Touchstone Dynamic International ETF

Sub-Advised by: Los Angeles Capital Management LLC

TDI

International Equity - Large Cap Core | Actively Managed, Fully Transparent ETF | 3Q/2026

Fund Manager Commentary

As of 09-30-2026

Fund Highlights

- Invests primarily in equity securities of non-U.S. companies domiciled in both developed and emerging markets
- Employs an adaptive quantitative investment process, the Dynamic Alpha Stock Selection Model®, to build equity portfolios that adapt to market conditions
- Believes that investor attitudes towards key investment risk change over the course of a market cycle and are a key determinant in explaining security returns
- Primarily invests in a fully transparent portfolio that will generally hold between 100 - 140 names

Market Recap

Global equities were mixed in the third quarter of 2026 as strong earnings and AI enthusiasm were offset by higher interest rates, renewed inflation, and escalating Middle East tensions. Disrupted energy routes pushed crude oil up roughly 30% despite a coordinated 400 million-barrel release from G7 reserves. Developed markets outside the U.S. gained 0.8% (MSCI EAFE), while emerging markets declined 0.4%, led by weakness in South Korea -9.6% and India -5.6%.

Portfolio Review

The Touchstone Dynamic International ETF (NAV) outperformed the MSCI ACWI Ex-US Index for the quarter ended September 30, 2026.

Performance benefited from an underweight to unsupported momentum, positive analyst sentiment, quality, and cash flow and balance sheet value as Value outperformed Growth. Exposure to long-term growth companies and overweights in Tech Hardware & Equipment and Semiconductors & Semiconductor Equipment detracted.

Leading contributors were Oversea-Chinese Banking Corporation Ltd. (Financials sector; Singapore), supported by record profits and a higher outlook; Recruit Holdings Co. Ltd. (Industrials sector; Japan), aided by strong execution, valuation, and higher analyst targets; and A.P. Moller-Maersk A/S (Industrials sector; Denmark), reflecting effective execution and favorable analyst sentiment.

Leading detractors were TIM S.A. (Communication Services sector; Brazil), as analyst sentiment weakened; the portfolio's lack of exposure to SAP SE (Information Technology sector; Germany), which rallied on stronger cloud demand; and Be Semiconductor Industries NV (Information Technology sector; Netherlands), after disappointing guidance.

We moved overweight Financials, adding banks across regions, particularly in Europe, based on attractive valuations and positive fundamental momentum. We increased our underweight to Materials as rich valuations and weak analyst support prompted reductions in Canadian mining companies and, to a lesser extent, those in Australia and South Africa.

Outlook and Conclusion

Outside the U.S., investors favor a mix of valuation and earnings growth, while preferences for volatility vary by region. Japan remains the most favored market within the MSCI ACWI Ex-USA universe, with continued demand for long-term growth and higher-volatility companies.

Entering the fourth quarter, the Dynamic Alpha Stock Selection Model is balanced between growth and value, with a mild large-cap preference. It favors prospective growth, higher-volatility stocks in most regions, and companies generating sufficient free cash flow internally.

Touchstone Investments®
DISTINCTIVELY ACTIVE®

Touchstone Dynamic International ETF

TDI

Fund Facts

Symbol	Inception Date	CUSIP	Exchange	Annual Fund Operating Expense Ratio	
				Total	Net
TDI	12/09/05	89157W608	Nasdaq	1.04%	0.65%

Total Fund Assets $505.9 Million

Expense ratio is annualized. Data as of the current prospectus. Touchstone Advisors has contractually agreed to waive a portion of its fees and/or reimburse certain Fund expenses in order to limit certain annual fund operating expenses (excluding Acquired Fund Fees and Expenses and other expenses, if any) to 0.65%. These expense limitations will remain in effect until at least 04/29/27.

Annualized Total Returns

	3Q26	YTD	1 Year	3 Year	5 Year	10 Year	Inception
ETF NAV	5.23%	21.09%	28.05%	26.83%	12.71%	10.33%	7.37%
ETF Market Price	4.49%	21.35%	28.39%	26.92%	12.76%	10.35%	7.38%
Benchmark	0.48%	14.22%	20.00%	20.54%	9.55%	9.25%	20.12%

Benchmark - MSCI ACWI Ex-U.S. Index
The MSCI ACWI ex-U.S. Index is an unmanaged, capitalization weighted index composed of companies representing both developed and emerging markets excluding the U.S.
The benchmark index mentioned is an unmanaged statistical composite of stock or bond market performance. Investing in an index is not possible. Index returns do not reflect any fees, expenses or sales charges.

