# Touchstone Sands Capital Select Growth Fund

**Sub-Advised by: Sands Capital Management, LLC** 

U.S. Equity – Large-Cap Growth

3Q/2024

## **Fund Manager Commentary**

As of September 30, 2024

## **Fund Highlights**

- Identifies leading companies with dramatic wealth creation potential, focusing on six key investment criteria:
  - Sustainable, above-average earnings growth
  - Leadership position in a promising business space
  - Significant competitive advantages
  - Clear mission and value-added focus
  - Financial strength
  - Rational stock market valuation
- Emphasizes investments in large-cap companies
- Typically holds 25-35 companies

## **Market Recap**

Growth equities (as measured by the Russell 1000 Growth Index) recovered from an early quarter drawdown to advance for the fourth consecutive quarter and bring their year-to-date gain to 24.6%. Amid an early quarter growth scare, high momentum stocks that dominated returns through most of 2024 began to lag the broad market as market breadth improved and defensive and value stocks led markets higher.

The drawdown in growth equities began in mid-July, following the release of non-farm payrolls data, which came in well below expectations and revealed an increase in the unemployment rate to 4.3%. The disapointing jobs data led to concerns that the probability of a recession is increasing and speculation that the U.S. Federal Reserve (Fed) will begin to aggressively cut rates. The abrupt reset in rate expectations sparked an unwind of the Yen carry trade, which prompted technical selling pressure that exacerbated the decline in equities.

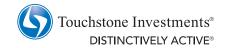
The drawdown of 13.1% persisted through early August when data indicated inflation continues to ease without a pronounced slowdown in growth. Retail sales saw the largest monthly increase since January 2023, and the Institute for Supply Management non manufacturing survey revealed healthy employment and demand within service industries. Meanwhile, the three-month annualized change in core Consumer Price Index slowed to 1.57% - the slowest pace of inflation since February 2021.

As inflationary pressures eased, the Fed changed course to prioritize supporting maximum employment over taming inflation. At its September meeting, the Federal Open Market Committee lowered the federal funds rate by 50 basis points (bps) and projected an additional 150bps of easing through the end of 2025. Markets reflected expectations for a significant easing of monetary policy, with the two-year treasury yield falling to over 180bps below the federal funds rate – the widest spread in 40 years.

Market leadership shifted along with expectations for more accommodative monetary policy. Businesses with strong share price momentum entering the third quarter, predominantly those with exposure to artificial intelligence (AI) and mega-capitalization businesses, lagged the broad market as defensive and value businesses assumed market leadership. Reflecting this dynamic, the Russell 1000 Growth index was led by the returns of the Utilities, Real Estate, Materials, and Industrials sectors, which all saw over double-digit gains. The growth-oriented Health Care, Information Technology, and Communication Services sectors lagged the broader market.

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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 Touchstonelnvestments.com/mutual-funds.



Market breadth improved alongside the rotation in markets. The average return of Russell 1000 Growth Index constituents was 7.5%, meaningfully outperforming the return of the market-cap weighted Index. This compares starkly to the first half of 2024, which saw the average constituent in the Russell 1000 Growth Index lag the Index return by 16.3% and only 18% of Index constituents outperform the Index.

#### **Portfolio Review**

The Touchstone Sands Capital Select Growth Fund (Class A Shares, Load Waived) underperformed its benchmark, the Russell 1000° Growth Index, for the quarter ended September 30, 2024.

Security selection was the primary detractor from results relative to the Russell 1000 Growth Index. Selection detracted from investment results across five of the Fund's six sectors, with the impact most pronounced in the Health Care and Information Technology sectors. Within Information Technology, security selection within semiconductors and an overweight to the industry weighed on results.

The top individual absolute contributors included ServiceNow, Samsara, and Shopify (all Information Technology sector).

