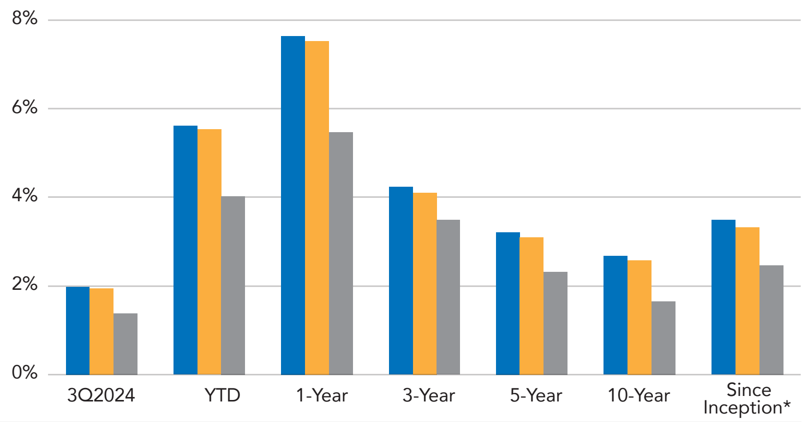
Fort Washington Investment Advisors, Inc.
A member of Western & Southern Financial Group
Uncompromised Focus®

FORT WASHINGTON ULTRA SHORT DURATION — 3Q2024

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 1.98% (gross)/1.95% (net) during the third quarter, compared to 1.37% for the ICE BofA Merrill Lynch 3-Month Treasury Bill Index, and 2.00% for the ICE BofA Merrill Lynch 1-Year Treasury Bill Index.
- The Federal Reserve (Fed) delivered its first rate cut of the cycle in September, lowering the target rate by 50 basis points. Moves in the Treasury yield curve were an abnormally significant driver of performance during Q3, providing a strong tailwind for fixed income performance.
- Economic data overall has remained resilient and supportive of a soft landing, with the unemployment rate at 4.1% for September and Q2 GDP above expectations at 3.0% .
- Valuations remain on the tighter side of fair but are generally supported by underlying credit fundamentals. With flatter credit curves, up-in-quality positioning is favored.

Annualized Total Returns as of September 30, 2024



	3Q2024	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception*
Ultra Short Duration (Gross) (%)	1.98	5.62	7.64	4.23	3.21	2.68	3.49
Ultra Short Duration (Net) (%)	1.95	5.54	7.53	4.11	3.10	2.57	3.33
ICE BofA 3-Month T-Bill (%)	1.37	4.03	5.46	3.49	2.32	1.65	2.46

Source: Fort Washington Investment Advisors, an investment advisor registered with the U.S. Securities and Exchange Commission. *Inception date 01/01/1995. 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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25 Years Experience

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19 Years Experience

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Portfolio Manager
Trader
39 Years Experience

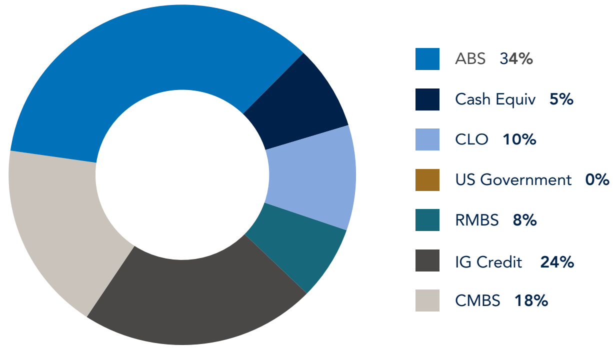
Beth N. Turner, CFA
Senior Fixed Income Analyst
10 Years Experience

Charles D. Buggage
Senior Fixed Income Analyst
7 Years Experience

USD Portfolio Characteristics
(as of 09/30/2024)[1]

	Composite
Quality	Aa2/A3
OA Duration	0.57 yr
Weighted Average Life	1.00 yrs
Coupon	4.32
YTW	5.78
Convexity	0.00
Number of Unique Issues	339

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.

