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

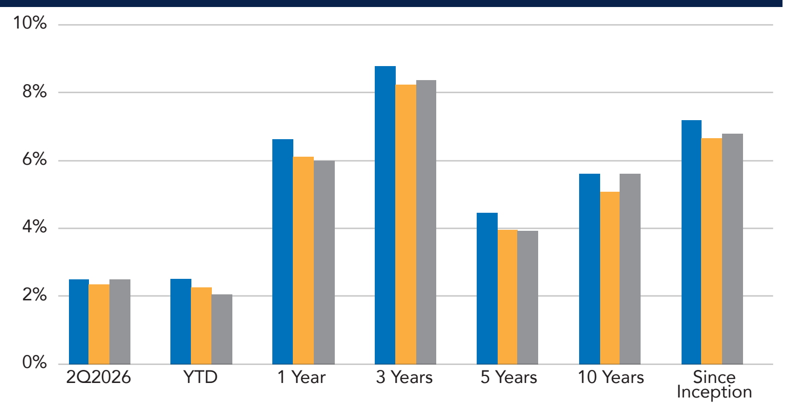
Uncompromised Focus®

FORT WASHINGTON HIGH YIELD FIXED INCOME – 2Q2026

HIGHLIGHTS

- Geopolitical developments remained a key driver of market sentiment during the second quarter, with investor concerns easing after the U.S. and Iran signed an interim agreement. The deal triggered a sharp decline in energy prices, as Brent crude fell 38.40%, its largest quarterly decline since the pandemic. Lower energy prices helped alleviate stagflation concerns and supported a broad rally in risk assets, led by the Philadelphia Semiconductor Index (+87.98%), the Russell 2000 (+21.49%), and the S&P 500 (+15.20%).
- Our core High Yield strategy returned 2.49%/2.36% on a gross/net basis, or +1bp gross relative to the index return. Relative performance was driven by security selection. South Jersey Industries and PacifiCorp were key contributors, as Electric Utilities, the top-contributing sector, delivered strong performance in the quarter. However, those gains were more than offset in Cable Satellite, where Altice USA was by far the most notable detractor and the largest single detractor in the portfolio. Within the market, higher-quality credits again led on a relative basis, with single-Bs (+2.84%) and BBs (+2.26%) both posting solid gains. Sector attribution was mixed: Electric Utilities and Finance Companies contributed most positively, while Cable Satellite was the primary drag, and Chemicals and Media Entertainment also detracted.
- The quarter's macro backdrop improved meaningfully from 1Q26. Falling oil prices helped ease stagflation fears, while resilient economic data supported risk appetite. Even so, the June FOMC meeting struck a more hawkish tone under new Chair Kevin Warsh. The Federal Reserve (Fed) left rates unchanged, but the updated dot plot showed that half of participating officials projected at least one rate hike in 2026, shifting markets from pricing modest cuts at the quarter start to anticipating further tightening by quarter end.

Trailing Total Returns (as of June 30, 2026)



	2Q2026	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
High Yield Fixed Income (Gross)	2.49	2.51	6.63	8.79	4.47	5.59	7.19
High Yield Fixed Income (Net)	2.36	2.26	6.10	8.24	3.94	5.07	6.66
Bloomberg US HY Ba/B 2% Issuer Cap	2.48	2.05	5.99	8.36	3.94	5.60	6.80

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
South Jersey Industries	0.05	0.60	Altice USA	-0.17	0.71
goeasy	0.04	0.78	Cerdia	-0.05	0.50
PacifiCorp	0.04	0.82	Clearwater Paper	-0.03	0.36
RXO	0.03	0.67	Paramount Global	-0.03	0.24
Virgin Media	0.03	-0.55	Sabre	-0.02	0.24

Source: Fort Washington. 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.

