



**Fort Washington
Investment Advisors, Inc.**

A member of Western & Southern Financial Group

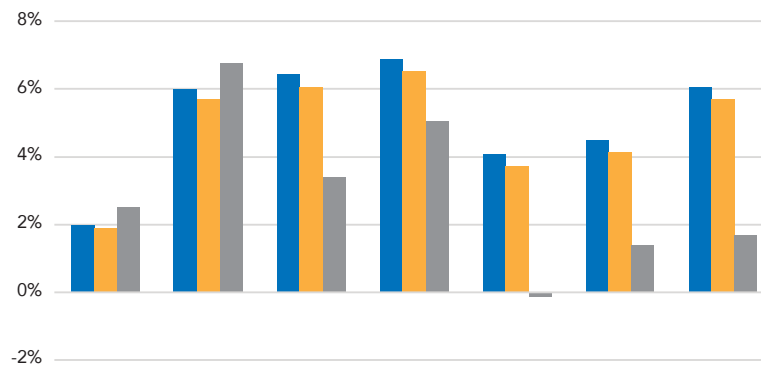
▼ *Uncompromised Focus®*

FORT WASHINGTON SECURITIZED OPPORTUNITIES – 3Q2025

HIGHLIGHTS

- ▶ The Fort Washington Securitized Opportunities strategy focuses on moderate to high risk/return opportunities in securitized products.
- ▶ The Fort Washington Securitized Opportunities Composite returned 1.99% (gross) and 1.90% (net) for the quarter, underperforming the Bloomberg US Mortgage-Backed Securities Index, which returned 2.43%.
- ▶ The Federal Reserve (Fed) delivered its first rate cut of the year in September, driving a mild flattening in the front end of the Treasury curve. This pushed rates on securities with maturities under 2 years 10 to 40 basis points lower, while yields on 3- to 10-year Treasuries ended the quarter 5 to 10 basis points lower.
- ▶ Hard economic data has begun to soften, while sentiment and confidence continue to weaken due to ongoing uncertainty surrounding trade policy and its impact on growth and inflation.
- ▶ Securitized valuations moved tighter as trade tensions moderated, and many non-agency sectors returned to spread levels that are tighter than their historical medians. Pockets of value still exist but as tight credit curves are not adequately compensating investors for risk, the exposure remains biased toward high-quality assets.

Trailing Total Returns (as of September 30, 2025)



	3Q2025	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
■ Securitized Opportunities (Gross) (%)	1.99%	5.99%	6.43%	6.90%	4.09%	4.50%	6.07%
■ Securitized Opportunities (Net) (%)	1.90%	5.71%	6.06%	6.52%	3.73%	4.13%	5.70%
■ Bloomberg US MBS Index (%)	2.43%	6.76%	3.39%	5.05%	-0.14%	1.41%	1.69%

Inception date 10/01/2011. 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. This supplemental information complements the Securitized Opportunities GIPS Report. As of 09/30/2024, the Fort Washington Structured Opportunities Composite was renamed the Fort Washington Securitized Opportunities Composite.

INVESTMENT PROFESSIONALS

Scott D. Weston

Managing Director
Senior Portfolio Manager
33 Years Experience

Richard V. Schneider

Vice President
Senior Portfolio Manager
27 Years Experience

Brent A. Miller, CFA

Vice President
Senior Portfolio Manager
26 Years Experience

Laura L. Mayfield

Vice President
Senior Portfolio Manager
20 Years Experience

Dimitar T. Kamacharov, CFA

Portfolio Manager
11 Years Experience

Beth N. Turner, CFA

Senior Fixed Income Analyst
11 Years Experience

Charles D. Buggage

Senior Fixed Income Analyst
8 Years Experience

Portfolio Characteristics and Sector Allocation

	MV %	YTW	OAS	OAD	OASD	DTS	Contr. to DTS	Avg. Rating
Securitized Opportunities Comp	100	7.1	288	2.5	3.3	8.3	8.3	A-
ABS	27	7.0	315	2.4	2.5	6.2	1.7	BBB
CLO	20	6.1	178	0.2	3.8	7.2	1.4	A
CMBS	28	9.5	507	1.4	2.2	13.0	3.6	BBB
RMBS	22	5.3	114	6.3	5.9	7.1	1.6	AA+
HY Corp	1	6.1	201	(0.0)	1.2	2.3	0.0	BB+
Cash	3	4.1	-	-	-	-	-	AAA
Bloomberg US MBS Index	100	4.7	31	5.8	5.4	2.8	2.8	AA+

Source: Fort Washington. Data as of 09/30/2025. Portfolio characteristics are as of the reported date and are subject to change without notice. Past performance is not indicative of future results. This supplemental information complements the Securitized Opportunities GLPS Report.

