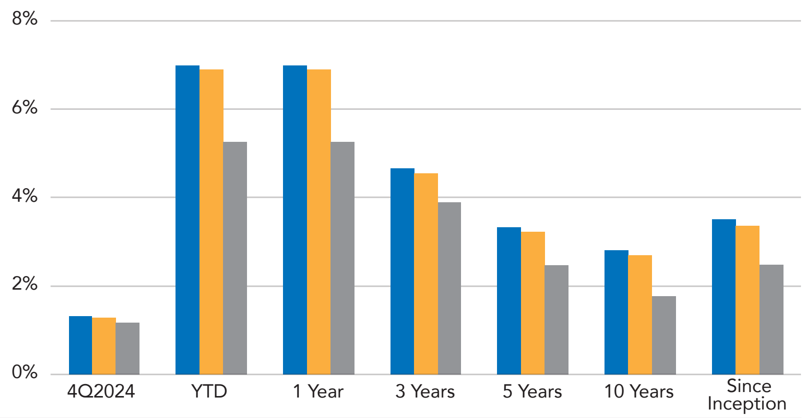
Fort Washington
Investment Advisors, Inc.
A member of Western & Southern Financial Group
Uncompromised Focus®

FORT WASHINGTON ULTRA SHORT DURATION — 4Q2024

HIGHLIGHTS

- The Ultra Short Duration strategy focuses on high-quality (investment grade), high cash flow bonds, with an emphasis on securitized products. It offers an alternative to cash for investors with a longer expected holding period of 6-12+ months.
- The Ultra Short Duration strategy returned 1.31% (gross)/1.28% (net) during the fourth quarter, compared to 1.17% for the ICE BofA Merrill Lynch 3-Month Treasury Bill Index, and 0.70% for the ICE BofA Merrill Lynch 1-Year Treasury Bill Index.
- After 100 basis points of Federal Reserve (Fed) rate cuts in 2024, the long end of the yield curve sold off 80 basis points in Q4 and has taken on a more traditional shape. This reshaping of the curve was the primary driver of returns during the quarter.
- Economic data overall has remained resilient and supportive of a stronger economy with expectations for higher GDP into 2025.
- Valuations remain tight but are generally supported by underlying credit fundamentals. With flatter credit curves, up-in-quality positioning is favored.

Trailing Total Returns (as of December 31, 2024)



	4Q2024	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Ultra Short Duration (Gross) (%)	1.31	7.00	7.00	4.66	3.32	2.80	3.50
Ultra Short Duration (Net) (%)	1.28	6.90	6.90	4.55	3.22	2.69	3.35
ICE BofA 3-Month T-Bill (%)	1.17	5.25	5.25	3.89	2.46	1.77	2.48

Inception date 01/01/1995. 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 Ultra Short Duration GIPS Report.

INVESTMENT PROFESSIONALS

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32 Years Experience

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Senior Fixed Income Trader
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Senior Portfolio Manager
19 Years Experience

Kevin J. Wittich
Portfolio Manager,
Trader
39 Years Experience

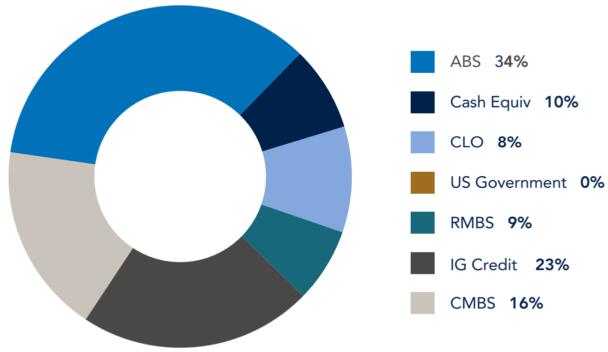
Beth N. Turner, CFA
Senior Fixed Income Analyst
10 Years Experience

Charles D. Buggage
Senior Fixed Income Analyst
7 Years Experience

USD Portfolio Characteristics
(as of 12/31/2024)[1]

	Composite
Quality	Aa3/A1
OA Duration	0.57 yr
Weighted Average Life	0.88 yrs
Coupon	3.82
YTW	5.34
Convexity	0.00
Number of Unique Issues	374

Composite Sector Allocation



[1]Source: Fort Washington; Characteristics are subject to change without notice. This supplemental information complements the Ultra Short Duration GIPS Report. Totals may not equal 100 due to rounding. Past performance is not indicative of future results.

MARKET COMMENTARY

As 2024 ends, the investment landscape is influenced by strong domestic growth, new policy priorities from the newly elected administration, and changing investor sentiment. Economic growth has surpassed expectations, driven by resilient consumers and businesses. However, policy changes in trade and regulation have raised concerns about their impact on the U.S. economy.