MARKET COMMENTARY

Broad market performance was strong during Q3, with both equities and fixed income generating positive returns despite a more complicated narrative unfolding beneath the surface. At the beginning of the quarter, markets were pricing in 50 basis points of Fed rate cuts by year-end 2024. Economic data had proven resilient (but not too resilient), and the unemployment rate had ticked up to a manageably weaker 4.1% for June. Fed Chairman Powell's carefully engineered soft landing seemed to be coming into focus.

This trajectory changed course in mid-July, however, as a variety of concerns began to escalate. Soft earnings reports called into question the soaring valuations of tech companies, which had largely driven the equity market rally in the first half of the year. Simultaneously, unexpected weakness in CPI and other economic data releases cast doubt on the soft landing narrative. Treasuries rallied sharply toward the end of July and into early August, as markets recalibrated around a more urgent Fed rate-cutting scenario. This sharp rally in U.S. Treasuries coincided with a Bank of Japan rate hike (and hawkish rhetoric), exposing a broad Yen carry trade in the market, and prompting its unruly unwinding. Meanwhile, the year-to-date rout in Chinese equities continued into Q3, contrasting sharply with global stocks' strong run and heightening concerns about the strength and stability of the world's second-largest economy. On August 2nd, the Bureau of Labor Statistics released a worse-than-expected unemployment rate of 4.3%, triggering the Sahm Rule which indicates that a recession may have already begun. In aggregate, these stressors were suddenly too much for markets to sustain in equilibrium, and in the first week of August, the Chicago Board Options Exchange Volatility Index (VIX) spiked to a level not seen since 2020.

This culmination of negativity in early August marked an inflection point for the quarter. The flow of economic data through the remainder of the quarter was seen as less draconian and more supportive of the soft landing narrative. The unemployment rate for July rose by 0.2% to 4.3%, while Q2 GDP exceeded forecasts at 3%. Powell expressly assured markets that the time had come to begin cutting rates, and then delivered the first cut of 50 basis points at the Fed's September 18 meeting. Meanwhile, Japan's newly-appointed Prime Minister, Shigeru Ishiba, responded to the Yen carry trade unwind by assuring markets that Japan does not need further rate hikes—a sentiment that Bank of Japan Governor Kazuo Ueda appeared to support, albeit cautiously. Late in the quarter, China announced an aggressive stimulus package aimed at restoring confidence in the economy, driving a 27% rally in the CSI 300 Index during the second half of September—another stabilizing factor for markets globally.

U.S. Treasury rates ended the quarter considerably lower vs June 30, with the 10yr rallying by 62 basis points, and the 1-2yr part of the curve rallying by more than 100 basis points. The 2s/10s curve reverted to a positive slope during September, after spending more than two years in inverted territory. Over the course of the quarter, markets transitioned from expecting a total of two rate cuts by year-end 2024 to already having two cuts during Q3, and expecting another three by the end of December. Spreads across fixed income were briefly volatile during the July/August selloff but recovered through the remainder of the quarter.

Upside/Downside Capture & Volatility as of 09/30/2024
Versus Morningstar Ultra Short Bond Category

Upside/Downside Capture	
10 Year Trailing	
Upside Capture	106%
Downside Capture	95%

Return and Volatility		
10 Year Trailing	**Fort Washington USD**	**Morningstar USB**
Avg Return (ann)	2.57% (net)	1.89%
Std Dev Return (ann)	1.34% (net)	1.18%
Sharpe Ratio	0.69% (net)	0.21%

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 1.98% (gross)/1.95% (net) during the third quarter, compared to 1.37% for the ICE BofA Merrill Lynch 3-Month Treasury Bill Index, and 2.00% for the ICE BofA Merrill Lynch 1-Year Treasury Bill Index.

