Touchstone Global ESG Equity Fund

Sub-Advised by: Rockefeller & Co. LLC

Global Equity – Large-Cap Core

1Q/2022

Fund Manager Commentary

As of March 31, 2022

Fund Highlights

- The Fund seeks long-term growth of capital, investing primarily in equity securities of U.S. and non-U.S. companies of any size, but generally focuses on larger, more established companies
- Applies bottom-up security analysis that includes fundamental, sector-based research in seeking to identify businesses that have high or improving returns on capital, barriers to competition and compelling valuations
- Selects investments based on an evaluation of a company's sustainability practices which considers and analyzes the potential Environmental, Social and Governance (ESG) impacts and risks of a company, how well the company manages these impacts and risks, and ascertains the company's willingness and ability to take a leadership position in implementing best practices

Market Recap

Global equity returns fared poorly during this quarter, reflecting increasingly hawkish actions by central banks globally and material dislocations in the commodity markets stemming from the Russian invasion of Ukraine. While inflationary pressures and supply chain issues continued to be cited by companies during the period, these challenges are going to be further exacerbated by the rapid rise in oil, gas, metals, and grain prices. European markets fared the worst in the first quarter of 2022, as they are most dependent on gas imports from Russia.

It seems the only certainty about this war is its inflationary impact that will be hard to alleviate until the conflict ends, as there is no easy substitute for the commodities that Russia and Ukraine export. At the end of the first quarter, the bond market was signaling even more tightening by the U. S. Federal Reserve Board (Fed) than it was pre-invasion, reflecting these mounting inflationary challenges. The expected hawkishness by the Fed led to a flattening of the yield curve as long rates nudged higher while short rates soared.

From a sector perspective, the Energy, Materials, Utilities, Financials, Health Care, and Consumer Staples sectors outperformed the broader MSCI All Country World Index, while Consumer Discretionary, Communications Services, and Information Technology were the weakest sectors. On a regional basis, U.S. and other developed markets posted negative returns. Emerging markets countries that are net exporters of commodities, with the exception of Russia, generated positive returns.

Portfolio Review

The Touchstone Global ESG Equity Fund (Class A Shares, Load-Waived) underperformed its benchmark, the MSCI All Country World Index, for the quarter ended March 31, 2022.

After a robust start to 2022, the strategy underperformed the benchmark during the period for two key reasons. The first is the Fund's lack of exposure to traditional energy stocks. As oil prices climbed above $100/bbl in early March, energy became the top performing sector in the index, negatively impacting the Fund. We believe the market is over extrapolating near-term tightness in oil too far into the future as the world will continue to migrate away from fossil fuels, which should see their peak demand this decade. This should result in low multiples across the traditional energy sector reflecting its eventual decline. In the nearer term, a potential deal with Iran would alleviate some of tightness in the oil markets, and a cease-fire in Ukraine should lead to a significant pivot away from energy stocks. The second key reason stemmed from an underweight position in U.S. equities, which at the outset of the year vastly underperformed non-U.S. equities until the invasion, when we saw U.S. equities outperforming bid up as a relative safe haven. The Fund remains positioned for an eventual ceasefire, which may be weeks or months away but can also happen at any time. After so many fits and starts to the global economy through the early days of the pandemic through the Delta and Omicron COVID-19 waves, we anticipate pent-up demand and some normalization.

Meta Platforms Inc. was the largest detracting stock during the period as the stock traded lower after reporting disappointing earnings and lowering guidance. While we believe some of the selloff was justified, we view the reaction as overdone with revenue

(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.***

growth of 8% still impressive for a platform of over three billion subscribers. In addition, Meta has yet to fully monetize the Instagram platform, particularly in the marketplace feature.

The company is also investing significant capital, especially around new projects such as the Metaverse. Even with increased spending on the Metaverse, Meta stock trades at a discount to the S&P 500. We opportunistically added to Meta to rebuild the position, and while we still believe it is materially undervalued, we are pleased to see some recovery off its lows. Given their success with other capital allocations in the past (purchasing Instagram, WhatsApp) we believe Metaverse has the potential to yield positive results for the company. Financials was the largest contributing sector, led higher by strength in First Horizon Corp., the driver within the sector and the overall Fund. The stock price was higher on news of takeover offer from Toronto-Dominion (TD) Bank.

The Fund initiated new positions in Epiroc AB and Allstate Corp. during the quarter. Epiroc, based in Sweden, is a leading manufacturer of mining equipment and on the cutting edge of automating mining processes. Mining is inherently a dangerous activity given remote locations and hazardous conditions. We believe the company should benefit from increased demand as customers display greater willingness to adopt automated mining equipment, which will enhance worker safety and improve yields. Epiroc is a leader in working to reduce the industry's carbon footprint by beginning to roll out electrified powertrains to help lower greenhouse gas emissions and targeting emission-free underground equipment by 2025 and 2030 for surface equipment. The company's sustainability goals, including halving its Co2 emissions by 2030, were approved last year by the Science Based Targets Initiative (SBTi) as being in line with keeping global warming at a maximum 1.5° C, consistent with the latest climate science and the goal of the Paris Climate Agreement.

