Fort Washington Investment Advisors, Inc.

A member of Western & Southern Financial Group

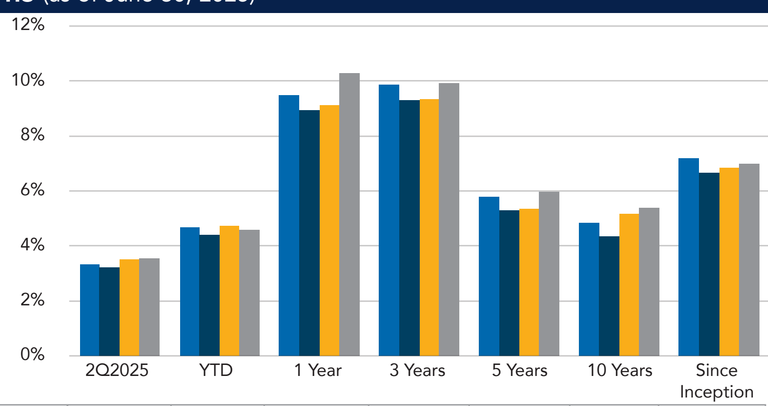
Uncompromised Focus®

FORT WASHINGTON HIGH YIELD FIXED INCOME — 2Q2025

HIGHLIGHTS

- The quarter provided no shortage of newsworthy events with Liberation Day (April 2) initially taking equity markets lower and spreads wider. At the lows (April 8), the S&P 500 was 19% off the all-time high. Markets eventually fully retraced after the announcement of a 90-day tariff pause and bilateral trade optimism. The quarter ended with equities outperforming bonds: Magnificent 7 (+21.00%), S&P 500 (+10.94%), and US Agg (+1.21%).
- Our core strategy returned +3.34%/+3.21% on a gross/net basis, or (-17bps) gross to the index return. Underperformance was largely attributable to sector allocation. The primary theme in allocation detractors was Energy. Overweights to Midstream, Oil Field Services, and Independent Energy all hampered performance as each lagged the asset class's strong performance. Security selection was slightly negative. A variety of factors describe selection laggards including long, high-quality holdings, energy positions and a lack of or limited exposure to low-quality names which rallied strongly. Conversely, limited exposure to the three worst index performers was the common thread amongst selection leaders.
- Risk markets began 2Q25 on weak footing; then were delivered a knockout punch via a new, shocking tariff regime. Trading partners were informed of tariff levels that significantly exceeded expectations. China chose to stand its ground, resulting in a game of chicken with the United States that ultimately ended in what was, in effect, a mutual trade embargo. In rapid fashion, high yield spreads moved from historically tight levels to median, the S&P 500 approached a bear market, and U.S. Treasuries began to trade in a dysfunctional manner. The Trump Administration back-pedaled rapidly and repeatedly. By quarter end, markets had healed to a remarkable degree; back to business as usual.

Trailing Total Returns (as of June 30, 2025)



	2Q2025	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
High Yield Fixed Income (Gross)	3.34	4.66	9.48	9.86	5.80	4.85	7.19
High Yield Fixed Income (Net)	3.21	4.40	8.93	9.31	5.28	4.33	6.66
Bloomberg US HY BA/B 2% Issuer Cap	3.51	4.73	9.14	9.34	5.35	5.18	6.83
Bloomberg US Corporate High Yield	3.53	4.57	10.29	9.93	5.97	5.38	6.97

Inception date: 07/01/1994. Past performance is not indicative of future results. This supplemental information complements the High Yield Fixed Income GIPS Report.

Top Issuer Attribution	Attr	Rel Wgt	Bottom Issuer Attribution	Attr	Rel Wgt
New Fortress Energy	0.10	-0.15	Altice USA	-0.05	1.03
Saks Global	0.05	-0.07	Nabors Industries	-0.05	0.18
Michaels	0.03	0.38	Stanley Black & Decker	-0.03	0.72
Charter Communications	0.03	0.65	NextEra Energy	-0.03	0.62
Gray Television	0.03	0.08	Baytex Energy	-0.03	0.14

INVESTMENT PROFESSIONALS

Garrick T. Bauer, CFA
Managing Director, Portfolio Manager, Head of Credit
28 Years Experience