MARKET COMMENTARY

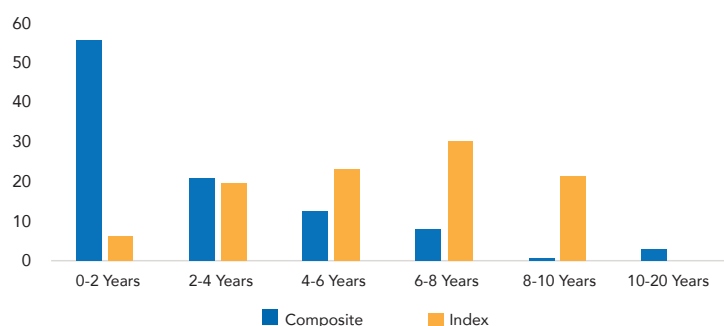
The Fed delivered its first rate cut of the year in September. Softening employment reports, including negative revisions, provided evidence of downside risk to the labor market which prompted the Fed to engage in a 25-basis point “risk management” cut. In addition, the Fed adjusted its expectations for the path of rates, forecasting two more cuts this year and one in 2026, despite slight increases in growth and inflation forecasts. This rate adjustment, and forward guidance, continues to ease financial conditions for the economy, despite lingering uncertainty.

Trade policy continues to be a primary source of uncertainty for investors. While the White House has announced a handful of deals and frameworks for deals, there are still a lot of details that remain unknown, especially related to China. In addition to tariff mechanics, questions remain regarding the legality of certain tariffs that utilized the International Emergency Economic Powers Act (IEEPA) authority. The U.S. Trade Court ruled these tariffs illegal, but a White House appeal sent the case to the Supreme Court, which agreed to hear oral arguments in early November.

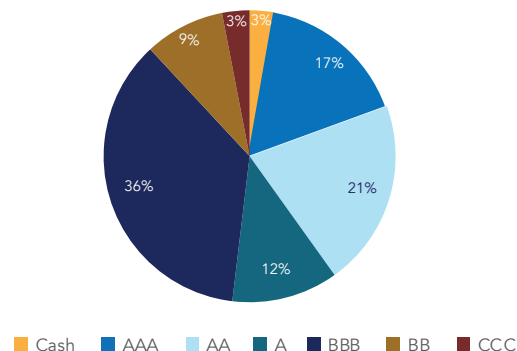
While economic growth has slowed since last year, expectations for 2026 have started to improve. Full expensing for manufacturing structures, R&D, and equipment investment was made law by the Big, Beautiful Bill in July which should boost CAPEX over the coming quarters. Consumer spending remains largely resilient, driven by higher income cohorts. However, weaker jobs data, including revisions, shows that the economy is just marginally adding jobs, presenting an environment that could cause a rise in the unemployment rate.

Despite lingering uncertainty around trade, geopolitics, and monetary policy, credit spreads tightened further and are at levels tight of historical averages. Due to increasing expectations for rate cuts, and benign long-term inflation expectations, longer-term rates declined, and the 10-year Treasury ended the quarter at 4.15%.

Duration Distribution



Credit Quality



Source: Fort Washington. Characteristics are subject to change without notice. Totals may not equal 100 due to rounding. This supplemental information complements the Securitized Opportunities GLPS Report. Past performance is not indicative of future results.

PERFORMANCE

The Fort Washington Securitized Opportunities Composite returned 1.99% (gross) and 1.90% (net) during the second quarter, underperforming the Bloomberg US Mortgage-Backed Securities Index, which returned 2.48%. Year to date, the Composite returned 5.99% (net) compared to 6.76% for the Index.

The Composite performance for Q3 largely reflects the meaningful carry in the portfolio with a slight benefit from both rates and spreads. Markets rewarded exposure to both duration and spread during the quarter, as rates shifted lower across the curve and spreads generally continued to grind tighter. Within the Composite, RMBS provided the strongest Q3 returns of 2.32%, as spreads across the mortgage landscape benefited from lower volatility (driven by increasing certainty of a rate cut as mid-September approached) and speculation around increasing demand for mortgages due to the prospect of governmental housing affordability initiatives. ABS also provided strong returns of 2.23% during Q3, driven largely by the higher spread duration of the portfolio's fixed rate Whole Business exposure. CMBS and CLOs generated the weakest returns for the quarter of 1.92% and 1.48%, respectively as heavy floating-rate exposure within those sectors posed a headwind with rates shifting lower.

The same factors that drove strong returns in the strategy's RMBS exposure also drove exceptional performance in the Bloomberg US Mortgage-Backed Securities Index. This, combined with lagging returns in the strategy's floating-rate exposure, more than offset the strategy's spread advantage over the benchmark, resulting in underperformance for Q3.

PORTFOLIO ACTIVITY

Sector changes were relatively modest during the quarter. CMBS exposure increased by 4 points to 28% of the portfolio, taking advantage of supply of very short, high-quality paper at attractive spreads. ABS exposure was unchanged at 27%, but composition shifted. Cashflow from maturities in Whole Business ABS was reinvested in BB rated Subprime Auto ABS at attractive levels, diversifying the subsector mix within ABS. RMBS exposure was stable at 22% of the portfolio, while CLO exposure decreased by 2% as maturities were reinvested elsewhere in fixed rate paper. Cash positioning decreased slightly to 3%.

While sector level spread indices reflect the tightest quartile historically, individual subsectors, issuers, and bonds still offer varying degrees of risk-adjusted return with more nuanced opportunities representing more attractive 40th to 60th percentile valuations on a historical basis.

