

Fund Manager Commentary

As of March 31, 2023

Fund Highlights

- Pursues its objective by seeking to track the net total return, before fees and expenses, of the TOBAM Anti-Benchmark® US Core Equity Index¹ (the Index)
- The Index is a proprietary rules-based index created by the Fund's sub-adviser, TOBAM S.A.S. (TOBAM) which is designed to create a more diversified portfolio of U.S. equity securities relative to traditional market capitalization weighted benchmarks
- The Index is based on TOBAM's proprietary quantitative model, which selects and weights companies to maximize diversification. TOBAM quantitatively selects securities, subject to certain constraints, that maximize the portfolio's Diversification Ratio®, a patented, proprietary mathematical metric based on the volatility of the Index constituents and their correlation to the other Index constituents. Constraints include a minimum and maximum weight for any given stock. TOBAM's Anti-Benchmark® strategy seeks to avoid the concentration risk that exists in traditional market capitalization-weighted indices through its quantitative approach to diversification. The Index will typically hold approximately 70 to 100 securities. The Index typically is reconstituted (i.e. Index constituents are added or deleted and weights are reset) monthly. The Fund will be rebalanced following the same schedule as the Index
- The Fund intends to fully replicate the Index to achieve its investment objective, meaning the Fund will generally invest in all of the component securities of the Index in the same approximate proportions as the Index
- The equity securities that comprise the Index primarily include common and preferred stock

Market Recap

The beginning of 2023 was marked by a massive rebound in the U.S. led by the largest Information Technology, Consumer Discretionary, and Communication Services sector companies. This rebound was driven on the one hand by a "Goldilocks" market sentiment that helped ease the worries investors had towards the end of 2022 that the large U.S. tech-related companies might be overvalued. On the other hand, during the month of March, the outperformance of these stocks accelerated further driven by a "flight to quality" effect. Investors wanted to invest their cash somewhere other than in cash deposits or bonds and felt that these large companies were some kind of "safe haven" asset proxy.

In the first quarter, U.S. equity markets concentrated slightly, after deconcentrating though much of 2022. Concentration remains high compared to where the market was before the large tech mega-cap momentum began. The Fund's benchmark, the Russell 1000® Index, bias towards quality and growth stocks outperformed massively, which is not surprising given the strong rebound in the Large Cap Information Technology and Communication Services companies.

The strongest sectors in the benchmark were Information Technology, Communications Services, and Consumer Discretionary while Energy, Health Care, Utilities, and Financials were among the weakest. Mega cap stocks whose market cap is over \$500 billion outperformed the rest of the market.

Portfolio Review

The Touchstone Anti-Benchmark® U.S. Core Equity Fund (Class A Share Load-Waived) underperformed its benchmark, the Russell 1000® Index, for the quarter ended March 31, 2023.

The market concentration increased significantly during the quarter. This was the main driver of the Fund's underperformance during the quarter as the Fund maintains a high degree of diversification. From a sector perspective, the Fund's Information Technology, Health Care, and Consumer Staples sectors exposures drove most of the portfolio's relative underperformance during the quarter. This was partially offset by positive contribution from exposures within the Financials and Industrials sectors.

Outlook and Conclusion

TOBAM's Anti-Benchmark® strategy does not forecast but simply seeks to maximize diversification. Thus, it does not include fundamental analysis of individual stocks, countries, sectors,

(continued)

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.**



economic environments or factors. No discretionary tactical or strategic asset allocation decisions are made with respect to specific regions, sectors or industries. TOBAM's investment process consists of maximizing diversification from a bottom-up perspective. Securities are bought or sold solely in relation to their potential relative diversification benefits within the portfolio. A security will be completely sold when it no longer provides the most marginal diversification among all available stocks in the universe, and others purchased when they begin to provide more marginal diversification. TOBAM's patented Anti-Benchmark® approach is designed to avoid explicit and implicit biases in terms of sector, style, market cap and other statistical measures. For this reason, we apply as few constraints as possible and do not rely on any given view or forecast, in order to avoid unwanted systematic exposures. The Fund's portfolio reflects even risk contributions from all independent effective risk factors in the investment universe, which may include sector and country factors.