Timothy J. Jossart, CFA
Portfolio Manager
32 Years Experience

Casey A. Basil
Senior Credit Analyst
23 Years Experience

Patrick L. Burleson, CFA
Assistant Portfolio Manager
Senior Credit Analyst
18 Years Experience

Cameron P. Carlin, CFA
Credit Analyst
3 Years Experience

Amy W. Eddy
Senior Credit Analyst
25 Years Experience

Breen T. Murphy, CFA
Portfolio Manager
17 Years Experience

Nicholas G. Trivett, CFA
Senior Credit Analyst
16 Years Experience

Jonathan P. Westerman, CFA, CPA
Portfolio Manager
19 Years Experience

Matthew J. Jackson, CFA
Assistant Portfolio Manager
Senior Leveraged Credit Trader
16 Years Experience

Brooks K. Wilhelm, CFA
Portfolio Manager
Senior Credit Analyst
15 Years Experience

Source: Fort Washington Investment Advisors, an investment advisor registered with the U.S. Securities and Exchange Commission. Past performance is not indicative of future results. Quality and sector distribution as well as portfolio attribution and allocation is subject to change at any time. Fort Washington considers the presentation of attribution as part of the investment management process and not advertised performance.

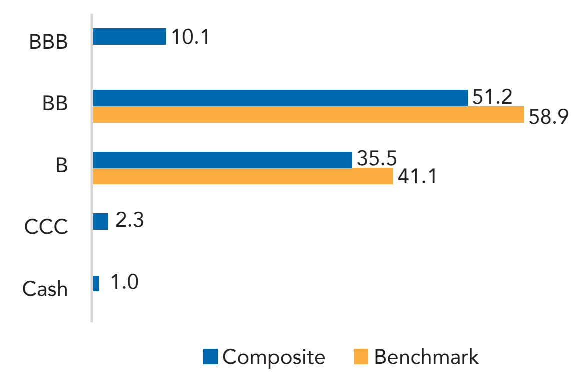
MARKET OVERVIEW

- Extreme resilience properly describes the behavior of global risk assets last quarter. Broadly positive returns were generated in the face of a U.S.-led global trade war, planned continuation of fiscal excess in the U.S. and open warfare between Israel and Iran with U.S. participation. Though tossed about in a storm of its own creation, the Trump Administration wisely and quickly pivoted from the tariff salvo launched on April 2. Historic rallies followed off intra-quarter lows with the S&P 500 +28%, High Yield +6.17% (equivalent to the annual coupon) and even small caps (Russell 2000, +25%) doing well. Oil, which fell $15/bbl then rose $20/bbl, was buffeted by the reciprocal tariff declaration, OPEC supply hike announcements and the war in the Middle East.
- High-quality high yield stumbled initially but recovered throughout April and proceeded to move higher, ending the quarter +3.51%, well off the intra-quarter low. Returns across ratings were beta led, though marginally, as Bs (+3.62%) ended slightly up on BBs (+3.44%). Spreads initially widened to +366bps on April 8 before tightening to finish at +216bps (2nd percentile). Yields tightened by 64bps, ending the quarter at 6.34%. Office REITs (+8.72%) was the best performing sector as Hudson Pacific Properties (+15.91%) announced a surprising equity raise for debt paydown. Transportation Services (+5.96%) also led during the quarter, with Hertz (+18.81%) reacting favorably after disclosing an activist investor had taken a 20% position. Railroads (-3.31%) was the lone negative sector with Brightline East (-15.67%) experiencing financial strain and ratings downgrades on lower-than-expected ridership and higher expenses.
- At its June meeting, the Federal Reserve (Fed) once again left the fed funds rate unchanged at 4.25 - 4.50%, its fourth consecutive pause. The updated dot plot maintained a median forecast of two 25 basis point rate cuts later in 2025, with dispersion among participants widening, reflecting growing uncertainty. Committee projections revised 2025 core PCE inflation higher to around 3%, while real GDP growth forecasts were trimmed to about 1.4%. Unemployment expectations also edged up to 4.5%, reinforcing stagflation risk concerns amid sticky inflation and weaker growth. High yield was supported by strong technicals, with light net supply and accelerating inflows driving demand. Issuers took advantage of favorable conditions by pricing $76bln in new issuance (a 12% increase quarter-over-quarter), with a notable tilt toward higher-quality (55% BBs), primarily used for refinancing.

