Touchstone Dividend Select ETF

Sub-Advised by: Fort Washington Investment Advisors Inc

DVND

U.S. Equity - Large Cap Value | Actively Managed, Fully Transparent ETF | 2Q/2026

Fund Manager Commentary

As of 06-30-2026

Fund Highlights

- Dividend-focused strategy invests primarily in U.S. large capitalization companies that:
  - Historically paid consistent, growing dividends
  - Have sustainable competitive advantages, which have the potential to support reliable, growing dividends with reasonable valuations
- Seeks to invest in businesses that trade at reasonable valuations compared to their intrinsic value
- Focuses on businesses that are believed to have a sustainable competitive advantage or a high barrier to entry in place

Market Recap

U.S. equity markets posted strong gains during the second quarter of 2026, supported by resilient economic growth, better-than-expected corporate earnings, and improving investor sentiment as geopolitical risks moderated. Economic activity remained stable through the first half of the year, supported by continued capital investment related to AI, accommodative fiscal policy, and healthy consumer spending. As tensions between the United States and Iran de-escalated, oil prices retreated from their highs, easing concerns about renewed inflationary pressures and providing additional support for risk assets.

Market leadership broadened during the quarter after several periods in which returns were concentrated among a narrow group of mega-cap technology companies. While AI remained an important driver of equity returns, investors became increasingly selective, favoring companies directly benefiting from AI infrastructure spending, including semiconductor and memory businesses. Small- and mid-cap equities outperformed large-cap stocks, and participation expanded across Industrials, Health Care, and Financials. Although inflation remained above the Federal Reserve's (Fed) target and uncertainty surrounding monetary policy persisted under new Fed Chair Kevin Warsh, healthy corporate fundamentals and strong first-quarter earnings continued to support equity markets.

Portfolio Review

The Touchstone Dividend Select ETF (NAV) underperformed its benchmark, the Russell 1000® Value Index, for the quarter ended June 30, 2026.

Security selection detracted from relative performance during the quarter, while sector allocation contributed positively. The ETF's dividend-oriented investment approach also detracted as above-average dividend-paying stocks underperformed companies with lower dividend yields. Relative security selection was weakest within the Information Technology (IT) sector, with additional headwinds from Communication Services, Consumer Discretionary, Energy, and Real Estate sectors. Positive security selection within Industrials, Materials, Financials, Consumer Staples, and Health Care sectors partially offset those results. Sector allocation benefited from an overweight to IT and underweights to Energy and Financials but was partially offset by cash holdings and positioning within Communication Services and Consumer Staples.

Among the top contributors to relative performance were overweight positions in KLA Corp., Texas Instruments Inc., Cisco Systems Inc. (all IT sector), and CVS Health Corp. (Health Care sector), along with an underweight position in Walmart Inc. (Consumer Staples sector). KLA benefited from continued demand for semiconductor capital equipment supporting AI infrastructure. Texas Instruments advanced as improving guidance reflected a recovery in analog and embedded semiconductor demand, while Cisco Systems benefited from growing enterprise networking demand tied to AI infrastructure. CVS Health contributed as improving sentiment toward managed care and health care providers supported the shares, and the ETF's underweight position in Walmart also benefited relative performance.

Among the top detractors from relative performance were positions in Micron Technology Inc., Intel Corp., SanDisk Corp., and Advanced Micro Devices Inc. (all IT sector), all stocks not held in the portfolio, as well as an overweight position in Microsoft Corp. (IT sector). The underweight positions detracted as investors broadened participation across AI-related semiconductor companies. Although Microsoft generated a positive absolute return during the quarter, the ETF's overweight position detracted from relative performance because the shares

Fort Washington is a member of Western & Southern Financial Group

Touchstone Investments®
DISTINCTIVELY ACTIVE®

lagged higher-performing semiconductor and AI infrastructure beneficiaries.

During the quarter, the ETF initiated a position in Amazon.com Inc. and exited its position in Starbucks Corp. (both Consumer Discretionary sector). Amazon was added based on its durable competitive advantages, expanding profitability, and long-term growth opportunities across e-commerce, advertising, cloud computing, and AI. Starbucks was sold as uncertainty surrounding its long-term growth outlook and execution increased, reducing the attractiveness of its risk/reward profile relative to other investment opportunities. There were no material sector allocation changes during the quarter. IT remained the ETF's largest overweight, while Financials, Energy, and Industrials remained the largest underweights.