Consumer spending has been the main driver of growth, despite a decline in household savings. Higher income earners have boosted the economy through increased investment and rising home prices since the pandemic. Higher wages have also supported the labor market, which remains balanced despite slower job creation.

Inflation remains a key focus for investors due to its implications for Fed policy. Although inflation is on a disinflationary path, recent data has been inconsistent. New tariff proposals from the President have added uncertainty, with the risk of escalating into a trade war with major trading partners like China, Mexico, and Canada. This has led investors to raise their short-term inflation outlook, while long-term expectations remain stable.

Other policy proposals could boost economic growth in 2025. Deregulation efforts may benefit industries like energy and banking by reducing operational restrictions, improving profitability. Lower regulation could also enhance mergers and acquisitions (M&A) activity, and potential lower corporate tax rates could strengthen small and medium-sized firms. This positive economic backdrop is supporting risk assets, as seen in tight credit spreads and higher equity prices.

The Fed has cut policy rates due to disinflation and a cooler labor market. Despite a 100-basis point reduction in the Fed Funds rate, long-term yields rose in the fourth quarter as investors anticipate continued economic strength, leading to fewer rate cuts in 2025. This has resulted in a more traditionally shaped yield curve. The increase in longer-term rates was the main driver of fixed income returns in the fourth quarter, with the 10-year Treasury yield rising by about 80 basis points, causing a 3% decline in the Bloomberg US Aggregate Index as credit spreads remained tight.

Higher rates could pressure risk assets, but consumer spending and business investment are likely to support current valuations. However, there are downside risks, such as the disparity between lower and higher income households and slow growth in Europe and China. Markets will also watch for potential weaknesses in employment, U.S. fiscal policy developments, and geopolitical conflicts.

U.S. Treasury rates ended the quarter mixed compared to the end of September. The 2-year to 30-year part of the curve increased by 60-80 basis points, while the very short end (less than six months) rallied by about 50 basis points due to the Fed cuts. The 2s/10s curve continued to steepen throughout the quarter, and spreads tightened due to strong demand for spread products with attractive yields.

Upside/Downside Capture & Volatility (as of 12/31/2024)
Versus Morningstar Ultra Short Bond Category

Upside/Downside Capture	
10 Year Trailing	
Upside Capture	106%
Downside Capture	94%

Return and Volatility		
10 Year Trailing	**Fort Washington USD**	**Morningstar USB**
Avg Return (ann)	2.69%	2.02%
Std Dev Return (ann)	1.34%	1.18%
Sharpe Ratio	0.68	0.22

Source: Fort Washington and Morningstar. The above illustrations are shown for comparative purposes only and show net returns for the Fort Washington USD Composite compared to the Morningstar USB Peer Group category. Morningstar USB Peer Group returns were calculated by taking the arithmetic average of the return reported for each share class of each fund in the peer group. Past performance is not indicative of future results. This supplemental information complements the Ultra Short Duration GIPS Report. Upside/Downside Capture is measured against the Morningstar Ultra Short Bond peer group, and net performance is shown. For full gross and net performance, and applicable disclosures, please see the Ultra Short Duration GIPS Report. Upside capture represents the average relative performance of Fort Washington's Ultra Short Duration composite for all months when peer group returns were positive. Downside capture represents the average relative performance for all months when peer group returns were negative.

PORTFOLIO REVIEW

The Ultra Short Duration strategy returned 1.31% (gross)/1.28% (net) during the fourth quarter, compared to 1.17% for the ICE BofA Merrill Lynch 3-Month Treasury Bill Index, and 0.70% for the ICE BofA Merrill Lynch 1-Year Treasury Bill Index.

Overall market volatility was more muted in the fourth quarter versus the previous quarter, driven by spread tightening and a healthy new-issue calendar before the election. Carry and spread tightening were the biggest drivers of returns for the quarter, although a slight lengthening of duration caused certain securities to experience lower prices for the quarter due to changes in interest rates. CMBS returned 2.02%, CLOs 1.48%, and ABS 1.21% for Q4, while Corporates returned 1.19%, and RMBS returned 0.89%. Longer fixed rate exposures in ABS, RMBS, and Corporates were a slight detractor due to the move in interest rates, but these sectors also benefited from spread tightening. CMBS returns were buoyed by idiosyncratic price recovery in certain securities. As the dislocation of the commercial real estate market plays out, new fundamental developments and continued market price discovery can have an outsized impact on specific securities from week to week. The selloff in the treasury curve was 14bps in the 1-year and 60bps in the 2-year. One-month Secured Overnight Financing (SOFR) declined 52bps for the quarter, reducing income on our floating-rate securities.