Allstate is a leading carrier of personal lines automobile and home insurance in the U.S. The combination of normalizing driving trends post-pandemic and severe claims inflation has taken a toll on insurer profitability, but insurers like Allstate are offsetting these with necessary price increases and operating expense cuts that we believe should improve profitability and competitive positioning. Moreover, Allstate's investments in telematics, a technology that provides information on driver habits (e.g., how fast they drive, how often they have to hard brake etc.), and data should continue to drive favorable underwriting selection and pricing for the company. Focus areas of Environmental, Social, and Governance (ESG) engagement include underwriting standards, selling practices, customer servicing, and labor relations.

The Fund exited BridgeBio Pharma Inc. and Tele2 AB to fund more attractive opportunities. First Horizon was sold on news of takeover offer by TD Bank.

Outlook and Conclusion

We believe the recent rise in the U.S. treasury yields is indication of a delayed appreciation by the markets, and central banks, of the increasing inflationary pressures brought on by pandemic-related stimulus and monetary policy. As such, this has led to multiple contractions in areas of the market where valuations were elevated, and the start of a rotation toward more reasonably valued areas of the market. We believe this rotation has room to continue, with the recent geopolitical tensions leading to a temporary disruption to this trend as investors have flocked back to growth stocks reflecting increased concerns about recession. However, the markets will likely pivot whenever there is a lasting ceasefire with recent leaders like oil and gas, chemicals, and defense taking a backseat to financials and industrials. In the meanwhile, companies with stretched balance sheets will likely be punished until recession fears are allayed. With the timing of a ceasefire hard to predict, we believe the prudent course of action is to extend horizons past this war and stay invested in durable businesses over the long-term that are not dependent on Russia to sell their products or to produce key inputs for their business. Ultimately, we expect much of the world to look the same and to snap back from this conflict, but the relationship with Russia will likely remain strained for years.

As of March 31, 2022, Meta Platforms Inc. made up 3.50%, Epiroc AB made up 1.26%, Allstate Corp. made up 1.28%, First Horizon Corp., Toronto-Dominion Bank, BridgeBio Pharma Inc., and Tele2 AB made up 0.0% of Touchstone Global ESG Equity Fund. Current and future portfolio holdings are subject to change.

Fund Facts *(As of 03/31/22)*

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio* Total	Net
A Shares	12/19/97	**TEQAX**	89154X302	1.12%	1.12%
C Shares	10/04/03	**TEQCX**	89154X401	2.14%	1.99%
Y Shares	11/10/04	**TIQIX**	89154X633	0.93%	0.90%
Inst Shares	05/04/15	**TROCX**	89154Q513	0.97%	0.89%
Total Fund Assets	**$628.6 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 1.17% for Class A Shares, 1.99% for Class C Shares, 0.90% for Class Y Shares and 0.89% for Class Inst Shares. These expense limitations will remain in effect until at least 07/29/22.*

Share class availability differs by firm.

Annualized Total Returns** *(As of 03/31/22)*

Class	1Q22	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	-6.79%	-6.79%	-0.98%	10.06%	8.96%	8.98%	8.08%
C Shares	-7.02%	-7.02%	-1.85%	9.12%	8.05%	8.30%	7.65%
Y Shares	-6.74%	-6.74%	-0.74%	10.34%	9.23%	9.25%	8.27%
Inst Shares	-6.77%	-6.77%	-0.74%	10.34%	9.25%	9.28%	8.28%
Benchmark^	-5.36%	-5.36%	7.28%	13.75%	11.64%	10.00%	—
Including Max Sales Charge							
A Shares	-11.45%	-11.45%	-5.94%	8.20%	7.68%	8.33%	7.82%
C Shares	-7.95%	-7.95%	-2.71%	9.12%	8.05%	8.30%	7.65%

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 - MSCI All Country World Index[1]

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*****The performance presented for Class C and Y shares combines the performance since inception of an older class of shares (A shares) from the Fund's inception 12/19/97 with the performance since the inception date of each share class. The performance for Institutional Class shares combines the performance of Class A shares from 12/19/97 to 11/9/04 with the performance of Class Y shares since its inception 11/10/04 until the inception date of the Institutional Class shares.***

On May 4, 2015, the Fund changed its name, principal investment strategies and sub-advisor. Consequently, prior period performance may have been different if the Fund had not been managed by the prior sub-advisor using that sub-advisor's large cap growth strategy.

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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Not FDIC Insured | No Bank Guarantee | May Lose Value

[1]The MSCI All Country World Index measures the equity market performance of developed and emerging markets.

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 stocks of small- and mid-cap companies, which may be subject to more erratic market movements than stocks of larger, more established companies. 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, emerging and frontier markets securities, and 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 risks associated with investing in foreign markets are magnified in emerging markets, and in frontier markets due to their smaller and less developed economies. The Fund's 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. 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 sub-advisors. The Fund invests in convertible securities which are subject to the risks of both debt securities and equity securities. 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's investments in other investment companies will be subject to substantially the same risks as those associated with the direct ownership of the securities comprising the portfolios of such investment companies, and the value of the Fund's investment will fluctuate in response to the performance of such portfolios. In addition, if the Fund acquires shares of investment companies, shareholders of the Fund will bear their proportionate share of the fees and expenses of the Fund and, indirectly, the fees and expenses of the investment companies. Current and future portfolio holdings are subject to change.

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