While broader market volatility was quite pronounced during the late July/early August portion of Q3, the impact on high quality short duration asset spreads was much more muted. Thus, the biggest drivers of return for the strategy during the quarter were carry and interest rate movements. Three sectors—RMBS, ABS, and Corporates, significantly outperformed their carry for Q3, generating +2.45%, +2.14%, and +1.97% respectively. These sectors comprise predominantly fixed rate assets, thus benefiting from the interest rate rally. RMBS and ABS specifically are home to much of the strategy's longer key rate duration exposures in the 1-2.5 year segment, thus having the most significant positive impact from interest rate moves during the quarter. Treasuries in the 1-2 year part of the curve rallied by more than 100 basis points, while the 6-month Treasury rallied by 92 basis points during Q3. CLO exposure in the strategy outperformed its yield slightly, returning +1.59% for the quarter as spread compression more than offset the headwind of lower rates driving floating rate coupons lower. CMBS generated strong performance at +1.98%, slightly below its carry, driven by idiosyncratic price movements and the headwind of declining floating rate coupons.

PORTFOLIO ACTIVITY

Sector level positioning changes during Q3 were minor, with all sectors remaining within +/- 2% of their prior-quarter level. Small decreases in Cash, CLOs, and ABS were offset by small increases in IG Credit, RMBS, and CMBS. These changes do not represent a strategic shift in allocations, but rather a reinvestment of cash across sectors within our targeted allocation ranges, in conjunction with real-time recognition of the best relative value available at the time of reinvestment.

Over recent quarters, management has worked toward a barbell duration positioning within the strategy. The objective was to maintain meaningful exposure to both floating rate securities (to capitalize on attractive yields of these securities pricing off the highest part of the yield curve) and also longer duration 1-2 year fixed rate securities (to reduce reinvestment risk by locking in elevated yields for a longer period of time). This approach to duration positioning did well for the strategy during Q3, as the floating rate securities captured attractive carry with minimal price volatility, while the longer duration component of the portfolio benefited from the rally in the Treasury curve. Overall strategy duration ended Q3 at 0.57 years, unchanged from the prior quarter. Management is continuously re-evaluating the duration reinvestment landscape and intends to continue with a modified approach to this barbell duration positioning in the near term.

OUTLOOK

Management believes that the U.S. economy remains on track for a soft landing, although volatility is to be expected around economic data releases and their anticipated impact on the Fed's rate cut timing and magnitude. Labor market deterioration seems to be manageable, while consumer spending continues to be supported by a generally healthy balance sheet and jobs/wages. Slowing Personal Consumption Expenditures (PCE) indicates meaningful progress toward the Fed's 2% inflation target, although price increases in shelter and certain other non-discretionary categories remain elevated.

Management continues to favor valuations in securitized credit over corporate credit. While pockets of fundamental weakness do exist across the consumer lending landscape, well-underwritten collateral and structures remain an area of opportunity for the strategy, which maintains significant exposure to consumer-based securitizations. Dislocation across commercial real estate will take significant time to fully resolve, and we have found limited opportunity to reinvest in attractively-priced high quality bonds with certainty of cashflow timing in the CMBS space. RMBS remains a fundamentally-sound and attractively-priced sector for reinvestment; however, cashflow certainty in a variety of interest rate (and prepayment) scenarios limits the availability of bonds appropriate for investment for the strategy. Although management favors valuation and quality available in securitized sectors, IG Credit exposure remains a core position for the strategy, providing valuable diversification and liquidity benefits.

The strategy continues to provide a generous level of carry/yield given its 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 Q3 at 5.78%. This provides a strong baseline component of return, helping to cushion investors from adverse rate or spread movements. Management expects the fixed rate component of the portfolio to continue to benefit from lower rates going forward, while the floating rate component will offer attractive, albeit declining, yield as elevated coupons reset into the lower interest rate environment over time. The strategy has been able to generate strong, competitive returns versus its peer group and benchmarks, while providing attractive outperformance versus cash alternatives. Management expects this track record to continue going forward based on contribution from sector allocation in securitized products, as well as bottom-up security selection across all subsectors.