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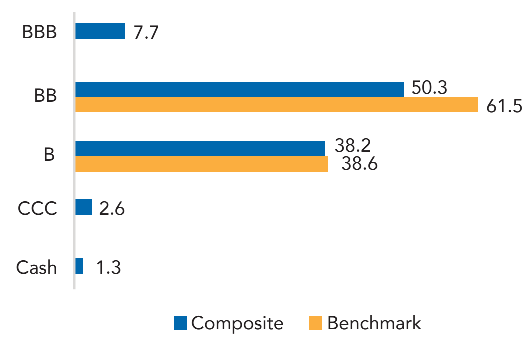
MARKET OVERVIEW

- The second quarter was effectively the inverse of the first. In 1Q26, the onset of the Iran conflict and the resulting energy shock drove a pronounced risk-off tone. In 2Q26, that pressure reversed as geopolitical concerns eased following an interim agreement between the U.S. and Iran. The resulting collapse in energy prices improved the inflation and growth narrative at the margin, allowing investors to look through prior stagflation concerns and re-embrace risk. Equity returns were especially strong, with the rally led by semiconductors and small caps, suggesting a sharp improvement in cyclicality and broader risk tolerance.
- High-quality high yield rebounded in the second quarter, with the Bloomberg US HY Ba/B 2% Issuer Cap Index returning +2.48% following the first-quarter pullback. As is often the case in a more constructive environment, higher beta single-Bs outperformed BBs. Spreads tightened meaningfully, with the Ba/B index OAS ending the quarter at 202bps, while yield to worst declined to 6.50%. Sector performance was broadly positive. Pharmaceuticals (+5.79%), Office REITs (+5.76%), and Life (+5.69%) were the top-performing sectors in the Ba/B index, while Retail REITs (+0.30%), Supermarkets (+0.50%), and P&C (+0.52%) were among the weaker groups.
- The quarter also reinforced two important structural themes. First, AI-related financing continues to broaden beyond traditional large-cap investment-grade issuers. More than $150 billion of AI-related debt has been issued year to date, including over $34 billion in high yield, as the financing ecosystem around data centers, power and computing infrastructure expands. Second, primary market conditions remained very supportive. Falling yet still attractive yields and tight spreads spurred a wave of supply, with issuance topping $97 billion in the busiest second quarter since 2021. The mix remained heavily skewed up in quality, with BBs accounting for 51% of issuance, Bs 45%, and CCCs only 4%.

Portfolio Characteristics

	Composite	Benchmark
Quality	BB-	BB-
Coupon	6.54	6.55
Price	99.18	99.30
Duration	2.74	2.96
Yield (Current)	6.65	6.63
Yield to Worst	6.83	6.52
OAS	234	205
Number of Issues	296	1,719
Number of Issuers*	191	785

Credit Quality
(% of Market Value)



Source: Fort Washington Investment Advisors. *A High Yield Fixed Income Representative Account is being used to illustrate Number of Issuers. 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.

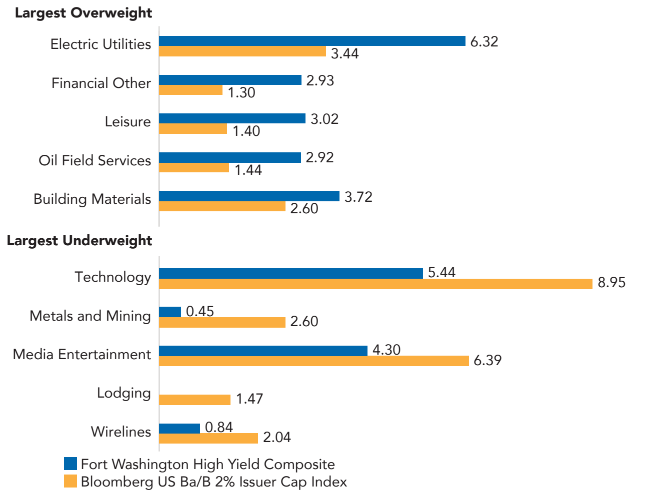
PORTFOLIO ACTIVITY

The rebound in risk assets during the quarter did not eliminate the market's central tension; it simply changed its form. In the first quarter, markets were contending with geopolitical escalation and higher energy prices. In the second, falling oil and resilient data improved sentiment, but valuations quickly retraced toward expensive territory. High yield spreads reversed nearly all of the 1Q widening, leaving the market once again priced with limited room for error. That remains a challenging backdrop for an up-in-quality philosophy, even with all-in yields still supportive.

