



FORT WASHINGTON ENHANCED DIVIDEND EQUITY – 2Q19

GENERAL INFORMATION

Inception Date: 1/1/2016
 Total Assets: \$375 million
 SRI/USCCB Assets: \$65 million
 Style: Large Cap, Dividend Income
 Benchmark: S&P 500

STRATEGY OVERVIEW

- ▶ Disciplined and repeatable process supported by theory and evidence
- ▶ Income focus without the traditional biases of high dividend investing
- ▶ Sector neutral orientation
- ▶ Low cost, value orientation, and prudent diversification with favorable risk/reward characteristics

PHILOSOPHY

- ▶ 4th quintile dividend paying stocks tend to outperform over time
- ▶ Traditional dividend strategies often have unintentional embedded exposures
- ▶ Avoid large exposures that are not supported by strong investment rationale
- ▶ Favor businesses with high barriers to entry that will grow dividends over time

ABOUT FORT WASHINGTON

- ▶ Founded in 1990; \$60.6 billion in current total assets under management¹
- ▶ Breadth of experience managing capital across an array of asset classes with a diverse client base
- ▶ Organizational hallmarks include: stability of teams, consistency of process, competitive performance, deep resources, and alignment of interests

PORTFOLIO MANAGEMENT TEAM

Austin R. Kummer, CFA
 Assistant Vice President,
 Portfolio Manager

James E. Wilhelm
 Managing Director, Head of Public Equity,
 Senior Portfolio Manager

Brendan M. White, CFA
 Senior Vice President,
 Co-Chief Investment Officer

- ▶ Supported by 5 Equity Research Analysts

STRATEGY SUMMARY AND GUIDELINES

Fort Washington's Enhanced Dividend Strategy seeks a high level of current income and long-term growth of capital through a diversified portfolio of large cap, dividend paying equity securities. Supported by theory and evidence, the strategy focuses on fourth quintile dividend yielding stocks and employs fundamental input from a deeply experienced equity research team. The result is a portfolio of above-average dividend paying stocks that enjoy competitive advantages and will grow dividends over time, but avoids highest yielding stocks that can lead to unintentional exposures. The portfolio seeks high expected returns from dividend and value premiums through a highly diversified, sector neutrality framework that limits portfolio tracking error versus the broad market. A disciplined and repeatable process allows for a cost efficient portfolio with favorable risk and reward characteristics.

Objective	The strategy seeks current income and long-term growth of capital by investing in dividend paying, large cap equity securities
Cash	Generally 2% or less; may vary in extreme markets
Max Position Size	4% absolute at purchase; 2% relative at purchase
Sector Weight Limit	+/- 2% of the S&P 500
Holdings	Typically 90-110 companies
Top 10 Holdings (% of portfolio)	20% to 30%
Investments	At least 90% of the portfolio will be invested in S&P 500 securities
Turnover	Generally 10% to 15%
Tracking Error	2% to 3% vs. S&P 500
Benchmark	S&P 500 Index

Peer Group Performance

	2Q19		YTD		1 Year		3 Years		Since Inception (1/1/2016)	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Enhanced Dividend (Gross)	4.45	27	15.50	48	12.89	16	13.33	16	13.11	20
Enhanced Dividend (Net)	4.44	-	15.48	-	12.83	-	13.28	-	13.06	-
S&P 500 Index	4.30	31	18.54	12	10.42	33	14.19	8	13.26	18

Source: eVestment Alliance, LLC eASE Analytics US Dividend Focus Equity Universe. Not valid without next page 2. Past performance is not indicative of future results. This supplemental information complements the Enhanced Dividend Composite Presentation. ¹Assets as of 06/30/19. Includes assets under management by Fort Washington of \$56.9 billion and \$3.7 billion in commitments managed by Fort Washington Capital Partners Group (FW Capital), a division.

Portfolio Characteristics (As of 06/30/19)

	Portfolio	Benchmark
Dividend Yield	3.1	2.1
Beta (1 Yr)	0.94	0.99
EV / EBITDA	10.6	11.9
Weighted Avg. Market Cap (\$ millions)	196	242
Price / Book	3.1	3.1
Price / Earnings	14.7	16.8
LTG EPS	8.5	12.6
Number of Securities	95	506

Source: Fort Washington. Portfolio characteristics are as of the reported date and are subject to change at any time without notice. Data above includes cash. This supplemental information complements the Enhanced Dividend composite Presentation. See Enhanced Dividend composite below for complete disclosure. Past performance is not indicative of future results.

COMPOSITE PERFORMANCE DISCLOSURES

	2Q19	YTD	2018	2017	2016
Enhanced Dividend Income (Gross)	4.45%	15.50%	-3.22%	19.85%	14.85%
Enhanced Dividend Income (Net)	4.44%	15.48%	-3.27%	19.80%	14.80%
S&P 500 Index	4.30%	18.54%	-4.38%	21.83%	11.96%
Enhanced Dividend Income 3-Year Annual Standard Deviation ¹	-	-	10.72%	-	-
SPX Index 3-Year Annual Standard Deviation ¹	-	-	10.80%	-	-
Dispersion ²	-	-	-	-	-
Number of Accounts	≤5	≤5	≤5	≤5	≤5
Composite Assets (\$ millions)	\$375.2	\$375.2	\$322.3	\$604.3	\$516.3
Composite % of Firm Assets	0.66%	0.66%	0.65%	1.14%	1.13%

Composite inception and creation date: 01/01/16.

¹The 3-Year annualized ex-post standard deviation is calculated using monthly 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 returns for those portfolios held in the composite during the entire period. The benchmark for this composite is the Standard & Poor's 500 Index.

Fort Washington's Enhanced Dividend Strategy seeks a high level of current income and long-term growth of capital through a diversified portfolio of large cap, dividend paying equity securities. Supported by theory and evidence, the strategy focuses on fourth quintile dividend yielding stocks and employs fundamental input from a deeply experienced equity research team. The result is a portfolio of above-average dividend paying stocks that enjoy competitive advantages and will grow dividends over time, but avoids highest yielding stocks that can lead to unintentional exposures. The portfolio seeks high expected returns from dividend and value premiums through a highly diversified, sector neutrality framework that limits portfolio tracking error versus the broad market. A disciplined and repeatable process allows for a cost efficient portfolio with favorable risk and reward characteristics. All fee-paying, fully discretionary portfolios managed in the Enhanced Dividend style, with a minimum of \$3 million under our management, are included in this composite. Effective 10/26/18, the Enhanced Dividend Equity fee is 0.50% on the first \$25 million, 0.40% on the next \$20 million, and 0.20% on additional amounts over \$50 million for separate accounts. The benchmark for this composite is the Standard & Poor's 500 Index. The Standard & Poor's 500 Index serves as a performance benchmark for 505 stocks issued by 500 large companies with market capitalizations of at least \$6.1 billion. Portfolios in this composite include cash, cash equivalents, investment securities, and dividends. Cash is maintained, within each separately managed account segment, in accordance with our asset allocation ratio. The US dollars 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. Past performance is not indicative of future results. 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 7/1/94 - 12/31/17. A copy of the verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. Policies for valuing portfolios, calculating performance, and preparing compliant presentations 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.

CONTACT

contactus@fortwashington.com

303 Broadway, Suite 1200 / Cincinnati, OH 45202 / 513.361.7600 / 888.244.8167 / fortwashington.com



Fort Washington
Investment Advisors, Inc.

A member of Western & Southern Financial Group

Uncompromised Focus®