



Touchstone Investments

A member of Western & Southern Financial Group

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Touchstone Investments Announces Purchase Agreement to Acquire Select Retail Mutual Fund Business Assets from AIG Life & Retirement

CINCINNATI – Feb. 8, 2021 – Touchstone Investments and AIG Life & Retirement, a division of American International Group, Inc. (NYSE: AIG), announced today that Touchstone Investments, a wholly owned subsidiary of Western & Southern Financial Group, has agreed to acquire select assets of AIG Life & Retirement’s Retail Mutual Funds business.

AIG’s Retail Mutual Funds business manages \$7.8 billion in assets across 18 mutual funds as of Dec. 31, 2020. Under the terms of the purchase agreement, 12 of those funds – with approximately \$7.5 billion in assets – will be reorganized and merged into either existing Touchstone funds or into newly created Touchstone funds. After the reorganizations, the funds will be advised by Touchstone Advisors, Inc.

See below for additional information about these funds.

Fort Washington Investment Advisors, Inc., a wholly owned subsidiary of Western & Southern Financial Group, will serve as sub-advisor to the newly created Touchstone Dividend Equity Fund and Touchstone Strategic Income Opportunities Fund (see below for important disclosures about the funds). Each newly created Touchstone fund will employ established strategies that Fort Washington offers to its institutional clients. The existing Touchstone funds involved in the reorganizations will continue to be sub-advised by Fort Washington, Ares Capital Management II LLC, Barrow, Hanley, Mewhinney & Strauss, and Sands Capital Management, as applicable.

“In addition to significantly increasing our assets under management, we will be offering two new funds that we believe will be important to investors and Touchstone going forward,” said Blake Moore, president and chief executive officer of Touchstone Investments. “We welcome AIG Fund shareholders and their financial professionals to the Touchstone family.”

Touchstone Investments is known for its distinctive approach employing institutional asset managers in a sub-advisory capacity.

“We remain dedicated to our sub-advised mutual fund approach and are committed to offering investment solutions based on partnerships with premier institutional asset managers,” Moore said. “This acquisition reflects Touchstone’s continued commitment to providing investors with access to best-in-class investment management through our mutual funds.”

Moore added that he believes strongly in the value that financial professionals provide to individuals, families, corporations and others. As such, Touchstone distributes its funds through third-party

intermediaries like registered investment advisors, private banks and consultants, as well as through financial professionals at national, regional and independent broker-dealers.

“Our retail mutual funds platform has been a pioneer in rules-based investing and has generated long-term returns since its inception,” said Kevin Hogan, executive vice president and CEO of AIG Life & Retirement. “While we determined that it was no longer core to AIG Life & Retirement’s offering, we are confident that the shareholders will benefit from the experienced management, strong distribution platform, scale and service that Touchstone will provide.”

Closing of the transaction is expected to occur in mid-2021, subject to customary closing conditions including the approval of AIG Retail Mutual Funds shareholders. The boards of trustees of the AIG Retail Mutual Funds and the Touchstone funds have approved the transaction. (See below for important disclosures about the transaction.)

J.P. Morgan Securities LLC and K&L Gates LLP advised Touchstone Advisors, Inc. and Western & Southern Financial Group on the transaction.

See below for information about these funds:

AIG Fund	12/31/2020 Net Assets (\$ millions)	Touchstone Fund
AIG Fund		Existing Touchstone Fund
AIG Focused Alpha Large-Cap Fund	707	Touchstone Large Cap Focused Fund
AIG Focused Growth Fund	739	Touchstone Sands Capital Select Growth Fund
AIG Multi-Asset Allocation Fund	213	Touchstone Balanced Fund
AIG Active Allocation Fund	123	Touchstone Balanced Fund
AIG Strategic Value Fund	176	Touchstone Value Fund
AIG Senior Floating Rate Fund	150	Touchstone Credit Opportunities Fund
AIG U.S. Government Securities Fund	130	Touchstone Active Bond Fund
AIG International Dividend Strategy Fund	56	Touchstone International Equity Fund
AIG Fund		Newly Created Touchstone Fund
AIG Focused Dividend Strategy Fund	4,769	Touchstone Dividend Equity Fund
AIG Select Dividend Growth Fund	37	Touchstone Dividend Equity Fund
AIG Strategic Bond Fund	378	Touchstone Strategic Income Opportunities Fund
AIG Flexible Credit Fund	247	Touchstone Strategic Income Opportunities Fund