OUTLOOK

Uncertainty around trade policy and slow progress on trade deals continue to weigh on growth forecasts and fuel short-term inflation concerns, though long-term expectations remain anchored. While service inflation is expected to stay stable, tariff-related volatility creates uncertainty for goods inflation, which is likely to be temporary. Slower growth, cooling inflation, and softer labor data support a case for policy easing, and the Fed acknowledged this shifting of risks in its remarks around the September rate cut. Despite recent signs of softening, the nominal unemployment rate remains low and household net worth remains strong, though high mortgage rates and elevated home prices are keeping housing activity subdued. Overall, the growth picture remains modestly healthy, but with risk skewed to the downside.

The portfolio has maintained a strong quality bias, with an A- average rating. While spreads have returned to tighter-than-average levels, we believe fundamentals across the strategy's broad sectors—ABS, CMBS, RMBS, and CLO—remain supportive of valuations. Consumer fundamentals have weakened in the lower income cohorts due to the impact of inflation but remain sound overall, as evidenced by delinquency trends in both ABS and RMBS. CMBS remains the most challenged sector, but the market is working through problem assets (properties), and there is a clear delineation between winners and losers in the space. With risk/reward skewed to the downside, management will maintain a quality bias and stay within our 2- to 3-year duration operating range.

SECURITIZED OPPORTUNITIES COMPOSITE GIPS REPORT

	3Q2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Securitized Opportunities (Gross)	1.99%	8.17%	6.86%	-6.49%	4.22%	2.51%	6.77%	4.72%	6.10%	5.87%	4.46%
Securitized Opportunities (Net)	1.90%	7.79%	6.48%	-6.82%	3.86%	2.15%	6.39%	4.35%	5.73%	5.50%	4.09%
Bloomberg US Mortgage Backed Securities Index	2.43%	1.20%	5.05%	-11.81%	-1.04%	3.87%	6.35%	0.99%	2.47%	1.67%	1.51%
Securitized Opportunities 3-Year Annual Standard Deviation ¹	-	3.36%	3.18%	6.39%	6.15%	6.10%	1.30%	1.19%	1.03%	0.91%	1.45%
Bloomberg US Mortgage Backed Securities Index 3-Year Annual Standard Deviation ¹	-	8.51%	7.66%	5.62%	1.71%	2.17%	2.15%	2.26%	1.75%	2.11%	2.31%
Dispersion ²	0.14%	0.89%	1.84%	0.84%	0.56%	-	-	-	-	-	-
Number of Accounts	8	8	8	7	6	≤5	≤5	≤5	≤5	≤5	≤5
Composite Assets (\$ Millions)	\$741.3	\$674.3	\$565.9	\$530.3	\$580.4	\$358.2	\$341.2	\$258.9	\$179.9	\$92.7	\$68.0
Total Firm Assets (\$ Millions)	\$93,254	\$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: 10/01/2011. 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 quarterly gross-of-fee returns for those portfolios held in the composite during the full measurement period. Composite Gross and Net returns for 2023, 2022, 2021, 2020, and 2019 have been revised due to incorrect values in prior presentations. Past performance is not indicative of future results. The benchmark for this composite is the Bloomberg US Mortgage Backed Securities Index. The Bloomberg US Mortgage Backed Securities Index tracks fixed-rate agency mortgage-backed pass-through securities guaranteed by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). The index is constructed by grouping individual TBA-deliverable MBS pools into aggregates or generics based on program, coupon, and vintage. The index accounts for interest payments by incorporating them into the total return calculation. Fort Washington's Securitized Opportunities strategy focuses on non-index, structured securities with higher return potential relative to a blended benchmark. Typical securities utilized include private label mortgage-backed securities, agency mortgage-backed securities, asset backed securities, commercial mortgage-backed securities, agency debentures, Treasuries, and cash securities. The portfolio duration target is between 2 and 8 years and there are no quality constraints. All fee-paying, fully discretionary, non-restricted portfolios managed in the Securitized Opportunities style, with a minimum of \$25 million under our management, are included in this composite. The strategy's fee schedule is 0.35% for separate accounts. Benchmark returns include interest income, but as an unmanaged fixed income index, transaction fees (brokerage commissions) are not included, and no direct comparison is possible. 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. 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RISK DISCLOSURE

The Fort Washington Securitized Opportunities strategy invests primarily in securitized asset instruments, including mortgage-backed securities, asset-backed securities and other securities. The market prices of securities may go up or down, sometimes rapidly or unpredictably, due to general market conditions, such as real or perceived adverse economic, political, or regulatory conditions, recessions, inflation, changes in interest or currency rates, lack of liquidity in the bond markets, or adverse investor sentiment. Investments in the strategy are subject to possible loss due to the financial failure of issuers of underlying securities and their inability to meet their debt obligations. When interest rates rise, the prices of fixed-income securities in the strategy will generally fall. Conversely, when interest rates fall, the prices of fixed-income securities in the strategy will generally rise. The value of mortgage-related and asset backed securities will be influenced by factors affecting the real estate market and the assets underlying those securities. These securities are also subject to prepayment and extension risks and risk of default.

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