ServiceNow shares advanced after delivering better-than-expected second quarter business results in a challenging macro environment for software. ServiceNow beat expectations and raised guidance for subscription revenue on a constant currency basis. In contrast to many peers seeing continued deceleration in new business, net new contract value signed in the first half of 2024 actually accelerated year-over-year and management highlighted a similar dynamic in contracted backlog (cRPO), which grew much faster than expectations in the second quarter as well. Adjusted operating margins, at 27%, also exceeded management's prior guidance.

Notably, ServiceNow's AI-enabled products continued to gain traction just a few quarters after being released. Net new contract value signed for AI products doubled relative to last quarter, taking our estimate for ServiceNow's total annualized AI contract value to likely more than \$30 million. The value proposition of these products was highlighted by customers that noted productivity enhancements across case summarization, product development, customer service, and other use cases. ServiceNow stood as a top five holding in the Fund as of the end of September 2024. Over our five-year horizon, we expect the business will produce roughly 20% top-line growth on average with adjusted operating margins expanding from 28 to near 40%, with potential upside through continued traction of its suite of AI-enabled products.

Samsara shares advanced following the release of second quarter business results, which revealed better-than-expected sales growth, inflecting profitability, and traction with new products. In our view, these business results reflect strong execution in Samsara's greenfield opportunity to deliver efficiency enhancing products to an industry that's a digital laggard.

Annual recurring revenue (ARR) grew 36% year-over-year, with net new ARR up 20%. Samsara's two key products (video-based safety and vehicle telematics) are both sustaining over 30% growth at over \$500 million in ARR, while its third emerging product (Asset Tracking) is now over \$150 million in ARR. Performance was balanced across new logos and expansion, with the company adding the second most customers in a quarter over its history. Importantly, margins expanded to 850bps year-over-year to 6%, despite accelerating sales and marketing expenses.

Over our five-year investment horizon, we see an opportunity for Samsara to sustain above-average earnings growth through further penetration of its core products and product expansion. We expect growth in its core products as it expands its customer base from roughly 3 to 4 million fleet vehicles to capture a growing share of the roughly 120 million fleet vehicles in North America and Western Europe. Moreover, we expect its new software and asset tag products to compliment this growth, benefitting from a greenfield opportunity, universal need, and rapid cost savings for its customers.

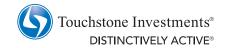
Shopify shares advanced after second quarter business results revealed stronger-than-expected top and bottom-line growth. These results seem to validate its recent initiatives to increase marketing spend, which weighed on shares of the business over the first half of 2024. Gross merchandise value expanded 22% year-over-year and above expectations for 19% growth. Strength was attributable to multiple drivers, including international expansion, solid same store sales growth, point-of-sale transactions, and continued traction up-market with larger brands. Moreover, operating margins expanded to 15% - 600bps higher than a year ago. Importantly, merchant monthly recurring revenue increased 25% implying, in our view, likely one of the strongest quarters for merchant additions in Shopify's history. This helps validate the strong return on investment that management cited when justifying its decision to increase investments in marketing.

Looking forward, we expect Shopify to continue to outgrow the broader ecommerce market by benefitting from the strong growth of existing merchants, expanding internationally, growing into new commerce markets, like Business-to-Business and offline, and expanding its take-rate. We expect these drivers, combined with the larger cohort of new merchants added this year, has the potential to drive continued strong growth in the key topline metrics that we believe is not reflected in consensus expectations.

The top individual absolute detractors included Dexcom (Health Care sector), ASML Holding and Okta (both Information Technology sector).

Dexcom shares fell with its second-quarter earnings announcement. The business lowered its third-quarter revenue guidance to just 1 - 3% revenue growth, versus consensus expectations for 18% or higher. Full-year guidance was reset to 11 - 13% growth, lower than the 17 - 21% growth that was guided last quarter. Dexcom also reported its largest miss ever on new patient adds and guided for the

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weakness to continue into the second half. This was surprising given that Dexcom set a quarterly record for patient adds in 2024's first quarter. The majority of the miss was attributable to an unexpected and rapid negative channel mix shift, which resulted in a large average selling price (ASP) headwind. The quarter saw a sudden shift of patients to lower-margin channels, driven by their insurance, which caused accelerated rebating of Dexcom's G7 device. While we expected ASPs to gradually fall to these levels, the shift was accelerated. Importantly, we don't see indications of a pricing war with Abbott Laboratories, Dexcom's key competitor. Abbott raised prices earlier this year, and the companies' devices are getting closer to pricing parity.