Information presented as of December 31, 2020:

AIG Fund	12/31/2020 Net Assets (\$ millions)*	Existing Touchstone Fund	Touchstone Share Class	Touchstone Overall Morningstar Rating	Morningstar Category/ Number of Funds
AIG Focused Alpha Large-Cap Fund	707	Touchstone Large Cap Focused Fund	A C Y	★★★★★ ★★★★ ★★★★★	Large Blend/ 1,232
AIG Focused Growth Fund	739	Touchstone Sands Capital Select Growth Fund	A C Y	★★★★★ ★★★★ ★★★★★	Large Growth/ 1,197
AIG Multi-Asset Allocation Fund	213	Touchstone Balanced Fund	A C Y	★★★★★ ★★★★ ★★★★★	Allocation--50% to 70% Equity Category/ 636

AIG Active Allocation Fund	123	Touchstone Balanced Fund	A C Y	★★★★★ ★★★★ ★★★★★	Allocation--50% to 70% Equity / 636
AIG Strategic Value Fund	176	Touchstone Value Fund	A C Y	★★★ ★★ ★★★★	Large Value/ 1,128
AIG Senior Floating Rate Fund	150	Touchstone Credit Opportunities Fund	A C Y	★★★★ ★★★★ ★★★★★	Nontraditional Bond/ 269
AIG U.S. Government Securities Fund	130	Touchstone Active Bond Fund	A C Y	★★★★ ★★ ★★★★	Intermediate Core-Plus Bond/ 543
AIG International Dividend Strategy Fund	56	Touchstone International Equity Fund	A C Y	★★★ ★ ★★★	Foreign Large Blend/ 676

AIG Fund	Acquired Net Assets (\$ millions)*	Newly Created Touchstone Fund	Fort Washington Strategy***
AIG Focused Dividend Strategy Fund	4,769	Touchstone Dividend Equity Fund**	Fort Washington Enhanced Dividend Equity Strategy
AIG Select Dividend Growth Fund	37	Touchstone Dividend Equity Fund**	Fort Washington Enhanced Dividend Equity Strategy
AIG Strategic Bond Fund	378	Touchstone Strategic Income Opportunities Fund**	Fort Washington Flexible Income Strategy
AIG Flexible Credit Fund	247	Touchstone Strategic Income Opportunities Fund**	Fort Washington Flexible Income Strategy

*Total Acquired Net Assets of \$7.5 billion as of 12/31/20 (Allocation Funds have \$225 million in AUM allocated into other acquired AIG funds).

**The AIG Select Dividend Growth Fund and AIG Strategic Bond Fund are expected to be the accounting and performance survivors of the newly created Touchstone Dividend Equity Fund and Touchstone Strategic Income Opportunities Fund, respectively *updated as of April 16, 2021*.

*** The Touchstone Dividend Equity Fund will be sub-advised by Fort Washington Investment Advisors, Inc. (Fort Washington) pursuant to its Enhanced Dividend Equity Strategy. The Touchstone Dividend Equity Fund and the Fort Washington Enhanced Dividend Equity Strategy will have substantially similar investment objectives, policies, and strategies. The Touchstone Strategic Income Opportunities Fund will be sub-advised by Fort Washington, pursuant to its Flexible Income Strategy. The Touchstone Strategic Income Opportunities Fund and the Fort Washington Flexible Income Composite will have substantially similar investment objectives, policies, and strategies. The performance of the Fort Washington Strategies does not represent the historical performance of the Funds and should not be considered indicative of future performance of the Funds. As with any investment, there is always the potential for gains as well as the possibility of losses.

Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings over the past three years. The Morningstar Rating™ for funds, or “star rating,” is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds,

closed-end funds and separate accounts) with at least a 3-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating™ does not include any adjustment for sales load. The top 10% of products in each product category receive five stars, the next 22.5% receive four stars, the next 35% receive three stars, the next 22.5% receive two stars, and the bottom 10% receive one star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% 3-year rating for 36-59 months of total returns, 60% 5-year rating/40% 3-year rating for 60-119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all three rating periods.