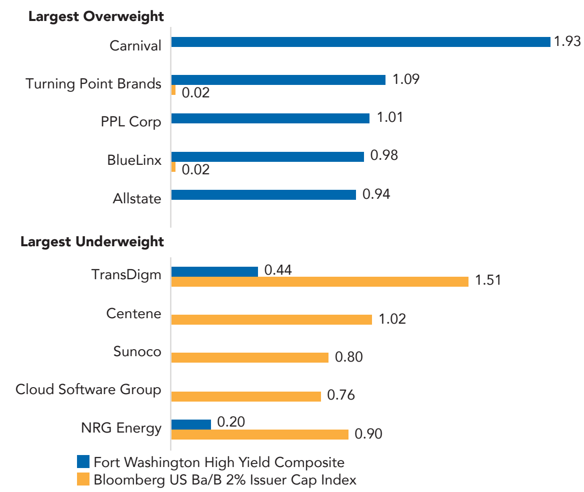
In that environment, the challenge is less about broad market direction and more about winning the battle in security selection. This quarter, results reflected both puts and takes, with notable contribution from utilities offset by weakness in Cable Satellite. Purchase activity remained balanced between BB- and single-B-rated bonds, consistent with a new issue market concentrated in higher-quality credits. With higher front-end Treasury yields continuing to enhance carry, portfolio emphasis remains on income, construction and issuer selection rather than a broader move up the risk spectrum.

Looking ahead, the market's tone has improved, but not enough to justify complacency. Economic growth remains resilient, though increasingly dependent on AI-related investment, while inflation remains sticky enough to keep the Fed cautious. Financial conditions are assessed as slightly positive, but valuation/spreads remain slightly negative after the quarter's rally. That leaves the broader setup mixed: issuer fundamentals are steady and all-in yields remain attractive, yet spreads are tight and the market is again offering only modest compensation for uncertainty. As a result, we continue to believe a disciplined emphasis on portfolio construction, higher-quality carry, and credit selection is the appropriate approach. Our overall outlook remains stable at neutral, backed by steady issuer fundamentals, accommodative financial conditions, and a benign default outlook.

