

Touchstone Large Cap Focused Fund

Sub-Advised by: Fort Washington Investment Advisors Inc

U.S. Equity - Large Cap Core

3Q/2026

Fund Manager Commentary

As of 09-30-2026

Fund Highlights

- Invests primarily in issues having a market capitalization above \$5 billion at time of purchase
- 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
- Concentrated, high conviction portfolio generally holds 25-45 companies

Market Recap

U.S. equities advanced during the third quarter of 2026, although strength beneath the surface remained uneven. A September Federal Reserve rate increase and higher Treasury yields remained important macroeconomic considerations. Market breadth narrowed during the quarter, with the capitalization-weighted S&P 500 Index outperforming its equal-weighted counterpart as several large technology and AI-related companies continued to benefit from strong fundamentals. AI remained an important driver of corporate investment and earnings growth, although investor attention increasingly shifted toward the ability of that spending to generate sustainable revenue, cash flow, and returns on capital. Higher interest rates also created greater differentiation across companies and sectors.

Portfolio Review

The Touchstone Large Cap Focused Fund (Class A Shares, Load Waived) outperformed its benchmark, the Russell 1000 Index, for the quarter ended September 30, 2026.

Stock selection was the primary driver of relative performance, while sector allocation also contributed positively. Information Technology, Consumer Discretionary, and Communication Services were the largest positive sector contributors to relative performance, while Energy was the largest detractor. From an allocation perspective, the Fund benefited from having no exposure to Utilities and from its underweight in Industrials, while its underweight in Energy detracted.

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 along with significant expansion in paid Copilot seats, supported by accelerating adoption of AI workloads and applications. Meta Platforms outperformed following the launch of Muse, its consumer AI agent, whose positive early reception provided evidence that the company can translate its AI investments into consumer products and new monetization opportunities. Salesforce outperformed as robust bookings, low customer attrition, and strong growth in products such as Slack demonstrated healthy demand, including for the company's expanding AI capabilities.

Among the top detractors from relative performance were Applied Materials Inc. (Information Technology sector), QXO Inc., and Boeing Co. (both Industrials sector). Applied Materials declined despite strong quarterly results as investor expectations had increased following the shares' substantial first-half advance. We continue to believe that robust demand for AI semiconductors should support long-term growth in orders for semiconductor manufacturing and packaging equipment. QXO underperformed due to a weaker-than-expected roofing market, reflecting historically low storm activity, softer new-home construction, and subdued repair-and-remodel activity. Boeing underperformed as management indicated that stabilizing 737 MAX production was taking longer than expected, while a software issue affecting certification of the 737 MAX 10 and labor negotiations created additional uncertainty during the quarter.

During the quarter, the Fund initiated a position in Stryker Corp. (Health Care sector), a medical technology company that we believe has barriers to entry based primarily on customer stickiness from surgeon preference and operating-room workflow integration, as well as scale in distribution and research and development. The Fund exited Johnson & Johnson (Health Care sector) after we determined that its strong business momentum

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had become well reflected in the share price. A portion of the proceeds was redeployed to Stryker, which we viewed as offering a higher prospective return based on our estimate of intrinsic value.

Outlook and Conclusion

We remain constructive on the fundamental backdrop for U.S. equities but believe the environment has become more demanding. Large cap earnings revisions remain positive overall, although growth is concentrated among a relatively small group of very large companies, making the breadth and durability of earnings growth an important consideration. Higher interest rates also increase the hurdle for capital investment and may create greater differentiation between businesses with strong internally generated cash flow and those that depend more heavily on external financing.

AI remains an important investment theme. While the first phase of the cycle was dominated by spending on semiconductors,

networking, data centers, and other infrastructure, we expect investor attention to increasingly focus on which companies can convert AI investment into sustainable revenue growth, margins, cash flow, and adequate returns on incremental capital. We remain selective across the AI ecosystem, with exposure to semiconductor companies that enable infrastructure development, hyperscale cloud providers that serve as the delivery layer for AI capabilities, and software companies that can bring AI tools to large installed customer bases.

Our investment process remains focused on businesses with strong returns on capital, pricing power, durable barriers to entry, and balance sheets appropriate for their business models, while maintaining discipline around the price paid for future value creation. We do not attempt to forecast short-term market returns but believe greater earnings dispersion, higher interest rates, and increased scrutiny of returns on investment may create opportunities for a concentrated, bottom-up investment approach.



Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio	
				Total	Net
A Shares	01/12/34	SENCX	89154Q299	0.97%	0.97%
C Shares	05/04/98	SCSCX	89154Q281	1.81%	1.80%
Y Shares	05/04/07	SICWX	89154Q265	0.76%	0.73%
INST Shares	12/23/14	SCRLX	89154Q273	0.71%	0.70%
R6 Shares	10/28/21	TSRLX	89154M884	0.69%	0.66%
Total Fund Assets \$3.6 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 1.00% for Class A Shares, 1.79% for Class C Shares, 0.72% for Class Y Shares, 0.69% for Class INST Shares, and 0.65% for Class R6 Shares. These expense limitations will remain in effect until at least 10/29/27.

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	6.72%	9.52%	12.86%	19.44%	11.22%	14.86%	11.10%
C Shares	6.50%	8.84%	11.92%	18.47%	10.33%	13.94%	10.23%
Y Shares	6.78%	9.71%	13.13%	19.75%	11.51%	15.16%	11.17%
INST Shares	6.79%	9.73%	13.16%	19.78%	11.55%	15.21%	11.15%
R6 Shares	6.81%	9.77%	13.20%	19.83%	11.58%	15.05%	11.12%
Benchmark	1.80%	12.30%	15.01%	22.48%	13.01%	15.04%	—
Including Max Sales Charge							
A Shares	1.39%	4.04%	7.22%	17.42%	10.09%	14.27%	11.04%
C Shares	5.50%	7.84%	10.92%	18.47%	10.33%	13.94%	8.04%

Benchmark - Russell 1000® 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 1000 Index measures the performance of the 1000 largest companies in the Russell 3000 Index. 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)		(% of Portfolio)
1 Microsoft Corp	10.5	7 Taiwan Semiconductor Manufacturing Co Ltd ADR	3.5
2 Alphabet Inc Class C	8.9	8 Applied Materials Inc	2.9
3 NVIDIA Corp	8.0	9 Visa Inc Class A	2.8
4 Apple Inc	7.6	10 Bank of America Corp	2.4
5 Meta Platforms Inc Class A	7.1		
6 Amazon.com Inc	6.4		

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 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 specific sectors and therefore is subject to the risk that adverse circumstances will have greater impact on the fund than on the fund that does not do so. The Fund is non-diversified, 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. 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. Current and future portfolio holdings are subject to change. The Advisor engages a subadvisor 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.

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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