Touchstone Focused Fund

Sub-Advised by: Fort Washington Investment Advisors Inc

U.S. Equity - Multi Cap Core 3Q/2026

Fund Manager Commentary

As of 09-30-2026

Fund Highlights

- Concentrated, high conviction portfolio
- Distinctive approach is centered on linking valuations with barriers to entry
- Seeks to invest in businesses that are trading below what is believed to be its estimate of the companies' intrinsic value
- Focuses on businesses that are believed to have a sustainable competitive advantage or a high barrier to entry in place
- Strategy provides the opportunity to invest in companies of all market capitalizations

Market Recap

U.S. equities were modestly higher during the third quarter of 2026, although market breadth weakened as the quarter progressed. Investors continued to weigh geopolitical uncertainty, persistent inflation pressures, and a shift in Federal Reserve (Fed) policy, with the Fed raising interest rates by 25 basis points in September. Higher interest rates placed greater pressure on more rate-sensitive areas of the market, while strong corporate earnings helped support the major indexes.

Portfolio Review

The Touchstone Focused Fund (Class A Shares, Load Waived) outperformed its benchmark, the Russell 3000 Index, for the quarter ended September 30, 2026.
Both stock selection and sector allocation contributed positively to relative performance. Information Technology, Communication Services, and Consumer Discretionary were the largest positive sector contributors to relative performance, while Energy was the largest detractor. From an allocation perspective, the Fund benefited from its underweight to Industrials and lack of exposure to Utilities.

Among the top contributors to relative performance were Microsoft Corp. (Information Technology sector), Meta Platforms Inc. (Communication Services sector), and Salesforce Inc. (Information Technology sector). Microsoft outperformed as the company delivered stronger-than-expected Azure revenue growth and significant expansion in paid Copilot seats, supported by increasing adoption of AI workloads and applications. Meta Platforms outperformed following the launch of Muse, the company's consumer AI agent, as its positive early reception provided evidence that Meta may be able to translate its AI capabilities into consumer products and additional monetization opportunities. Salesforce benefited from robust bookings, low customer attrition, and strong growth in products such as Slack, demonstrating healthy demand across the platform, including its expanding AI capabilities.

Among the top detractors from relative performance were Applied Materials Inc. (Information Technology sector), Regal Rexnord Corp., and QXO Inc. (both Industrials sector). Applied Materials declined despite strong quarterly results as investor expectations had increased following the shares' substantial advance earlier in the year. We continue to see robust demand for AI semiconductors supporting orders for equipment used to manufacture and package AI accelerators, CPUs, and memory. Regal Rexnord underperformed after management reduced its full-year outlook, reflecting a weaker pricing environment, price/cost pressure, business mix, and delays in realizing productivity improvements. QXO underperformed as historically low storm activity, soft new-home construction, and subdued repair-and-remodel activity contributed to a weaker-than-expected roofing season, while incremental inventory investment pressured free cash flow.

Our overweight to larger cap companies also contributed positively to relative performance. At quarter end, larger cap companies represented 96.6% of Fund assets compared with 93.2% of the benchmark, while the Fund was underweight both mid cap and smaller cap companies. Investments in international companies, which represented 5.3% of Fund assets, underperformed the benchmark.

During the quarter, we initiated a position in Stryker Corp. (Health Care sector), a medical-device company with businesses across orthopedics, instruments, endoscopy, medical, neurovascular, and neuro cranial products. We believe Stryker has barriers to entry based primarily on customer stickiness arising from surgeon preference and operating-room workflow integration, as well as

its scale in distribution and research and development. We exited Johnson & Johnson (Health Care sector) after we determined that strong business momentum had become well reflected in the share price and redeployed a portion of the proceeds to Stryker, where we identified a higher prospective return.

Outlook and Conclusion

We remain constructive on the fundamental backdrop for U.S. equities while recognizing that higher interest rates have made the environment more demanding. Strong corporate earnings continue to provide support, but a higher cost of capital raises the hurdle for future investment and is creating greater differentiation among companies based on earnings durability, balance-sheet strength, cash generation, and the ability to fund growth internally. We believe the composition and quality of earnings growth will become increasingly important as higher rates raise the bar for capital allocation and future value creation.

