Fort Washington Investment Advisors, Inc.

Emerging Market Debt Quarterly Commentary

Fort Washington Emerging Market Debt

Highlights

- The JP Morgan Emerging Market Bond Index Global Diversified ("benchmark") returned 2.6% in the third quarter bringing year-to-date total return to 9.0%. Benchmark spreads tightened by 23bps versus U.S. Treasuries helping drive positive returns. Investors allocated an additional $19 billion[1] to EM hard currency fixed income during the quarter as sentiment for the asset class remained high given the positive global growth environment, firmer oil prices, and the expectation that developing countries are well positioned for rising U.S. interest rates.
- Our composite posted a 2.8% total return in the third quarter, outperforming the benchmark by 20bps gross of fees. This brought our YTD gross of fees return to 10.3%, compared to 9.0% for the benchmark. Top contributors to performance during the quarter were Brazil, Ukraine, Portugal and an underweight to low beta countries such as the Philippines and China. In Brazil our allocation to the corporate and quasi-corporate sectors added positively to performance. In Ukraine, an overall overweight in the country and in particular the quasi-sovereign sector was additive to performance. In Portugal an overweight in USD-denominated government debt contributed positively as the sovereign was upgraded to investment grade by S&P. Top detractors to performance during the quarter include security selection in Venezuela, Indonesia and Hungary, and our allocation to local currency denominated corporates in Argentina.
- We retain our constructive outlook for EM debt given attractive debt fundamentals relative to developed peers and expectations of growth in the U.S. and Europe. In our view EM countries are at present better positioned for a rising U.S. interest rate environment as key external metrics have improved since the taper tantrum episode in 2013. Major near-term risks for EM debt remain largely external, namely geopolitics and more hawkish than expected global interest rate policy.

[1] *JP Morgan, "EM Fund Flows Weekly" Sept. 28, 2017.*

3Q17

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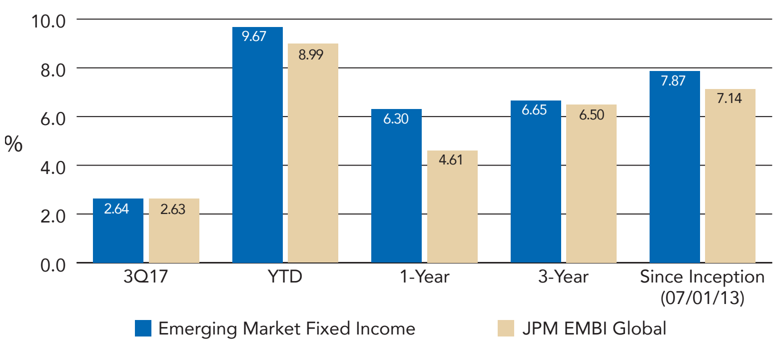
Quasi Sovereign/Corporate

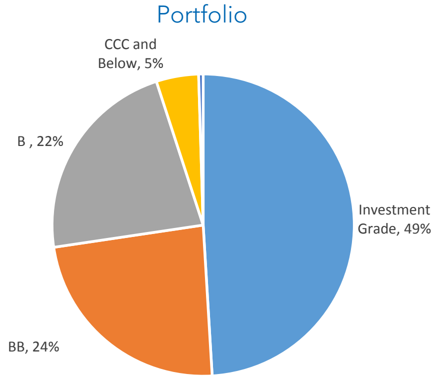
Historical Performance

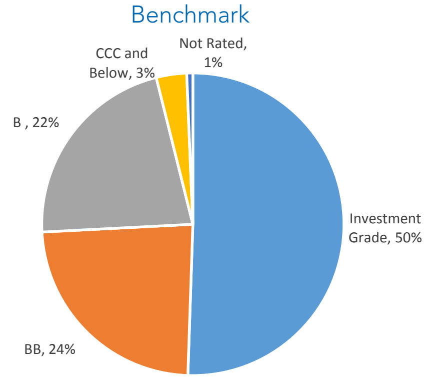
Annualized Net Return as of September 30, 2017



Source: Fort Washington Investment Advisors. Past performance is not indicative of future results.

Credit Quality





Source: Fort Washington. This supplemental information complements the Emerging Market Debt Composite Presentation. Quality distribution is subject to change at any time. The above data is rounded for informational purposes. Benchmark: J.P. Morgan Emerging Market Bond Index Global Diversified. Portfolio characteristics are subject to change at any time.

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Market Overview

EM benchmark spreads tightened 23bps during the quarter to finish at 287bps. The last time spreads were at sub-290bps levels was in the second half of 2014. This performance continues to be fueled by strong investor sentiment. As we've discussed in the past, EM sovereigns exhibit relative attractiveness to developed peers on spread and quality. EM sovereigns generally exhibit lower debt burdens and higher growth than their developed sovereign counterparts. This coupled with a positive developed market growth backdrop benefits EM countries.