Factor	Outlook	Comments
Economy	**Neutral**	• Growth expectations for 2024 and 2025 remain strong • Consumer spending supported by job/wage growth and increased net worth • Business fundamentals generally healthy but small business sentiment near historical lows • Progress toward 2% inflation slower than expected but larger disinflationary trend still in place • Restrictive monetary policy poses downside risks
Consumer	**Neutral**	• Consumer spending supported by job/wage growth but lower income/younger cohorts experiencing more stress • Debt service remains low, but higher costs weigh heavily on lower income/younger cohort of the population • Unemployment currently at 4.1%; labor market showing signs of cooling • Delinquency data is normalizing following stimulus-driven declines during COVID; weakness in lower income/younger cohorts
Financial Conditions	**Negative**	• Lending standards remain tight while market-based financial conditions generally neutral • Volatility to remain elevated as markets react to incoming data and policy response • Timing/magnitude of cuts remains uncertain, markets currently anticipate 150 total bps of cuts through 2025; terminal rate forecast has risen to 3.5%
Valuations	**Neutral (-)**	• Short duration spreads were stable to slightly tighter during Q3 and are now 10-40th percentile for Securitized and top quintile for Credit • Underlying fundamentals beginning to soften for consumer and corporate obligors – CRE fundamentals remain weak • Short rates are attractive: 6-month T-bill at 4.41% vs. 5-year Treasury note at 3.56% at 9/30/24.
Sentiment/ Technicals	**Neutral (+)**	• Liquidity healthy across short duration markets • Primary market volume has been robust (issuers accepting of higher coupons), helping spur secondary activity
Interest Rates	**Neutral**	• Interest rates are likely to remain volatile, as expectations around Fed's rate cut path respond to variability in economic data • Rates reflect expectation of moderately slowing growth and continued rate cuts through 2025. Risks for lower rates are sharper slowing in growth and inflation. Risks for higher rates are stubborn inflation and higher path of Fed policy.
Outlook	**Neutral**	• Short asset valuations are now tighter side of fair – opportunities exist but risk/reward skewed to the downside • Volatility elevated as variability in economic data frequently recalibrates market's expectations for timing of Fed rate cuts • Consumer & corporate fundamentals; falling rates should be supportive. CRE remains challenged • Higher yields on the Ultra Short Duration strategy help to buffer rate and spread volatility. Breakevens remain attractive.

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.

COMPOSITE GIPS REPORT

	3Q2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Ultra Short Duration (Gross)	1.98%	6.36%	0.75%	0.81%	1.93%	3.68%	2.47%	2.02%	2.07%	1.13%	1.39%
Ultra Short Duration (Net)	1.95%	6.24%	0.64%	0.70%	1.82%	3.56%	2.36%	1.90%	1.97%	1.01%	1.27%
ICE BofA 3-Month T-Bill Index	1.37%	5.01%	1.46%	0.05%	0.67%	2.28%	1.87%	0.86%	0.34%	0.04%	0.03%
Ultra Short Duration 3-Year Annual Standard Deviation[1]	--	0.92%	2.14%	2.12%	2.10%	0.27%	0.20%	0.23%	0.24%	0.24%	0.31%
ICE BofA 3-Month T-Bill Index 3-Year Annual Standard Deviation[1]	--	0.65%	0.34%	0.32%	0.27%	0.20%	0.20%	0.12%	0.05%	0.02%	0.02%
Dispersion[2]	0.09%	0.72%	--	--	--	--	--	--	--	--	--
Number of Accounts	6	6	≤5	≤5	≤5	≤5	≤5	≤5	≤5	≤5	≤5
Composite Assets ($ Millions)	$853.2	$904.9	$747.1	$1,639.3	$1,166.1	$1,132.2	$1,340.7	$1,384.6	$963.0	$561.6	$688.4
Total Firm Assets ($ Millions)	$81,043	$74,613	$66,365	$73,804	$65,086	$59,174	$49,225	$52,774	$45,656	$42,959	$45,002

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 Merrill Lynch 3-Month US Treasury Bill Index. The Merrill Lynch 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 - 12/31/22. 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 DISCLOSURES

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 Fund 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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