Class A Shares star ratings do not include any front-end sales load and are intended for those investors who have access to such purchase terms.

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Touchstone Large Cap Focused Fund received the following risk-adjusted return ratings among Large Cap Blend funds for the following periods. Ratings are for A, C and Y Class Shares; other share classes may have different performance characteristics. For the 3-, 5- and 10-year periods ended 12/31/2020, the Fund's Class A Shares received 5, 5 and 4 stars, the Fund's Class C Shares received 5, 5 and 3 stars and the Fund's Class Y Shares received 5, 5 and 5 stars and was rated among 1,232, 1,072 and 814 funds, respectively. The performance presented for Class C and Y Shares combines the performance of an older class of shares (A Shares) from the Fund's inception, 01/12/1934, with the performance since the inception date of each share class. Past performance is no guarantee of future results.

Touchstone Sands Capital Select Growth Fund received the following risk-adjusted return ratings among Large Growth funds for the following periods. Ratings are for A, C and Y Class Shares; other share classes may have different performance characteristics. For the 3-, 5- and 10-year periods ended 12/31/2020, the Fund's Class A Shares received 5, 5 and 4 stars, the Fund's Class C Shares received 5, 4 and 4 stars and the Fund's Class Y Shares received 5, 5 and 4 stars and was rated among 1,197, 1,070 and 789 funds, respectively. The performance presented for Class A, C and Y Shares combines the performance of an older class of shares (Z Shares) from the Fund's inception, 08/11/2000, with the performance since the inception date of each share class. Past performance is no guarantee of future results.

Touchstone Balanced Fund received the following risk-adjusted return ratings among Allocation--50% to 70% Equity funds for the following periods. Ratings are for A, C and Y Class Shares; other share classes may have different performance characteristics. For the 3-, 5- and 10-year periods ended 12/31/2020, the Fund's Class A Shares received 5, 5 and 5 stars, the Fund's Class C Shares received 5, 4 and 4 stars and the Fund's Class Y Shares received 5, 5 and 5 stars and was rated among 636,575 and 414 funds, respectively. The performance presented for Class C and Y Shares combines the performance of an older class of shares (A Shares) from the Fund's inception, 11/15/1938, with the performance since the inception date of each share class. Past performance is no guarantee of future results.

Touchstone Value Fund received the following risk-adjusted return ratings among Large Value funds for the following periods. Ratings are for A, C and Y Class Shares; other share classes may have different performance characteristics. For the 3-, 5- and 10-year periods ended 12/31/2020, the Fund's Class A Shares received 3, 3 and 3 stars, the Fund's Class C Shares received 3, 2 and 3 stars and the Fund's Class Y Shares received 3, 3 and 4 stars and was rated among 1,128, 998 and 716 funds, respectively. The performance presented for Class A and C Shares combines the performance of an older class of shares (Y Shares) from the Fund's inception, 09/10/1998, with the performance since the inception date of each share class. Past performance is no guarantee of future results.

Touchstone Credit Opportunities Fund received the following risk-adjusted return ratings among Nontraditional Bond funds for the following periods. Ratings are for A, C and Y Class Shares; other share classes may have different performance characteristics. For the 3- and 5-year periods ended 12/31/2020, the Fund's Class A Shares received 4 and 4 stars, the Fund's Class C Shares received 3 and 4 stars and the Fund's Class Y Shares received 4 and 5 stars and was rated among 269 and 240 funds, respectively. Past performance is no guarantee of future results.

Touchstone Active Bond Fund received the following risk-adjusted return ratings among Intermediate Core-Plus Bond funds for the following periods. Ratings are for A, C and Y Class Shares; other share classes may have different performance characteristics. For the 3-, 5- and 10-year periods ended 12/31/2020, the Fund's Class A Shares received 4, 4 and 3 stars, the Fund's Class C Shares received 2, 2 and 2 stars and the Fund's Class Y Shares received 4, 4 and 3 stars and was rated among 543, 464 and 343 funds, respectively. The performance presented for Class Y Shares combines the performance of an older class of shares (A Shares) from the Fund's inception, 10/03/1994, with the performance since the inception date of each share class. Past performance is no guarantee of future results.