Dexcom's sales force restructuring was also a driver. We heard from doctors that Dexcom sales reps were suddenly replaced, which disrupted important relationships. Importantly, the slowdown doesn't appear to be related to GLP-1s, though investors likely think so. When combining Abbott and Dexcom's results, there's no evidence of a continuous glucose monitoring (CGM) adoption slowdown in the United States. Doctor and patient feedback remain positive for CGMs, and Dexcom confirmed patients on GLP-1s represented one of its strongest growth categories this quarter. Our research is ongoing, but our initial view is that the current valuation presents a potentially attractive risk/reward opportunity.

Dexcom's product innovation addresses one of the most important unmet needs in healthcare—blood sugar level visibility—which can have a significant impact on long-term health. Dexcom is at the critical junction point of moving beyond its current market of just the most severe diabetics on insulin (approximately 20 million people in developed markets) to non-insulin diabetics (approximately 100 million) and eventually nondiabetics (over 300 million people with prediabetes in developed markets). The magnitude of addressable market expansion is massive relative to Dexcom's current base of 2.2 million users. Dexcom has three key products in its pipeline designed to help penetrate this larger addressable market, all of which we believe are underestimated by the market. These include an over the counter CGM, a longer-wear CGM launching in 2025, and the next-generation G8 CGM, which we estimate will launch in 2027. Our research indicates only one or two of these products needs to be successful for our investment case to play out.

ASML Holding declined as shares of the business faced pressure from the broad-based decline in the semiconductor industry and a further deterioration in sentiment after rumors of new restrictions from U.S. regulators on exports for non-U.S. semiconductor capital equipment providers. The proposed regulations are rumored to restrict the business from servicing its installed base of deep ultraviolet lithography machines in China and the export of legacy lithography equipment (released prior to 2015) to China.

The intention of the regulations is to prevent China from establishing leadership in key technologies that rely on the most recent chips advances. Given that tools shipped to China are used to produce lagging edge semiconductor chips, it seems unlikely to be blocked, in our view. If export restrictions were levied on these tools, we'd expect demand would shift to another geography to absorb lost production from China. Moreover, we believe the recent drawdown in shares of the business compensates shareholders for these risks. Over our five-year investment horizon, we expect demand for its lithography tools to increase as they facilitate chip production to support a generative AI upgrade cycle across consumer electronics and rising chip layers counts for DRAM and logic chips.

Okta shares declined in the third quarter of 2024 after business results revealed leading indicators that point to sustained deceleration in the business. Subscription revenue of 16 percent year-over-year was in-line with our expectations, but forward-looking metrics (namely current remaining performance obligations,) deteriorated. Positively, the business delivered 13% of operating margin expansion, leading to record-high margins.

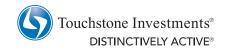
The main negative from the quarter was that new business and expansion business remain challenged. New logo adds of 200 were up sequentially, but down from 350 in the year-ago quarter, and the trailing twelve-month net expansion rate fell to 110% (115% a year ago). The deceleration in these metrics reflects multi-year contracts being renewed at lower seat counts amid a slowdown in hiring or even layoffs among customers, in our view. Although new products are picking up initial traction, this has not been enough to overcome the headcount headwinds. The weak cRPO guidance points to revenue potentially slowing to single-digit growth over the coming quarters, versus our prior expectation of stabilization and potential acceleration. While our base case is that Okta will be a slower-growing business than we previously expected, we believe the stock's valuation discounts the new growth trajectory, and the drivers of a potential growth reacceleration remain in place (e.g., strong product in an important IT spending category, new product cycle, positive changes to go-to-market strategy, stabilization, or improvement in customer headcount).