Portfolio Characteristics

	Composite	Benchmark
Quality	BB-	BB-
Coupon	6.27	6.37
Price	99.05	99.38
Duration	2.70	2.85
Yield (Current)	6.38	6.46
Yield to Worst	6.50	6.36
OAS	230	220
Number of Issues	301	1,663
Number of Issuers	197	779

Credit Quality
(% of Market Value)



Source: Fort Washington Investment Advisors. Past performance is not indicative of future results. Quality and sector distribution as well as portfolio attribution and allocation is subject to change at any time. This supplemental information complements the High Yield Fixed Income GIPS Report.

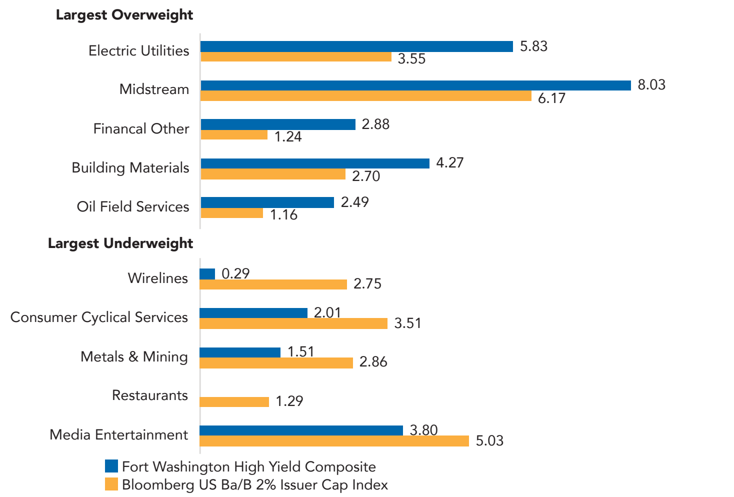
PORTFOLIO ACTIVITY

The Trump Administration turned chaos up to a new level as the quarter began by delivering news of the highest tariff regime since the 1930s. Markets, risk and safe haven, immediately began serving as a tariff-correcting mechanism. Except for oil, the recovery began within a week and was effectively complete by the end of June. Policy volatility appears to have tempered economic activity without significantly changing its overall trajectory. A quiet 2Q25 pre-announcement season was a confirming datapoint. Housing has been a weak outlier with poor demand and lower margins on cost pressures and the need for incentives. Purchase/sale activity leaned slightly towards increasing portfolio quality which remains elevated. Purchases were well diversified across sectors. On the sell side, several credit-challenged holdings were exited with another reduced by half; sectors affected included Cable/Satellite, Paper, and Retailers. In addition, energy positioning was moderately reduced after rebounding mid-quarter.

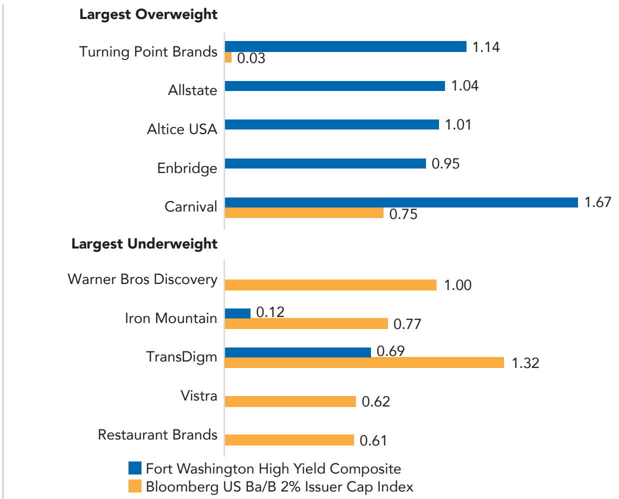
With the exception of extraordinary artificial intelligence-related (AI-related) spending, economic activity is broadly moderating. AI capital expenditures are delivering rapid growth to large segments of multiple sectors including Technology, Wirelines, Electric Utilities, and Construction. Political pressure on the Fed intensified in the face of weaker employment data, a lack of tariff impacts on inflation and, central bank rate cuts elsewhere. Fiscal profligacy, the weakest first half performance for the dollar since 1973, and anticipated tariff-induced inflation appear to have left Chairman Jerome Powell stuck on pause. For what it is worth, the most common reaction to tariffs has been to pass them on to the consumer.