PORTFOLIO ACTIVITY

Sector positioning was mixed during Q4, with Cash increasing by 5%, and RMBS increasing by 1%. This was offset by a decrease in CMBS of 2%, CLOs by 2%, and Corporates by 1%. ABS positioning stayed relatively the same. The strategy saw significant inflows during the quarter. All sectors had an increase in actual dollars invested. The changes do not represent a shift in targeted allocations but an availability of bonds along with paydowns that need to be reinvested as well. The only real change in allocation is the increase in cash to handle any possible year-end liquidity needs that may arise. Portfolio management has implemented a barbell approach to extending the portfolio's duration over the past several quarters, which has delivered strong performance. Floating rate securities have captured significant carry without seeing price volatility. The longer 1-2-year fixed positioning saw lower prices due to the move in rates, but spread tightening largely offset those price moves. Given higher rates and new cash to invest, there are opportunities to add attractive all-in yields in the current market.

OUTLOOK

We believe the U.S. economy remains strong, with the Fed's pivot expected to stabilize the short end of the yield curve. Only a few Fed cuts are anticipated in 2025, maintaining the "higher for longer" interest rate environment. There are several factors driving this view: Inflation may stay in the mid to high 2% range due to persistent shelter inflation, the new administration could introduce some volatility, the job market is healthy, and high-end consumer spending continues to support the economy.

The fundamentals in each of the strategy's broad sectors (ABS, CMBS, RMBS, and CLOs) have strong fundamentals, supporting valuations despite tight spreads. While lower-income consumers show some weakness, overall consumer data is strong, and lenders have managed defaults well. Securitization protections are robust. Housing fundamentals support RMBS, though concerns remain about housing turnover and cash flow projections. CLO default rates have stabilized as borrowers benefit from lower front-end rates. CMBS has improved, with increased lending activity, though some problem assets remain. Spreads have tightened across the asset class.

During Q4, spreads continued to tighten with no sector weaknesses. Securitized spreads started the year in fair-value-to-slightly-cheap territory but are now on the tighter side of fair with most spreads in the 10th to 50th percentile range. CMBS is bifurcated with distressed segments like Offices trading at wider spreads. We are still finding pockets of value in certain RMBS and ABS sub-sectors including seasoned prime jumbo RMBS and tier 2 whole business securitizations. We are also selectively taking advantage of opportunities in the CMBS space.

Over the past few quarters, the strategy's management has adopted a barbell strategy for its duration positioning. This involves focusing on two key areas: floating-rate securities, which take advantage of the Fed's "higher for longer" interest rate stance as their yields adjust with rising rates; and 1-2-year fixed rate securities, which lock in high yields for a longer period while also positioning the portfolio to benefit if Treasury rates decline.

The strategy continues to provide a generous level of carry and yield with a short duration of 0.57 years and high credit quality of AA-. Based on our outlook, management expects the strategy will continue to generate gross returns reasonably in line with its yield-to-worst (YTW), adjusted for any rate or spread movements. The strategy's YTW remains elevated by historical standards, ending Q4 at 5.34%. This provides a strong baseline component of return, to cushion investors from adverse rate or spread movement. Management expects the strategy's fixed rate exposure to continue to benefit from investing at these higher rates, while the strategy's floating rate exposure will perform with the higher Fed Funds. The strategy has consistently delivered strong, competitive returns relative to its peer group and benchmarks. Management expects this performance to continue, based on contribution from sector allocation in securitized products, as well as bottom-up security selection across all subsectors.

Factor	Outlook	Comments
Economy	**Neutral**	• Recent economic data has been robust, and expectations for future growth remain positive • Consumer spending supported by higher wages and increased net worth for higher income cohorts • Overall business fundamentals are generally healthy, with improvements in small business sentiment • Progress toward 2% inflation has been bumpy in recent months, but disinflation is expected to continue • Extension of tax cuts, tariffs, immigration, and deficits will be a focus over coming quarters
Consumer	**Neutral**	• Consumer spending is supported by job/wage growth, but lower income cohorts are experiencing more stress • Debt service remains low, but rising costs weigh heavily on the lower income cohort of the population • Unemployment currently at 4.2%, with a balanced labor market
Financial Conditions	**Negative**	• Terminal rate expectations move higher; markets currently anticipate about 1 cut in 2025 • Volatility is expected to remain elevated as markets react to incoming data and policy response • Lending standards and market-driven financial conditions remain largely neutral
Valuations	**Neutral (-)**	• Short-duration spreads rallied during Q4 and are now 0-35th percentile for Securitized and 8th percentile for short IG Credit • Spreads reflect an economic expansion, but risk/reward is skewed to the downside at current levels • All-in yields are still attractive, given the current position of underlying rates are across the curve
Sentiment/ Technicals	**Positive**	• Liquidity is healthy across short-duration markets • Primary market volume has been robust across all sectors • Investor demand strong, given the amount of cash looking to be put to work
Interest Rates	**Positive**	• Interest rates are likely to remain range-bound in the short end as the Fed pauses cuts • Rates reflect expectations of growth and fewer cuts in 2025. Yields reflect a higher terminal rate for the Fed
Outlook	**Neutral (+)**	• Short asset valuations are now towards historic tights—opportunities exist, but risk/reward skewed to the downside • Volatility has fallen as markets become more stable, with less certainty around Fed rate cuts in 2025 • Consumer & corporate fundamentals are normal, and higher rates do not appear to have caused significant distress • Higher yields in the Ultra Short Duration strategy help buffer rate and spread volatility—attractive breakevens