Touchstone International Equity Fund received the following risk-adjusted return ratings among Foreign Large Blend funds for the following periods. Ratings are for A, C and Y Class Shares; other share classes may have different performance characteristics. For the 3-, 5- and 10-year periods ended 12/31/2020, the Fund's Class A Shares received 2, 2 and 3 stars, the Fund's Class C Shares received 1, 1 and 1 stars and the Fund's Class Y Shares received 2, 2 and 3 stars and was rated among 676, 586 and 382 funds, respectively. The performance presented for Class C and Y Shares combines the performance of an older class of shares (A Shares) from the Fund's inception, 03/01/1993, with the performance since the inception date of each share class. Past performance is no guarantee of future results.

Important Disclosures

Please consider the investment objectives, risks, charges and expenses of each Fund carefully before investing. The prospectus and the summary prospectus contain this and other information about each Fund. To obtain a prospectus or a summary prospectus for Touchstone Funds, contact your financial advisor or download and/or request one at TouchstoneInvestments.com/Resources or call Touchstone at 800-638-8194; for AIG Funds please click on aigfunds.onlineprospectus.net/AIGFunds/FundDocuments/index.html or call AIG Funds at 800-858-8850, ext. 6003. Please read the prospectus and/or summary prospectus carefully before investing.

A Registration Statement for each of the Touchstone Dividend Equity Fund and the Touchstone Strategic Income Opportunities Fund has been filed with the Securities and Exchange Commission (SEC) but is not yet effective. Information contained herein is subject to completion or amendment. **The SEC has not approved or disapproved these fund securities or passed upon the adequacy of the fund's prospectus/proxy statement. Any representation to the contrary is a criminal offense.** Fund securities may not be sold, nor may offers to buy be accepted, prior to the time the Registration Statement becomes effective. This information shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any state in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

A joint proxy statement/prospectus for the funds with respect to the proposed transaction and other relevant documents concerning the planned transaction will be filed with the United States Securities and Exchange Commission (the SEC). **The SEC has not approved or disapproved these fund securities or passed upon the adequacy of the fund's prospectus/proxy statement. Any representation to the contrary is a criminal offense.** Additional information regarding the interests of participants in the solicitation of proxies in connection with the proposed fund prospectus/proxy statement will be included in, or incorporated into the prospectus/proxy statement that the funds intend to file with the SEC. The foregoing does not constitute an offering of any securities for sale. We may not sell any of the subject fund securities until the joint proxy statement/prospectus filed with the SEC is effective. This press release mentions certain reorganizations, which, if approved by fund shareholders, would be conducted pursuant to an agreement and plan of reorganization. The joint proxy statement/prospectus will constitute neither an offer to sell securities, nor will it constitute a solicitation of an offer to buy securities, in any state where such offer or sale is not permitted.

INVESTORS ARE URGED TO READ THE FUND PROSPECTUS/PROXY STATEMENT, AND OTHER DOCUMENTS WHEN FILED WITH THE SEC IN CONNECTION WITH THE PLANNED TRANSACTION, OR INCORPORATED BY REFERENCE INTO THE FUND'S PROSPECTUS/PROXY STATEMENT,

BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT THE FUND TRANSACTION AND RELATED MATTERS. Investors should consider the investment objectives, risks, and charges and expenses of any fund listed before investing. A fund's summary prospectus and prospectus should be read carefully before investing. When filed, these documents will be available free of charge on the SEC's website at www.sec.gov.

Certain statements in this press release, such as those related to the structure of the transaction, asset transition levels, future transaction prospects for Touchstone, and anticipated timing for closing the transaction, constitute forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of the company, or industry results, to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Other risks and uncertainties include the possibility that Touchstone does not successfully complete the acquisition or completes the transaction in a manner or timetable different from that described above, as well as the risk factors discussed in the company's annual and quarterly reports as filed with the SEC. As a result, no assurance can be given as to future results, levels of activity, performance or achievements, and neither the company nor any other person assumes responsibility for the accuracy and completeness of such statements in the future.