After all that, we essentially ended right back where we started. As a result, no changes were made to our opinions on the factors which roll up to our overall outlook which remains at neutral.

Largest Sector Exposures
(% of Market Value)



Largest Issuer Exposures
(% of Market Value)



Source: Fort Washington and PORT. Holding allocations are subject to change. Weights shown are subject to rounding. This supplemental information complements the High Yield Fixed Income GIPS Report. This should not be construed as investment advice or a recommendation of any particular security, strategy, or investment product.

OUTLOOK

Factor	Outlook	Comments
Economy	**Slightly Negative** ◀▶	• GDP contracted -0.5% in 1Q25 as imports surged ahead of tariff impacts; down from 2.4% growth in 4Q24 and down from 1.6% in the year ago period; expectations for 2Q are for growth of 2.1%, revised upward from 1.3% after seeing trade tensions ease since the U.S. reciprocal tariffs announcement on April 2. GDP expectations for 2025 are now 1.5%, up slightly from recent consensus lows with expectations that, as trade agreements finalize, the overall tariff rate will be markedly lower than April 2 implied levels. • Employment has weakened but remains healthy, unemployment (4.2%) has ticked higher yoy, but wage growth remains strong (3.9%). • Consumer confidence and sentiment remain low due to higher inflation expectations from tariff impacts. Core inflation is lower yoy and stable but likely heading higher. Business confidence continues to show caution qoq with most Institute for Supply (ISM) numbers still below 50.
Financial Conditions	**Neutral** ◀▶	• Financial conditions declined slightly with the latest Senior Loan Officer Survey showing 18.2% tightening; down from 6.2% in 1Q. • After the Federal Reserve (Fed) began its easing cycle in 2024, it held rates steady in 1H25, awaiting more data on both inflation and employment. Fed officials have stated they probably would have cut rates further, were it not for tariffs as they wait to see the effects. Market expectations are currently between two and three additional cuts of 25bps in 2025, starting in September. • Credit spreads for BBB Industrials and High Yield were both tighter in 2Q; all-in High Yield yield was 67bps tighter qoq to 7.06%.
Rates	**Neutral** ◀▶	• After a volatile 2H24 and 1Q25 in the U.S. 10-year Treasury (US10) with yields -61bps in 3Q24, +79bps in 4Q24 and -36bps 1Q25, the US10 yield moved only +2bps in 2Q25. However, intra-quarter saw US10 yield lows at approximately 4% and highs of 4.6% as the market continued to digest a fluid tariff situation and its impacts on the economy. However, the Fed slashed growth and increased inflation forecasts a second time this year in the June Summary of Economic Projections. UST10 ended 2Q at 4.23%. • Ten-year TIPS breakevens are trading at 2.28%; real yields are +195bps. • U.S. rates remain in line to higher than many other developed market levels; making them attractive in a global context.
Fundamentals	**Neutral** ◀▶	• Revenue contracted in 1Q for high yield companies, down -4.5% qoq but positive +1.4% yoy; EBITDA was -10.6% qoq and +0.7% yoy. • HY issuer gross leverage was up slightly qoq to 4.08x and interest coverage stood at 4.7x; holding steady in 1H25 after seven quarters of declines from higher issuer interest expense. In the leveraged loan market, issuers have gross leverage of 4.99x and interest coverage of 2.98x. Bond issuance for the quarter was $76B vs $67B in 1Q25 and $77.6B in 2Q24. • Defaults ended May at 3.8%; up from 3.54% one year ago. Liability management exercises and distressed exchanges continued in 2Q but at much lower rates since the recent peak in 4Q22. High yield bonds currently trading at distressed levels remain subdued and greater than 50% of the high yield index consist of BB-rated bonds; 10% above the long-term average.
Valuation/ Spreads	**Slightly Negative** ◀▶	• High yield spreads tightened -57bps and ended the quarter at +290bps (9th percentile). BBs tightened -48bps (5th), Bs tightened -65bps (8th), and CCCs were essentially flat, +1bps (36th). • Aggregate yields at June end were 7.06%; down -67bps; dollar price was $98.21. • Higher-quality spread tightening in 2Q was not enough to overcome significantly wider CCCs which outperformed in 2Q (+4.01%) vs. Single-Bs (+3.62%) and BBs (+3.44%).
Outlook & Positioning	**Neutral** ◀▶	• We are holding our opinion on high yield to neutral as we balance tight spreads with attractive yields and steady issuer fundamentals. • Defaults in high yield have stabilized, but defaults for leveraged loans are at levels not seen since the Great Financial Crisis. Due to structural changes in credit markets, we anticipate bond defaults to be lower than previous cycles as the quality of high yield is higher than historic periods; screening well versus leveraged loan peers where quality is lower. • Portfolio activity is focused towards maintaining a higher quality bias while maximizing income as we believe the predominance of return will come through carry. With BB/B spreads within their tightest decile, we will rely on portfolio construction alongside credit selection to drive outperformance. Purchase activity was more weighted toward BB-rated bonds during the quarter.