One key risk for EM fixed income is rising real U.S. interest rates, with the experience of the 2013 taper tantrum fresh on investors' minds. We believe this risk is more contained today relative to a few years ago due to well communicated Fed policy and improved key external indicators for most major EM countries. For example, since 2013 we have seen noticeable reductions in current account deficits for countries with persistent deficits, such as Brazil, Indonesia, South Africa and Turkey. Additionally, real interest rate buffers have been restored across a host of EM countries due to tighter monetary policy, providing additional capacity for shock absorption. Real interest rates across EM excluding China rose from -0.6% in May 2013 to 2.8% in August 2017[2].

Based on generally healthy assessment of EM fundamentals, we believe investors will continue to find the asset class attractive on a relative basis to developed markets. While both developed and EM spreads are near cycle tights, EM continues to offer an attractive spread pickup to developed markets as investors look for yield. For example, the spread advantage for BBB rated EM assets over similarly rated US Corporate Industrial bonds was 42bps as of 9/30/17 for only a 0.5 year difference in duration. For B rated credits, the pickup for EM was 71bps for an additional 2.3 years of duration.

[2]*Morgan Stanley, "Sunday Start" Oct. 8, 2017.*

Current Account Balance/GDP (%)

	2013	2016
Brazil	-3.0	-1.3
Indonesia	-3.2	-1.8
South Africa	-5.9	-3.3
Turkey	-6.7	-3.8

Source: IMF World Economic Outlook Database April 2017

10 Year Spread Percentile by Rating

	BBB	BB	B
US Corporate*	5	1	2
EMBIGD**	7	5	4

EM Spread Pickup

	BBB	BB	B
EMBIGD spread vs US Corporate	+42bps	+39bps	+71bps
EMBIGD duration vs US Corporate	+0.5 years	+2.3 years	+2.3 years

Sources: Barclay's Point, JP Morgan.

Date range for 10 Year Spread Percentile: month end from 10/31/2007 to 9/30/2017. EM Spread Pickup as of 9/30/2017.

**BBB = Bloomberg Barclays US Credit Index, Industrials. BB & B = Bloomberg Barclays US High Yield Index.*

***JPMorgan EMBI Global Diversified Index.*

Portfolio Statistics

	Portfolio	Benchmark
Yield to Maturity	5.44%	4.87%
Average Coupon	5.48%	5.98%
Current Yield	5.88%	5.65%
Average Life	10.69	10.44
Total # of countries	68	66
Number of Issuers	101	164
Number of Issues	190	620

Top 10 Countries by Market Value

Country	% of Portfolio
Argentina	6.50%
Mexico	5.65%
Indonesia	4.64%
South Africa	4.63%
Turkey	4.59%
Brazil	3.92%
Hungary	3.83%
Ukraine	3.53%
Colombia	3.05%
Egypt	2.80%

Portfolio Activity

During the second quarter we increased portfolio yield to worst approximately 50bps from 4.8% to 5.3%. This was the result of bottom up trades such as adding to our Portugal position where we see good relative value and improving fundamentals, and offset it by reducing exposure in low yielding Slovenia where we find limited prospects of additional upside. The cumulative effect of our repositioning during the quarter resulted in extending portfolio interest rate duration by roughly a quarter of a year. Although we slightly increased duration during the period, we ended the quarter with a roughly one third of a year underweight duration stance relative to the benchmark, driven by our views on the health of the U.S. economy and inflation expectations.

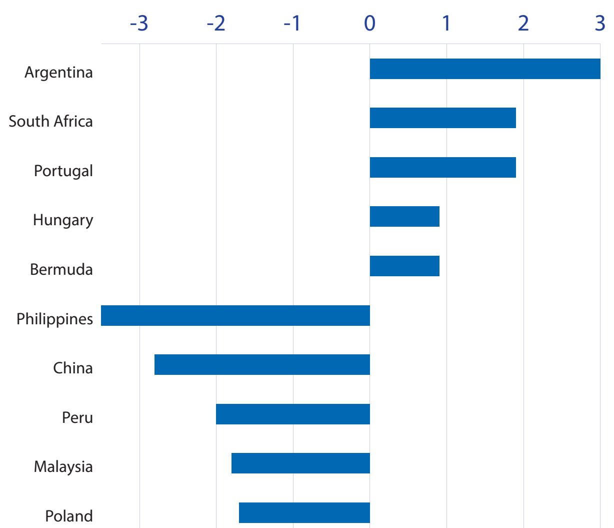
Additional notable transactions in Europe included reducing our overall exposure in Ukraine, particularly in the quasi-sovereign sector, after a strong quarter to date performance versus the sovereign paper. Although we trimmed exposure, we continue to maintain an overweight position relative to the benchmark on expectations Ukraine will stay on track with its reform agenda and the IMF program.