Outlook and Conclusion

We believe the backdrop remains generally supportive for equities, although selectivity remains important. Economic growth has remained resilient, corporate earnings have exceeded expectations, and market leadership has broadened beyond a narrow group of mega-cap technology companies. While the de-escalation between the United States and Iran has reduced near-term pressure from higher energy prices, geopolitical developments, inflation, and monetary policy remain important sources of uncertainty. The ETF continues to emphasize high-quality businesses with durable competitive advantages, strong free cash flow generation, consistent dividend growth, and attractive long-term earnings visibility. AI infrastructure, health care innovation, and select industrial growth remain areas of opportunity, while valuation discipline, consumer pressures, and policy uncertainty remain key considerations.

We remain constructive on U.S. equities, supported by resilient economic growth, healthy corporate fundamentals, and continued earnings growth. Although aggregate market valuations remain above historical averages and a more inflation-focused Fed could contribute to additional market volatility, the ETF's emphasis on high-quality companies with durable competitive advantages, strong free cash flow, and consistent dividend growth is expected to support long-term capital appreciation and income generation. Following several years of strong performance from growth-oriented and mega-cap technology companies, we believe dividend-oriented strategies remain well positioned as market leadership broadens and earnings growth becomes more balanced across sectors.

Fund Facts

Symbol	Inception Date	CUSIP	Exchange	Annual Fund Operating Expense Ratio Total	Net
DVND	08/02/22	89157W103	NYSE Arca	1.15%	0.50%

Total Fund Assets $52.7 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 and other expenses, if any) to 0.49%. These expense limitations will remain in effect until at least 04/29/2027.

Annualized Total Returns

	2Q26	YTD	1 Year	3 Year	5 Year	Inception
ETF NAV	8.89%	10.08%	17.85%	15.19%	—	13.84%
ETF Market Price	11.04%	9.30%	18.46%	15.16%	—	13.85%
Benchmark	13.84%	16.23%	27.09%	17.78%	—	14.99%

Benchmark - Russell 1000® Value Index
The Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower expected growth values.
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 https://www.westernsouthern.com/touchstone/etfs/dividend-select-etf.*** *From time to time, the investment advisor may waive some fees and/or reimburse expenses, which if not waived or reimbursed, will lower performance. Returns assume reinvestment of all distributions. Returns are not annualized for periods less than one year. Investing involves risk, principal loss is possible. ETFs may trade at a premium or discount to their net asset value. Market price returns are based on the consolidated market price and do not represent the returns you would receive if you traded shares at other times.*
The Frank Russell Company (FRC) is the source and owner of the data contained or reflected in this material and all trademarks and copyrights related thereto. The material may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a Touchstone Investments presentation of the data, and FRC is not responsible for the formatting or configuration of this material or for any inaccuracy in the presentation thereof.

Top 10 Holdings

		(% of Portfolio)
1	Microsoft Corp	3.8
2	BNY Dreyfus Govt Cash Mgmt Instl	3.5
3	Broadcom Inc	3.4
4	KLA Corp	3.1
5	Apple Inc	2.6

		(% of Portfolio)
6	Alphabet Inc Class C	2.5
7	Johnson & Johnson	2.4
8	Cisco Systems Inc	2.3
9	Caterpillar Inc	2.2
10	Bank of America Corp	2.1

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 dividend-paying companies. There is no guarantee that the companies in which the Fund invests will declare dividends in the future or that dividends, if declared, will remain at current levels or increase over time. Securities that pay dividends may be sensitive to changes in interest rates, and as interest rates rise or fall, the prices of such securities may fall.

The Advisor engages a sub-advisor 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 subadvisors. 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'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. The Fund invests in value stocks which may not appreciate in value as anticipated or may experience a decline in value. Current and future portfolio holdings are subject to change.

Please consider the investment objectives, risks, charges and expenses of the ETF 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 833.368.7383. Please read the prospectus and/or summary prospectus carefully before investing.

Touchstone ETFs are distributed by **Foreside Fund Services, LLC**

A registered broker-dealer and member FINRA

Touchstone is a member of Western & Southern Financial Group

Touchstone Investments®
DISTINCTIVELY ACTIVE®

800.638.8194 • TouchstoneInvestments.com

Not FDIC Insured | No Bank Guarantee | May Lose Value