Performance data quoted represents past performance, which is no guarantee of future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. ***Current performance may be higher or lower than performance data given. For performance information current to the most recent month-end, visit https://www.touchstoneinvestments.com/etfs/dynamic-international-etf.*** *From time to time, the investment advisor may waive some fees and/or reimburse expenses, which if not waived or reimbursed, will lower performance. Returns assume reinvestment of all distributions. Returns are not annualized for periods less than one year. Investing involves risk, principal loss is possible. ETFs may trade at a premium or discount to their net asset value. Market price returns are based on the consolidated market price and do not represent the returns you would receive if you traded shares at other times.*
Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used to create indices or financial products. This report is not approved or produced by MSCI.

Top 10 Holdings

		(% of Portfolio)			*(% of Portfolio)*
1	Taiwan Semiconductor Manufacturing Co Ltd	6.2	6	UniCredit SpA	1.8
2	BNY Dreyfus Govt Cash Mgmt Instl	3.6	7	Japan Tobacco Inc	1.7
3	ASML Holding NV	3.1	8	SK hynix Inc	1.7
4	Samsung Electronics Co Ltd	2.5	9	Oversea-Chinese Banking Corp Ltd	1.7
5	Intesa Sanpaolo	2.0	10	Sony Group Corp	1.7

A Word About Risk

The Fund invests in equities which are subject to market volatility and loss. The Fund invests in preferred stocks which are relegated below bonds for payment should the issuer be liquidated. If interest rates rise, the fixed dividend on preferred stocks may be less attractive, causing their price to decline. The Fund invests in foreign securities, including depositary receipts, such as American Depositary Receipts, Global Depositary Receipts, and European Depositary Receipts, which carry the associated risks of economic and political instability, market liquidity, currency volatility, and accounting standards that differ from those of U.S. markets and may offer less protection to investors.

The Advisor engages a sub-advisor to make investment decisions for the Fund's portfolio; it may be unable to identify and retain a sub-advisor who achieves superior investment returns relative to other similar sub-advisors. Events in the U.S. and global financial markets, including actions taken to stimulate or stabilize economic growth may at times result in unusually high market volatility, which could negatively impact Fund performance and cause it to experience illiquidity, shareholder redemptions, or other potentially adverse effects. Financial institutions could suffer losses if interest rates rise or economic conditions deteriorate. The Fund uses proprietary statistical analyses and models to construct the portfolio, models can perform differently than the market as a whole. The Fund may be more or less exposed to a risk factor than its individual holdings. Quantitative models are subject to technical issues which could adversely affect their effectiveness or predictive value.

The Fund's investments in other investment companies will be subject to substantially the same risks as those associated with the direct ownership of the securities comprising the portfolios of such investment companies, and the value of the Fund's investment will fluctuate in response to the performance of such portfolios. In addition, if the Fund acquires shares of investment companies, shareholders of the Fund will bear their proportionate share of the fees and expenses of the Fund and, indirectly, the fees and expenses of the investment companies or ETFs. Current and future portfolio holdings are subject to change.

Please consider the investment objectives, risks, charges and expenses of the ETF carefully before investing. The prospectus and the summary prospectus contain this and other information about the Fund. To obtain a prospectus or a summary prospectus, contact your financial professional or download and/or request one at TouchstoneInvestments.com/resources or call Touchstone at 833.368.7383. Please read the prospectus and/or summary prospectus carefully before investing.

Touchstone ETFs are distributed by **Foreside Fund Services, LLC**

A registered broker-dealer and member FINRA

Touchstone is a member of Western & Southern Financial Group

Not FDIC Insured | No Bank Guarantee | May Lose Value

ETF-28-TDI-2609

Touchstone Investments®

DISTINCTIVELY ACTIVE®

800.638.8194 • TouchstoneInvestments.com