In the third quarter, the Fund initiated positions in Intercontinental Exchange (Financials sector), Roblox and Spotify (both Communication Services sector) and sold Airbnb (Consumer Discretionary sector), Align Technology, and 10X Genomics (both Health Care sector). The exited positions funded allocations to businesses with less cyclicality and idiosyncratic return drivers and additions to businesses that have lagged the broad market despite no change to our long-term expectations.

While Align Technology and Airbnb remain fits within our investment criteria, we saw an opportunity to use the proceeds from the sales of these businesses to improve diversification and invest in higher conviction opportunities.

Meanwhile, the sale of 10X Genomics was motivated by a weakening fit with our investment criteria with the proceeds used to invest in a higher-conviction life science business that has suffered similarly from industry-specific sentiment. 10X Genomics has faced headwinds stemming from maturation and poor execution in its core single-cell business as well industry-specific headwinds resulting from a slow re-ramp of projects following pandemic-induced shutdowns, supply chain issues, labor shortages, and the trickle-down effect of biopharmaceutical funding delays. While we see encouraging potential in its next-generation spatial analysis tools, we have higher conviction in the Fund's other holdings in the health care industry.

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Included below are summaries of the portfolio's three new positions:

Intercontinental Exchange (ICE) is one of the world's largest operators of financial exchanges and clearinghouses. ICE develops proprietary, non-fungible contacts for derivatives and integrates execution and clearing. The company originally focused on futures contracts for power but has since diversified into contracts for crude oil and gas, agricultural commodities, interest rates, equity indexes, foreign exchange rates, and credit default swaps. ICE also monetizes the security pricing and trading data from its exchanges as well as interconnection for trading houses looking to participate. Lastly, through a series of mergers and acquisitions, ICE has developed the first fully integrated, end-to-end platform for mortgage origination, closing, and servicing. This business also contains a range of datasets that can be cross sold to financial service companies participating in the mortgage finance business. Over the next five years, we expect ICE to sustain above-average earnings growth through a combination of organic growth across all three business lines (exchanges, fixed income and data services, and ICE mortgage technology), margin expansion, capital returns, and strategic mergers and acquisitions.

Roblox is a leading gaming development and distribution platform. Roblox provides developers with a game engine, publishing and distribution platform, and customer acquisition in exchange for a take rate based on revenues generated by each game. The network effects of this model result in low customer-acquisition costs, attractive unit economics, unique supply, and high levels of engagement. Its diverse platform of games and experiences attracts over 80 million daily active users, which we expect to roughly double over our five-year investment horizon through persistent engagement of existing users as they age and new customer additions, primarily from international markets. We expect this dynamic, coupled with improving monetization across several levers, to result in inflecting and sustainable profit growth. We see additional—although less-visible—opportunities to drive incremental growth from a lower cost and faster pace of content creation enabled by artificial intelligence, expansion across new content verticals, and brand and search advertising.

Spotify is the world's largest subscription streaming audio service by market share. Recorded music has seen significant distribution shifts—from vinyl to cassette to CDs—over the past 50 years. Today, streaming accounts for the bulk of industry revenue, and we view streaming as the natural end-state, given the consumer value proposition and balance of power between artists and labels. Within streaming, Spotify has outsized market share and user engagement. This has resulted in relatively inelastic demand and, in turn, pricing power. We ultimately view the addressable market as anyone with internet access globally. Unlike with video streaming, consumers tend to subscribe to only a single audio streaming service. Spotify's leadership position has become further entrenched with music labels' growing dependence on streaming revenue. Over our five-year horizon, we expect gross margin improvement from advertising and partnership agreements with labels, with operating margin improvement also driven by cost discipline.

Our sector exposures are largely a byproduct of our bottom-up investment process, and below was the portfolio positioning at the end of the third quarter:

The Information Technology sector represents 53% of the portfolio – the largest absolute sector weight and a modest benchmark-relative overweight. Within Information Technology, Select Growth is overweight software, semiconductors, and IT services, yet maintains an underweight to IT hardware. The portfolio holds 10 - 14% weights in the Communication Services, Consumer Discretionary, Financials sectors and smaller allocations to Health Care and Industrials. The portfolio has no exposure in the Consumer Staples, Energy, Materials, Real Estate and Utilities sectors.