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	Neutral ◀▶	• GDP growth rebounded to 2.1% in 1Q26 after slowing to 0.5% in 4Q25, driven by stronger business investment, particularly AI-related spending. This compares with a 0.6% year-ago contraction driven by tariff-related import front-loading. • 2Q26 GDP is expected to grow 2.5%, supported by consumer spending and business investment. Full-year 2026 growth is forecast around 2.1%, while the Federal Reserve (Fed) lowered its 2026 GDP forecast to 2.2% in June from 2.4% in March, reflecting softer demand, weaker consumer spending, and sticky inflation. Growth remains resilient but increasingly reliant on AI-related investment, with Iran conflict uncertainty still a risk. • Unemployment remains stable yoy at 4.3%, but hiring has cooled and labor-force growth has softened, partly reflecting slower immigration and participation trends, while wage growth remains firm at 3.4%. Consumer confidence and sentiment remain subdued amid elevated inflation and weaker job expectations, while concern over AI-related job displacement remains. Core inflation moved higher in 2Q but broadly stable yoy and persistent. We continue to monitor if higher oil prices (WTI +45% ytd) could indirectly pressure core inflation. Business surveys improved, with ISM manufacturing in expansion and services activity still growing. CAPEX remains AI-supported, while non-AI spending appears mixed.
Financial Conditions	Slightly Positive ◀▶	• Financial conditions were little changed, with the latest Senior Loan Officer Survey showing 8.1% tightening; down from 5.3% in 1Q. • After cutting rates by 75 bps in 2H25, the Fed held rates steady in 1H26 as newly appointed Chair Kevin Warsh adopted a shorter policy statement with less explicit forward guidance. The Summary of Economic Projections was retained but shifted more hawkishly in June, implying no 2026 rate cuts and roughly one 25 bp cut in 2027. Markets currently price one to two 25 bp hikes in 2026 and little change in 2027. • Credit spreads for BBB Industrials were tighter -15bps in 2Q, with high yield spreads tighter -47bps and yields down -24bps qoq.
Rates	Neutral ◀▶	• The U.S. 10-year Treasury (US10) yield increased 15 bps in 2Q, matching its 1Q increase, as yields trended higher during the quarter within a 4.25% - 4.67% range. The US10 ended 2Q26 at 4.47%, while the market currently forecasts it at 4.4% by year-end 2026. • Ten year TIPS breakevens are trading at 2.23%; real yields are +224bps. • U.S. rates remain in line to higher than many other developed market levels; making them attractive in a global context.
Fundamentals	Neutral ◀▶	• High-yield issuer revenue declined 1.4% qoq but rose 7.1% yoy in 1Q, while EBITDA fell 4.7% qoq but increased 3.2% yoy. LTM revenue and EBITDA metrics remained positive, up 4.5% and 2.2% yoy, respectively. High-yield issuer gross leverage was slightly up qoq to 4.6x, and up 0.3x yoy. Interest coverage was 3.96x, down slightly qoq and yoy. In the Leveraged Loan market, issuers have gross leverage of 4.94x and interest coverage of 3.15x. Bond issuance for 2Q was $102B vs. $84B in 1Q26 and $65B in 4Q25. Full year 2026 issuance estimates have moved to the high end of the approximately $300-350B range. Notably, 25B of new issuance YTD have been for funding data center builds. • Defaults ended May at 4.0%; up from 3.8% one year ago. Distressed high yield bonds remain limited, and greater than 50% of the High Yield Index consist of BBs; more than 10% above the long-term average. We continue to see rising refinancing risk in software due to AI disruption risk, which is roughly 16% of Leveraged Loan market and with more than 50% rated B- or below.
Valuation/ Spreads	Slightly Negative ◀▶	• High yield spreads tightened 47bps and ended 2Q at +270bps (6th percentile), reversing nearly all 1Q widening and leaving spreads +3 bps year-to-date. BBs tightened 44bps (2nd), Bs tightened 67bps (8th), and CCCs widened 45bps (50th), a notable divergence from higher quality. • Aggregate yields at December end were 7.16%; down -24bps qoq; dollar price was $98.43. • Like 1Q, higher-quality credits led in 2Q, with single-Bs (+2.84%) and BBs (+2.26%) outperforming CCCs and below (+2.20%).
Outlook & Positioning	Neutral ◀▶	• We are holding our opinion on high yield to Neutral, balancing tight spreads and steady issuer fundamentals and attractive all-in yields, with higher front-end Treasury yields continuing to enhance carry. • Defaults in High Yield have been mostly stable, while Leveraged Loan defaults remain elevated at 5.31%, albeit below their recent 2024 peaks. 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 balanced between BB and Single-B 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

	2Q2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
High Yield Fixed Income (Gross)	2.49%	8.86%	7.14%	13.36%	-10.02%	4.97%	4.55%	15.30%	-1.94%	7.75%	12.84%
High Yield Fixed Income (Net)	2.36%	8.32%	6.60%	12.80%	-10.47%	4.45%	4.03%	14.73%	-2.43%	7.21%	12.28%
Bloomberg US High Yield Ba/B 2% Issuer Cap Index[1]	2.48%	8.78%	6.77%	12.56%	-10.57%	4.65%	7.67%	15.18%	-1.88%	6.92%	14.09%
High Yield Fixed Income 3-Year Annual Standard Deviation[2]	–	4.52%	8.77%	8.73%	11.24%	8.96%	9.11%	4.02%	4.01%	5.32%	5.82%
Bloomberg US High Yield Ba/B 2% Issuer Cap Index 3-Year Annual Standard Deviation[2]	–	4.49%	8.36%	8.22%	10.63%	8.47%	8.66%	3.71%	3.87%	4.90%	5.38%
Dispersion[3]	0.05%	0.05%	0.06%	0.12%	0.23%	0.19%	0.62%	0.13%	0.07%	0.24%	0.40%
Number of Accounts	8	8	8	8	9	9	9	10	11	15	18
Composite Assets ($ Millions)	$1,608	$1,580	$1,719	$1,604	$1,533	$1,747	$1,791	$1,898	$2,085	$2,916	$3,287
Total Firm Assets ($ Millions)	$92,395	$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: 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 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. 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 07/01/1994–12/31/2024. 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 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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