Touchstone Large Cap Focused Fund

Sub-Advised by: Fort Washington Investment Advisors, Inc.

U.S. Equity – Large-Cap Core 3Q/2024

Fund Manager Commentary

As of September 30, 2024

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 continued higher in the third quarter. September marked the fifth straight month of gains and the 10th advance out of the last 11 months. U.S. Federal Reserve (Fed) activity was the primary theme for the quarter, culminating in mid-September with a 50 basis point cut and expectations for more in 2024. The best performing benchmark sectors were Utilities, Real Estate, and Industrials. The worst performing sectors for the benchmark were Energy, Information Technology, and Communication Services.

Portfolio Review

The Touchstone Large Cap Focused Fund (Class A Shares, Load Waived) outperformed its benchmark, the S&P 500® Index, for the quarter ended September 30, 2024.

Within the Touchstone Large Cap Focused Fund, the sectors that outperformed the most relative to the benchmark were Real Estate, Health Care, and Consumer Staples. Sectors that lagged the most relative to the benchmark include Consumer Discretionary, Financials, and Industrials. Stock selection contributed to performance for the quarter. Sector allocation detracted during the quarter primarily due to the zero weighting in Utilities and an overweight in Communication Services.

Among the holdings that contributed the most to performance were HCA Healthcare (Health Care sector), Jones Lang LaSalle (Real Estate sector), and Meta (Communication Services sector). HCA Healthcare saw first quarter earnings beat expectations on both revenues and EBITDA, and the company raised 2024 EBITDA guidance by about 6%. Both volumes and revenue per admission drove the revenue upside, and labor costs continued to be well-controlled. Jones Lang LaSalle outperformed as the outsourcing and leasing segment generated favorable results. The company also benefited from improved investor sentiment toward the Real Estate sector amidst interest rate changes during the quarter. Meta's stock did well due to continued strong performance of the business. Revenue growth is being driven by strong consumer engagement with Meta's services. Reels continues to grow at high rates, driving incremental engagement and monetization opportunities across Instagram and Facebook. Management is maintaining discipline in operating expenses, leading to higher expectations for operating margins.

The holdings that detracted the most from performance included Alphabet (Communication Services sector), Boeing (Industrials sector), and Microsoft (Information Technology sector). Alphabet saw underperformance while growth at YouTube was slower than street expectations in the quarter. Additionally, the DOJ prevailed in its antitrust lawsuit against Google, creating uncertainty around future revenues and profits. We have considered various potential outcomes resulting from the antitrust loss and continue to view Alphabet as undervalued, relative to our expectations of future cash flows. Boeing underperformed in the third quarter due to labor disruptions at its primary facility responsible for manufacturing the 737 MAX aircraft. This work stoppage poses a significant risk to the company's production recovery efforts and creates additional pressure on its cash flow. Credit rating agencies have indicated that a prolonged disruption could lead to further credit rating downgrades, potentially compelling Boeing to seek additional capital. Depending on the method of raising capital, this may dilute our projected upside valuations for the stock; however, we believe any downside impact will be limited. Despite these challenges, we continue to see a favorable risk-reward profile for Boeing shares at the current price. Microsoft's reported results and guidance were impacted by weakness in Europe and capacity constraints in delivering Artificial Intelligence (AI) services to customers. The AI capacity constraints are expected to persist for the next two quarters despite substantial increases in capital expenditures, thereby limiting growth in the near term. We view

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this as a transient issue and continue to see Microsoft shares as undervalued as the company remains well- positioned to grow revenues and profits over the long term.

Investments made in international companies, which comprised 2.6% of assets at the end of the quarter, outperformed the benchmark.

There were no additions or removals from the portfolio during the quarter.

As the quarter came to a close, the Fund had an overweight in the Communication Services, Health Care, and Materials sectors, and an underweight in the Consumer Discretionary, Consumer Staples, Industrials, Real Estate, Energy, and Information Technology sectors. The weight in the Financials sector was roughly in line with that of the benchmark. The Fund held no positions in the Utilities sector. Cash holdings ended the quarter at 1.5%.