About Touchstone Investments

Touchstone's commitment to being Distinctively Active has purposeful intent. Recognizing that not all mutual fund companies are created equal, we actively apply an integrated and rigorous approach for identifying and partnering with highly-skilled asset managers who act in a sub-advisory capacity. Their expertise, disciplined investment processes and employment of active management provide the differentiation required for robust portfolio construction. Touchstone offers a full breadth of investment options across styles and asset classes, including U.S. equity, international/global equity, income and multi-asset funds. The Touchstone Funds are advised by Touchstone Advisors, Inc., a registered investment advisor, and are distributed nationally through intermediaries including broker-dealers, registered investment advisors, institutions and others by Touchstone Securities, Inc., a registered broker-dealer and member FINRA/SIPC. Touchstone, Touchstone Funds and Touchstone Investments are federal service mark registrations and applications owned by IFS Financial Services, Inc. Touchstone Securities, Inc., Touchstone Advisors, Inc., and IFS Financial Services, Inc., are members of Western & Southern Financial Group. For more information, please visit TouchstoneInvestments.com.

About Fort Washington

Fort Washington Investment Advisors, Inc. was founded in May 1990 as the primary investment management subsidiary of The Western and Southern Life Insurance Company (Western & Southern Life) and is an SEC-registered investment advisor under the Investment Advisers Act of 1940 (as amended) with approximately \$69.4 billion assets under management.* Fort Washington is a wholly owned subsidiary of Western & Southern. For more information, please visit FortWashington.com.

*Assets as of December 31, 2020. Includes assets under management by Fort Washington Investment Advisors, Inc. of \$65.1 billion and \$4.3 billion in commitments managed by Fort Washington Capital Partners Group, a division. Past performance is not indicative of future results.

About Western & Southern Financial Group

Founded in Cincinnati in 1888 as The Western and Southern Life Insurance Company, Western & Southern Financial Group, Inc., a *Fortune* 500 company, is the parent company of a [group of diversified financial services businesses](#). Its assets owned (\$60 billion) and managed (\$32 billion) totaled \$92 billion as of Sept. 30, 2020. Western & Southern is one of the strongest life insurance groups in the world. Its seven life insurance subsidiaries (The Western and Southern Life Insurance Company, Western-Southern Life Assurance Company, Columbus Life Insurance Company, Gerber Life Insurance Company, Integrity Life Insurance Company, The Lafayette Life Insurance Company, and National Integrity Life Insurance Company) maintain very strong financial ratings. Other member companies include Eagle Realty Group, LLC; Fort Washington Investment Advisors, Inc.;¹ IFS Financial Services, Inc.; Touchstone

Advisors, Inc.;¹ Touchstone Securities, Inc.;² W&S Brokerage Services, Inc.;^{1,2} and W&S Financial Group Distributors, Inc. Western & Southern is the title sponsor of seven major community events every year, including the [Western & Southern Open](#), a premier event in the U.S. Open Series played each August by the world's top-ranked professional male and female tennis players.

1 A registered investment adviser.

*2 A registered broker-dealer and member [FINRA/SIPC](#).
[Review our current financial ratings.](#)*

About AIG

American International Group, Inc. (AIG) is a leading global insurance organization. AIG member companies provide a wide range of property casualty insurance, life insurance, retirement solutions, and other financial services to customers in more than 80 countries and jurisdictions. These diverse offerings include products and services that help businesses and individuals protect their assets, manage risks and provide for retirement security. AIG common stock is listed on the New York Stock Exchange.

Additional information about AIG can be found at www.aig.com | YouTube: www.youtube.com/aig | Twitter: [@AIGinsurance](https://twitter.com/AIGinsurance) | LinkedIn: www.linkedin.com/company/aig. These references with additional information about AIG have been provided as a convenience, and the information contained on such websites is not incorporated by reference into this press release.

AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc. For additional information, please visit our website at www.aig.com. All products and services are written or provided by subsidiaries or affiliates of American International Group, Inc. Products or services may not be available in all countries and jurisdictions, and coverage is subject to underwriting requirements and actual policy language. Non-insurance products and services may be provided by independent third parties. Certain property-casualty coverages may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds, and insureds are therefore not protected by such funds.

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