Source: Fort Washington. The above outlook reflects subjective judgments and assumptions; subject to change at any time. Unexpected events may occur and there can be no assurance that developments will transpire as forecast. This is for informational purposes only and should not be construed as investment advice or a recommendation of any particular security, strategy, or investment product. Past performance is not indicative of future results.

HIGH YIELD FIXED INCOME COMPOSITE GIPS REPORT

	2Q2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
High Yield Fixed Income (Gross)	3.34%	7.14%	13.36%	-10.02%	4.97%	4.55%	15.30%	-1.94%	7.75%	12.84%	-3.82%
High Yield Fixed Income (Net)	3.21%	6.60%	12.80%	-10.47%	4.45%	4.03%	14.73%	-2.43%	7.21%	12.28%	-4.30%
Bloomberg US High Yield Ba/B 2% Issuer Cap Index[1]	3.51%	6.77%	12.56%	-10.57%	4.65%	7.67%	15.18%	-1.88%	6.92%	14.09%	-2.72%
High Yield Fixed Income 3-Year Annual Standard Deviation[2]	–	8.77%	8.73%	11.24%	8.96%	9.11%	4.02%	4.01%	5.32%	5.82%	5.59%
Bloomberg US High Yield Ba/B 2% Issuer Cap Index 3-Year Annual Standard Deviation[2]	–	8.30%	8.22%	10.63%	8.47%	8.66%	3.71%	3.87%	4.90%	5.38%	5.06%
Dispersion[3]	0.05%	0.06%	0.12%	0.23%	0.19%	0.62%	0.13%	0.07%	0.24%	0.40%	0.75%
Number of Accounts	8	8	8	9	9	9	10	11	15	18	20
Composite Assets ($ millions)	$1,573.0	$1,719.1	$1,603.6	$1,532.8	$1,746.8	$1,791.3	$1,897.5	$2,085.3	$2,916.2	$3,287.2	$3,474.8
Total Firm Assets ($ 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: 07/01/1994. [1]Effective 04/01/2025, the benchmark was changed retroactively. Prior to 04/01/2025, the benchmark for this composite was the Bloomberg US Corporate High Yield Index. The benchmark change was made to provide a comparison index that is better aligned with the strategy's investment objective. [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 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 High Yield Ba/B 2% Issuer Cap Index. The Bloomberg US High Yield Ba/B 2% Issuer Cap Index measures the performance of the U.S. dollar-denominated, below-investment-grade-corporate debt. It includes Ba/B-rated bonds only, and each issuer is capped at 2% of the total index market value. The index accounts for interest payments by incorporating them into the total return calculation. Fort Washington's High Yield strategy seeks to outperform over a full market cycle (typically 3-5 years) by protecting principal in periods of market decline while providing a stable base of income across all periods. The focus is on the higher-quality credits exhibiting lower default risk and mature sectors that can be expected to weather a full market cycle. All fee-paying, fully discretionary portfolios managed in the High Yield Fixed Income style, with a minimum of $20 million under our management, are included in this composite. The strategy's fee schedule is 0.50% on the first $100 million and 0.45% on additional amounts over $100 million for separate accounts, and 0.55% for the commingled vehicle. 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. Prior to 01/01/1997, individual portfolio returns were calculated monthly using a time-weighted return method. 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 07/01/1994–12/31/2023. 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 High Yield 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 High Yield Fixed Income 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 High Yield Fixed Income 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.

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