Outlook and Conclusion

The U.S. equity market posted another gain in the third quarter with a new leadership group emerging to drive performance. Amidst the Fed's long awaited initial rate cut, small cap and value stocks outperformed. Market breadth improved significantly as the S&P 500 Equal Weight Index outperformed the S&P 500 by 3.9% during the quarter. Outside of the July increase in the unemployment rate, which raised some recession concerns, economic data released during the quarter broadly suggested healthy growth. U.S. equities reached all-time highs toward the end of the quarter.

The market performance detailed above reflects investor optimism that the Fed will be able to control inflation without inducing a recession. While the third quarter marked the Fed's first cut, it is important to remember that monetary policy operates with a significant lag. History includes many periods where talk of a soft landing occurs just before recession strikes. Therefore, we keep an open mind and watch employment, housing, manufacturing, and market breadth data, among others, to continually re-underwrite our view. Consistent with our approach over the past couple of years, we have maintained a high-quality portfolio, focusing on higher return-on-capital businesses with pricing power. One hundred percent of the portfolio, excluding cash, remains invested in companies that have moderate to high barriers to entry in our view. We believe disciplined execution of our process will benefit the portfolio and investors over the long term.

Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio Total	Net
A Shares	01/12/34	**SENCX**	89154Q299	1.01%	1.01%
C Shares	05/04/98	**SCSCX**	89154Q281	1.82%	1.81%
Y Shares	05/04/07	**SICWX**	89154Q265	0.80%	0.74%
INST Shares	12/23/14	**SCRLX**	89154Q273	0.73%	0.71%
R6 Shares	10/28/21	**TSRLX**	89154M884	0.74%	0.67%
Total Fund Assets	**$3.5 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 "AFFE," 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 10/29/25.

Share class availability differs by firm.

Annualized Total Returns

	3Q24	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	6.06%	18.11%	29.97%	9.08%	15.69%	13.11%	11.03%
C Shares	5.85%	17.40%	28.91%	8.21%	14.77%	12.39%	10.23%
Y Shares	6.12%	18.34%	30.31%	9.39%	16.00%	13.41%	11.09%
INST Shares	6.15%	18.37%	30.33%	9.42%	16.04%	13.46%	11.06%
R6 Shares	6.15%	18.41%	30.41%	9.44%	15.92%	13.22%	11.04%
Benchmark	5.89%	22.08%	36.35%	11.91%	15.98%	13.38%	—
Including Max Sales Charge							
A Shares	0.76%	12.20%	23.47%	7.23%	14.51%	12.53%	10.96%
C Shares	4.85%	16.40%	27.91%	8.21%	14.77%	12.39%	10.23%

Max 5.00% sales charge for Class A Shares and 1% Contingent Deferred Sales Charge for Class C Shares held less than 1 year.

Benchmark - S&P 500® Index

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 adviser 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 for Class C, Y, INST and R6 Shares combines the performance of an older class of shares (A Shares) fromthe Fund's inception, 01/12/34, with the performance since the inception date of each share class.

Top 10 Equity Holdings of Fund

		(% of Portfolio)
1	Microsoft Corp.	9.6
2	Apple, Inc.	8.2
3	Meta Platforms, Inc.	6.5
4	Alphabet Inc.	5.7
5	Amazon.com Inc.	5.2

		(% of Portfolio)
6	NVIDIA Corp.	3.4
7	Berkshire Hathaway Inc. Class B	3.2
8	UnitedHealth Group Inc.	3.1
9	HCA Healthcare Inc.	2.9
10	Oracle Corp.	2.5

Source: BNY Mellon Asset Servicing

The S&P 500® Index is a group of 500 widely held stocks and is commonly regarded to be representative of the large capitalization stock universe.

The indexes mentioned are unmanaged statistical composites of stock market or bond market performance. Investing in an index is not possible. Unmanaged index returns do not reflect any fees, expenses or sales charges.

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 Adviser engages a sub-adviser to make investment decisions for the Fund's portfolio; it may be unable to identify and retain a sub-adviser who achieves superior investment returns relative to other similar sub-advisers.

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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