## **Outlook and Conclusion**

The Fund continues to evolve its positioning to reflect the evolution of AI. In 2022, we began positioning the Fund's portfolio to increase our exposure to the enablers of AI, predominantly through semiconductor and cloud infrastructure businesses. As the infrastructure build-out required to support this shift progresses, we've increased exposure to semiconductor and tech hardware businesses we believe will benefit as generative AI is enabled on edge devices, such as PCs and smartphones. Outside of exposure to the enablers of AI, we believe the financial strength and data advantage of many of our businesses positions them well to leverage AI to improve their products and/or services.

Outside of this exposure, we've initiated positions in businesses with market leading platforms within markets with open-ended growth opportunities. For many of these businesses, we are encouraged by their opportunity to drive significant margin expansion as the business scales, layers on new products or services, and rationalizes spending. Moreover, these businesses provide exposure to a differentiated set of end markets, which we believe will enhance portfolio diversification.

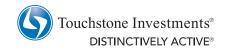
Below are some examples of the secular drivers underpinning the growth of our portfolio businesses:

#### **Legacy Process Improvement**

Growth investors seek to benefit from change. Across industries, digitalization and new technologies are upending legacy processes with products and services that are better, cheaper, safer, and/or faster than the status quo.

Digital financial services, ride-hailing, fleet management, and food delivery are a handful of examples. Portfolio beneficiaries include Doordash, Nu Holdings, Samsara, and Uber Technologies.

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#### **Artificial Intelligence Enablers**

A technology paradigm shift has emerged, enabled by generative AI. Demand for computing power and cloud infrastructure is accelerating in the arms race across industries to harness AI to create new use cases, drive efficiencies, and defend market share.

The complexity of these enabling technologies has created significant competitive advantages for select businesses with the resources to drive innovation. We expect these businesses to benefit from their position at key chokepoints in a long-duration growth opportunity fueled by an explosion in AI use cases that sustains demand for computing power. Portfolio beneficiaries include Amazon, ASML Holding, Microsoft, and NVIDIA.

## Shifting IT Spend from Maintenance to Agility

Information technology spending continues to shift toward innovations that make enterprises more agile and efficient. In the last decade, cloud-based software disrupted legacy, on-premise systems within well-defined market opportunities. The next generation of SaaS leaders is enabling new businesses and processes, serving as the enablers of an increasingly digital-first economy. These businesses are often typified by user-driven adoption, consumption-based licensing, and competitive advantages driven by network effects and ecosystem partners. Portfolio beneficiaries include Atlassian, Datadog, Okta, and ServiceNow.

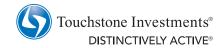
This year has been a sentiment-driven market, in our view, with bouts of extreme volatility driven by investor reaction to macroeconomic data and news flow.

Strong investment results at the index level obscure dispersion beneath the surface, due to investor debates about the direction of rates and the global economy, geopolitics, and potential winners and losers from AI adoption. In fact, the average year-to-date return for Russell 1000 Growth constituents is 10.4%, relative to the 50% return for the eight largest businesses in the index.

The market's focus on sentiment and macro factors has led investors to underappreciate the portfolio's growth and underlying fundamental improvement, in our view. Many of our businesses have worked through the pandemic's so-called bullwhip dynamics which distorted traditional supply and demand signals and the business cycle, yet their stocks and valuations have yet to. Our criteria have continued to lead us to businesses with above-average growth, as indicated by the return decomposition of the Fund versus the Russell 1000 Growth Index. Year -to date through September, earnings growth has accounted for more than 100% of the portfolio's total return, while the Index has benefited from multiple expansion. The earnings growth has been accompanied in many cases by improving fundamental prospects since 2022's market low. Improvements include waning competitive intensity as higher rates forced rationalization, to operational choices that resulted in higher profitability.