AI remains an important driver of investment and earnings growth, although the debate is increasingly shifting from the amount invested in AI infrastructure toward whether those investments can generate durable revenue, cash flow, and adequate returns on incremental capital. We believe this next phase of AI adoption may create greater differentiation between companies that can translate AI investment into sustainable economic value and those for which spending does not generate an adequate return. Higher interest rates may reinforce this differentiation, favoring businesses with substantial internal cash flow and strong balance sheets that can continue investing without relying heavily on external financing.

We do not construct the Fund's portfolio around a single macroeconomic forecast. We remain focused on identifying businesses with durable barriers to entry, strong returns on capital, pricing power, strong cash generation, and the ability to compound intrinsic value over time. We view stock selection as the primary driver of relative performance and believe greater dispersion across companies and industries may create opportunities when market volatility causes share prices to diverge from underlying business value. We seek to maintain valuation discipline, adding to businesses when we believe their prices do not fully reflect future value creation and reducing positions when expectations embedded in share prices leave less margin for error.

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Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio Total	Net
A Shares	09/30/03	**TFOAX**	89154X245	1.16%	1.16%
C Shares	04/12/12	**TFFCX**	89154X237	2.18%	1.90%
Y Shares	02/12/99	**TFFYX**	89154X229	0.86%	0.86%
INST Shares	12/20/06	**TFFIX**	89154X211	0.92%	0.84%

Total Fund Assets $1.5 Billion

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 1.20% for Class A Shares, 1.89% for Class C Shares, 0.95% for Class Y Shares, and 0.83% for Class INST Shares. These expense limitations will remain in effect until at least 07/29/27.

Share class availability differs by firm.

Annualized Total Returns

	3Q26	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	4.76%	8.63%	11.15%	17.79%	10.06%	12.76%	10.80%
C Shares	4.57%	8.02%	10.33%	16.90%	9.22%	11.91%	9.97%
Y Shares	4.85%	8.87%	11.49%	18.14%	10.38%	13.09%	11.10%
INST Shares	4.85%	8.88%	11.50%	18.16%	10.41%	13.15%	11.20%
Benchmark	1.41%	12.42%	15.13%	22.26%	12.64%	14.73%	8.92%
Including Max Sales Charge							
A Shares	-0.48%	3.20%	5.60%	15.79%	8.93%	12.18%	10.55%
C Shares	3.57%	7.02%	9.33%	16.90%	9.22%	11.91%	12.26%

Benchmark - Russell 3000® Index
Max 5% sales charge for Class A Shares and 1% Contingent Deferred Sales Charge for Class C Shares held less than 1 year.

The Russell 3000 Index measures the performance of the the 3000 largest U.S. companies based on total market capitalization which represents approximately 98% of the investable U.S. equity market. 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 TouchstoneInvestments.com/mutual-funds.*** *From time to time, the investment advisor may waive some fees and/or reimburse expenses, which if not waived or reimbursed, will lower performance. Performance by share class will differ due to differences in class expenses. Returns assume reinvestment of all distributions. Returns are not annualized for periods less than one year.*

The performance presented combines the performance of the oldest share class from the Fund's inception with the performance since the inception date of each share class.
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Top 10 Holdings

		(% of Portfolio)
1	Microsoft Corp	9.4
2	Alphabet Inc Class C	9.1
3	Apple Inc	7.0
4	Meta Platforms Inc Class A	6.7
5	NVIDIA Corp	6.4
6	Amazon.com Inc	5.4
7	Taiwan Semiconductor Manufacturing Co Ltd ADR	3.3
8	Philip Morris International Inc	2.7
9	Applied Materials Inc	2.7
10	Bank of America Corp	2.6

A Word About Risk

The Fund invests in equities which are subject to market volatility and loss. The Fund invests in stocks of large-cap companies which may be unable to respond quickly to new competitive challenges. The Fund invests in stocks of small- and mid-cap companies, which may be subject to more erratic market movements than stocks of larger, more established companies. 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 Fund invests in emerging markets securities which are more likely to experience turmoil or rapid changes in market or economic conditions than developed countries. The Fund may focus its investments in a particular industry and/or market sector which may increase the Fund's volatility and magnify its effects on total return. 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. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate. The Fund is nondiversified, which means that it may invest a greater percentage of its assets in the securities of a limited number of issuers and may be subject to greater risks. Current and future portfolio holdings are subject to change.

Please consider the investment objectives, risks, charges and expenses of the Fund 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 800.638.8194. Please read the prospectus and/or summary prospectus carefully before investing.

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