	21.13%	12.74%
Focused Equity 3-Year Annual Standard Deviation <sup>1</sup>	-	11.69%	15.96%	16.54%	20.97%	18.73%	20.23%	13.29%	10.99%	10.07%	10.87%
Russell 3000 Index 3-Year Annual Standard Deviation <sup>1</sup>	-	12.37%	17.56%	17.46%	21.48%	17.94%	19.41%	12.21%	11.18%	10.09%	10.88%
Dispersion <sup>2</sup>	0.18%	0.45%	0.38%	0.72%	0.22%	0.21%	0.25%	0.31%	0.21%	0.36%	0.55%
Number of Accounts	6	6	6	6	6	7	6	6	8	10	9
Composite Assets (\$ Millions)	\$2,157	\$2,335	\$2,125	\$1,407	\$1,167	\$1,605	\$1,330	\$1,188	\$1,259	\$1,573	\$1,774
Total Firm Assets (\$ Millions)	\$89,918	\$89,448	\$81,286	\$74,613	\$66,365	\$73,804	\$65,086	\$59,174	\$49,225	\$52,774	\$45,656

Composite inception and creation date: 10/01/2007. <sup>1</sup>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. <sup>2</sup>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 Russell 3000 Index. The Russell 3000 Index measures the performance of the 3,000 largest publicly traded companies in the U.S. The index accounts for both capital gains and dividend income. The Fort Washington Focused Equity strategy is an all-cap concentrated, value-oriented strategy that invests in businesses with strong barriers to entry that have the capability of generating excess returns on capital. The strategy looks to take advantage of irrational human behavior by buying securities that have been mispriced by the market. We will invest in companies that have limited absolute downside and large margin of safety on the upside. The objective of the Focused Equity strategy is to outperform the Russell 3000 Index over a full market cycle. All fee-paying, fully discretionary portfolios managed in the Focused Equity style, with a minimum of \$3 million under our management, are included in this composite. The strategy's fee schedule is 0.70% on the first \$50 million and 0.65% on additional amounts over \$50 million. Frank Russell Company (FRC) is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information pertaining to FRC and unauthorized use, disclosure, copying, dissemination, or redistribution is strictly prohibited. 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## RISK DISCLOSURE

Fort Washington's Focused Equity strategy invests in equities, which are subject to market volatility and loss. The strategy invests in stocks of large-cap companies which may be unable to respond quickly to new competitive challenges. The strategy invests in stocks of small- and mid-cap companies, which may be subject to more erratic market movements than stocks of larger, more established companies. The strategy may focus its investments in specific sectors and therefore is subject to the risk that adverse circumstances will have greater impact on the fund than on the fund that does not do so. The strategy invests in emerging markets securities, which are more likely to experience turmoil or rapid changes in market or economic conditions than developed countries. The strategy is non-diversified, which means that it may invest a greater percentage of its assets in the securities of a limited number of issuers and may be subject to greater risks.

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## CONTACT

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