Meanwhile, valuations are generally attractive. At the end of September, over 55% of the portfolio traded at a lower forward price to earnings ratio (P/E) multiple than at the beginning of the year, despite positive investment results for the portfolio.

We know that our businesses are largely delivering on growth and have made improvements "under the hood." Earnings growth is what drives long-term equity values. Now that growth is on sale, it's only a matter of time, in our view, before the market realizes this and rewards it.



#### **Fund Facts**

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Class	Inception Date	Symbol	CUSIP	Total	Net
A Shares	11/15/10	TSNAX	89155T847	1.17%	1.16%
C Shares	11/15/10	TSNCX	89155T839	2.02%	1.77%
Y Shares	08/27/04	CFSIX	89155H827	0.89%	0.87%
Z Shares	08/11/00	PTSGX	89155H819	1.22%	1.16%
Inst Shares	09/01/20	CISGX	89155T524	0.85%	0.79%
R6 Shares	09/01/20	TSNRX	89155T516	0.81%	0.68%
Total Fund A	ssets \$2.5 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 1.13% for Class A Shares, 1.74% for Class C Shares, 0.84% for Class Y Shares, 1.13% for Class Z Shares, 0.76% for Class Inst Shares and 0.65% for Class R6 Shares. These expense limitations will remain in effect until at least 09/30/25.

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	-1.02%	13.86%	39.94%	-7.44%	10.70%	10.26%	6.77%
C Shares	-1.17%	13.34%	39.15%	-7.99%	9.97%	9.61%	6.22%
Y Shares	-0.96%	14.07%	40.32%	-7.19%	10.98%	10.54%	6.99%
Z Shares	-1.02%	13.93%	40.00%	-7.43%	10.68%	10.26%	6.77%
Inst Shares	-0.90%	14.17%	40.48%	-7.11%	11.00%	10.42%	6.83%
R6 Shares	-0.90%	14.30%	40.49%	-7.05%	11.04%	10.44%	6.84%
Benchmark	3.19%	24.55%	42.19%	12.02%	19.74%	16.52%	7.73%
Including Max Sales Charge							
A Shares	-5.95%	8.19%	32.91%	-9.00%	9.57%	9.61%	6.51%
C Shares	-2.16%	12.34%	38.15%	-7.99%	9.97%	9.61%	6.22%

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 - Russell 1000® Growth Index

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The performance presented for Class A, C, Y, INST and R6 Shares combines the performance of an older class of shares (Z Shares) from the Fund's inception, 08/11/00, with the performance since the inception date of each share class.

#### **Top 10 Equity Holdings of Fund**

		(% of Portfolio)
1	NVIDIA Corp.	10.3
2	Amazon.com Inc.	8.5
3	Microsoft Corp.	8.1
4	ServiceNow Inc.	6.2
5	Meta Platforms, Inc.	5.4
So	urce: BNY Mellon Asset Servicing	

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6	Apple, Inc.	4.5
7	Shopify Inc.	4.1
8	ASML Holding NV	3.7
9	Datadog Inc.	3.6
10	Sea Ltd.	3.5

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Annual Fund Operating Evpence Patio

The Russell 1000® Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

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.

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#### 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 growth stocks which may be more volatile than investing in other stocks and may underperform when value investing is in favor. 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. The sub-adviser considers ESG factors that it deems relevant or additive along with other material factors. The ESG criteria may cause the Fund to forgo opportunities to buy certain securities and/or gain exposure to certain industries, sectors, regions and countries. The Fund may be required to sell a security when it could be disadvantageous to do so. 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 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. 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's service providers are susceptible to cyber security risks that could result in losses to a Fund and its shareholders. Cyber security incidents could affect issuers in which a Fund invests, thereby causing the Fund's investments to lose value. 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 Touchstonelnvestments.com/resources or call Touchstone at 800.638.8194. Please read the prospectus and/or summary prospectus carefully before investing.

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