In Latin America, the quarter was highlighted by swapping exposure from sovereign to quasi-sovereign names in an active new issue market for Mexico, Chile, Brazil, and Peru. Within Brazil we added to our existing position in an energy company on temporary technical weakness resulting from a tender offer. We also reentered a position in a Caribbean telecom company to replace bonds that were tendered at an attractive premium in the prior quarter.

In Asia, we reduced our underweight position in China in light of continued strong growth and policy continuity. In Malaysia we added a single-A rated quasi sovereign to reduce our underweight there.

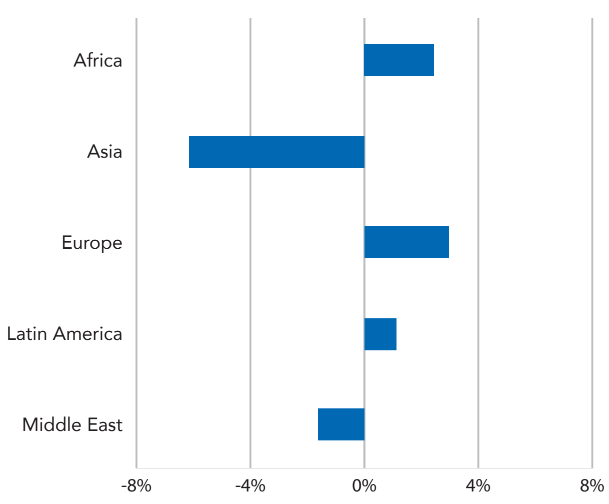
In Africa, we exited our Namibia positions on deteriorating fundamentals, anticipating the risk Moody's could downgrade the country to below investment grade. In South Africa, we added exposure by participating in new sovereign USD bond issuance in September, seeing good relative value in that part of the curve.

Top 5 Over and Underweights vs. Benchmark



Source: Fort Washington. This supplemental information complements the Emerging Market Debt Composite Presentation. Benchmark: J.P. Morgan Emerging Market Bond Index Global Diversified This is not a recommendation with respect to the purchase or sale of any securities. Portfolio characteristics are subject to change at any time without notice. See Emerging Market Composite for complete disclosure. The above data is rounded for informational purposes.

Composite Region Weights vs. Benchmark



Composite Performance Disclosures

	3Q17	YTD	2016	2015	2014	2013
Emerging Market Debt (Gross)	2.83%	10.28%	12.33%	1.55%	8.87%	3.95%
Emerging Market Debt (Net)	2.64%	9.67%	11.50%	0.80%	8.07%	3.56%
JPM EMBI Global Diversified	2.63%	8.99%	10.15%	1.18%	7.43%	2.73%
Emerging Market Debt 3-Year Annual Standard Deviation[2]	—	—	6.32%	—	—	—
JPM EMBIG 3-Year Annual Standard Deviation[2]	—	—	5.78%	—	—	—
Dispersion[3]	—	—	—	—	—	—
Number of Accounts	≤5	≤5	≤5	≤5	≤5	≤5
Composite Assets ($ Millions)	$234.90	$234.90	$212.90	$110.20	$108.50	$99.60
Composite % of Firm Assets	0.49%	0.49%	0.47%	0.26%	0.24%	0.23%

Composite inception and creation date: 07/01/13.

[1]2013 returns are partial-year returns, reflecting the composite inception date of 07/01/13. [2]The 3-Year annualized ex-post standard deviation is calculated using monthly 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 the quarterly returns for those portfolios held in the composite during the full measurement period. The benchmark for this composite is the JP Morgan Emerging Market Bond Index Global Diversified.

Past performance is not indicative of future results. Please see performance disclosures on the next slide.

The Fort Washington Emerging Market Fixed Income strategy seeks to outperform the JP Morgan Emerging Market Bond Index Global Diversified on a total return basis. The strategy recognizes emerging Market fixed income as a continually evolving asset class as witnessed by the migration and dispersion of credit quality of the benchmark as well as by consistent addition of countries over the years. Therefore, the strategy first employs a forward looking top-down approach drawing on the four analytical pillars of policy, economics, politics, and markets to identify relative value among a truly global opportunity set. Once these opportunities are identified, the fund employs its bottom-up analytical framework to identify the most appropriate securities.

All fee-paying, fully discretionary portfolios with at least $25 million managed in the Emerging Markets style are included in this composite. The fee is 0.55% for the first $100 million, and 0.50% on the next $100 million and over for separate accounts, and 0.75% for the commingled vehicle.

Portfolios in this composite include cash, cash equivalents, investment securities, interests 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 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.

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