Source: Fort Washington Investment Advisors. The above outlook reflects subjective judgments and assumptions. Unexpected events may occur so there can be no assurance that developments will transpire as forecast.

ULTRA SHORT DURATION COMPOSITE GIPS REPORT

	4Q2024	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Ultra Short Duration (Gross)	1.31%	7.00%	6.36%	0.75%	0.81%	1.93%	3.68%	2.47%	2.02%	2.07%	1.13%
Ultra Short Duration (Net)	1.28%	6.90%	6.24%	0.64%	0.70%	1.82%	3.56%	2.36%	1.90%	1.97%	1.01%
ICE BofA 3-Month T-Bill Index	1.17%	5.25%	5.01%	1.46%	0.05%	0.67%	2.28%	1.87%	0.86%	0.34%	0.04%
Ultra Short Duration 3-Year Annual Standard Deviation[1]	–	0.98%	0.92%	2.14%	2.12%	2.10%	0.27%	0.20%	0.23%	0.24%	0.24%
ICE BofA 3-Month T-Bill Index 3-Year Annual Standard Deviation[1]	–	0.56%	0.65%	0.34%	0.32%	0.27%	0.20%	0.20%	0.12%	0.05%	0.02%
Dispersion[2]	0.04%	0.28%	0.72%	–	–	–	–	–	–	–	–
Number of Accounts	6	6	6	≤5	≤5	≤5	≤5	≤5	≤5	≤5	≤5
Composite Assets ($ Millions)	$998.6	$998.6	$904.9	$747.1	$1,639.3	$1,166.1	$1,132.2	$1,340.7	$1,384.6	$963.0	$561.6
Total Firm Assets ($ Millions)	$81,286	$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: 01/01/1995. [1]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. [2]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 quarterly gross-of-fee returns for those portfolios held in the composite during the full measurement period. Past performance is not indicative of future results. The benchmark for this composite is the ICE BofA 3-Month US Treasury Bill Index. The ICE BofA 3-Month US Treasury Bill Index measures the performance of short-term U.S. Treasury bills with maturities of three months. The index accounts for interest payments by incorporating them into the total return calculation. Fort Washington's Ultra Short Duration strategy seeks to achieve superior return on short-term investments and to employ an active sector rotation process identifying relative value within the short-term marketplace. Typical securities utilized include government bonds, corporate bonds, commercial paper, municipal bonds, and asset-backed bonds. Portfolio characteristics include average maximum duration of one year, maximum duration per security of 5 years with all securities rated investment grade at time of purchase. All fee-paying, fully discretionary portfolios, managed in the Ultra Short Duration style with a minimum of $10 million under our management are included in this composite. Effective 01/22/2014, the Ultra Short Duration strategy fee schedule is 0.20% on the first $25 million and 0.15% on additional amounts over $25 million. 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 composite primarily invests in ultra short term, investment grade debt obligations, and its average effective portfolio duration will normally be one year or less. 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 on a monthly basis 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 7/1/94 - 12/31/23. 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 Fort Washington Ultra Short Duration 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 strategy invests in mortgage-backed securities and asset-backed securities which are subject to the risks of prepayment, defaults, changing interest rates and, at times, the financial condition of the issuer. The strategy invests in repurchase agreements which are considered loans by the strategy and may suffer a loss of principal and interest in the event of counterparty defaults. The strategy invests in Collateralized Loan Obligations (CLOs) that have risks that largely depend on the type of underlying collateral and risks may include illiquidity, limited active market, the possibility that distributions from collateral securities will be insufficient to make interest or other payments, the potential for a decline in the quality of the collateral, and can bear the risk of default by the loans.

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