Fund Facts (As of 03/31/23)

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio*	
				Total	Net
A Shares	10/02/20	TDEAX	89154X195	1.51%	0.79%
C Shares	10/02/20	TDECX	89154X187	3.08%	1.54%
Y Shares	11/19/18	TDEYX	89154X179	1.09%	0.54%
INST Shares	11/19/18	TDELX	89154X161	1.09%	0.44%
Total Fund Assets	\$22.0 Million				

*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 0.79% for Class A Shares, 1.54% for Class C Shares, 0.54% for Class Y Shares and 0.44% for Class INST Shares. These expense limitations will remain in effect until at least 04/29/24. Share class availability differs by firm.

Annualized Total Returns** (As of 03/31/23)

	1Q23	YTD	1 Year	3 Year	Inception
Excluding Max Sales Charge					
A Shares	0.49%	0.49%	-3.20%	12.48%	6.71%
C Shares	0.34%	0.34%	-3.89%	11.64%	5.91%
Y Shares	0.57%	0.57%	-2.93%	12.79%	7.00%
INST Shares	0.56%	0.56%	-2.82%	12.88%	7.07%
Benchmark ¹	7.46%	7.46%	-8.39%	18.55%	11.43%
Including Max Sales Charge					
A Shares	-4.52%	-4.52%	-8.03%	10.58%	5.45%
C Shares	-0.66%	-0.66%	-4.60%	11.64%	5.91%

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

¹ Benchmark - Russell 1000® Index¹

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****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, 11/19/18, with the performance since the inception date of each share class.**

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TOBAM's quantitative investment process is supported by extensive proprietary computer code. TOBAM's researchers, software developers, and IT teams follow a structured design, development, testing, change control, and review processes during the development of its systems and the implementation within TOBAM's investment process. However, despite these extensive controls it is possible that errors may occur in coding and within the investment process, as is the case with any complex software or data-driven model, and no guarantee or warranty can be provided that any quantitative investment model is completely free of errors. Any such errors could have a negative impact on investment results.

Touchstone Anti-Benchmark® US Core Equity Fund is distributed by Touchstone Securities, Inc., a registered broker-dealer and member FINRA and SIPC and advised by Touchstone Advisors, Inc., a registered investment adviser. TOBAM S.A.S. is sub-adviser of the Fund and Solactive AG is a third party calculation agent of the TOBAM Anti-Benchmark® US Core Equity Index. Both TOBAM S.A.S. and Solactive AG are independent of Touchstone Securities, Inc. and Touchstone Advisors, Inc.

Not FDIC Insured | No Bank Guarantee | May Lose Value

¹The Russell 1000® Index measures the performance of the 1,000 largest companies in the Russell 3000® Index.

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 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. As the Fund is intended to track the Index, portfolio managers do not attempt to take defensive positions under any market conditions, including during declining markets. TOBAM uses proprietary statistical analyses and models to construct the Index, which the Fund seeks to track. A securities portfolio selected using TOBAM's proprietary models can perform differently than the market as a whole as a result of the correlation factors used in the analysis to construct the models, the weight placed on each factor, and changes in the factors' historical trends. As a result, the Fund may be more or less exposed to a risk factor than its individual holdings. Quantitative models are subject to technical issues including programming and data inaccuracies, are based on assumptions, and rely on data that is subject to limitations (e.g., inaccuracies, staleness), any of which could adversely affect their effectiveness or predictive value. The performance of the Fund and its Index may differ from each other for a variety of reasons. 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. Financial institutions could suffer losses if interest rates rise or economic conditions deteriorate. The Fund may experience higher portfolio turnover which may lead to increased fund expenses, lower investment returns and higher short-term capital gains taxable to shareholders. 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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