Touchstone International Growth Fund

Sub-Advised by: DSM Capital Partners LLC

International Equity – Large-Cap Growth 4Q/2021

Fund Manager Commentary

As of December 31, 2021

Fund Highlights

- Invests primarily in international equity securities of large capitalization companies believed to offer the best opportunity for reliable growth at attractive stock valuations.
- Utilizes a bottom-up idea-driven growth style with a long-term investment horizon, coupled with a distinct valuation discipline
- Seeks to identify companies which are believed to exhibit certain quality characteristics, including:
  - Predictable growth
  - Solid fundamentals
  - Attractive profitability
  - Successful managements

Market Recap

Global equities gained in the fourth quarter despite numerous headwinds, including the emergence of the highly infectious COVID-19 Omicron variant, incessant elevated inflation and hawkish central bank policy shifts. However, investors' fears were allayed on preliminary data indicating a lower risk of severe illness from Omicron. Continued solid corporate earnings also helped to push equity markets higher. U.S. markets outperformed non-U.S. while developed markets significantly outperformed emerging markets. There was a broad market sell-off in emerging markets following the emergence of Omicron as investors feared that the new variant could derail the global economic recovery. China and Brazil were the worst-performing markets with negative returns for the quarter. China's economy was negatively affected by the government's stringent "Zero COVID" policy as well as nervousness about potential financial distress in the property market, and Brazil underperformed as the country's pro-active central bank continued to hike rates in response to rising inflation. Eurozone markets brushed-off omicron concerns and continued to rally in the quarter in spite of additional restrictions.

Large market capitalization companies performed better than small cap companies and growth outperformed value in the fourth quarter as concerns about economic headwinds from the Omicron variant and the U.S. Federal Reserve Board's more aggressive monetary stance weighed down small-cap companies.

Within the benchmark, Utilities, Information Technology, and Consumer Staples were the strongest sectors while Communication Services, Real Estate, and Consumer Discretionary were the weakest.

Portfolio Review

The Touchstone International Growth Fund (Class A Shares, Load-Waived) underperformed its benchmark, the MSCI All Country World Ex-U.S. Index, for the quarter ended December 31, 2021.

The Fund's underperformance was primarily the result of stock selection in the Consumer Discretionary sector. The Fund's selection in the Information Technology sector contributed. On a country basis, the Fund's exposure to the United Kingdom and Italy were the primary detractors from relative performance. These were partially offset by contribution from stock selection within Japan and the United States.

Five of the largest contributors to performance in the quarter were Capgemini SE (Information Technology, France), Larsen & Toubro Infotech Ltd. (Information Technology, India), Endava PLC (Technology, United Kingdom), Microsoft Corp. (Technology, US) and NICE Ltd. (Information Technology, Isreal). Among the holdings that contributed the least to performance in the quarter were Entain PLC (Consumer Discretionary, United Kingdom), Tongcheng Travel Holdings Ltd. (Consumer Discretionary, China), Worldline SA (Technology, France), HDFC Bank Ltd (Financial Services, India) and Nexi SpA (Technology, Italy).

Capgemini reported a strong quarter with revenue growth that beat expectations, and they raised their annual guidance across all metrics. Their digital segment, which is now two-thirds of their business, saw strong growth and is accelerating. With spending on technology increasing across all geographies and industries, Capgemini sees demand exceeding supply and should be favorably

(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.***

positioned going forward. Similar to Capgemini, Larsen & Toubro also experienced broad-based demand exceeding supply, as they reported strong quarterly earnings despite constrained profit growth due to hiring ahead of demand and wage growth. From both of these reports, as well as that of Endava, it is clear that information technology services companies are seeing a multi-year, robust technical spending environment driven by accelerated digital transformation initiatives. Also benefiting was Microsoft which reported very solid quarterly revenue and earnings results that beat consensus expectations and led management to raise earnings guidance. Though led by Azure and other cloud properties, Office365, Dynamics ERP, LinkedIn and Gaming all showed strength in the quarter. Microsoft saw a structural shift in PC demand due to hybrid everything, and combined with a margin accretive commercial PC refresh cycle, we believe the Windows and Office segments are going to perform stronger than anticipated for the next few quarters.

Although Tongcheng Travel reported decent third quarter earnings, various local outbreaks of COVID-19 in China have resulted in tight restrictions from the government. October and November were very soft even as local travel and "staycations" had been seeing some good volumes previously. The company was cautious on guidance into early 2022 with the Olympics coming in February. They expect restrictions to remain in place, particularly when travel involves Beijing, until late February at the earliest.

DSM has been an investor in the payments industry for well over a decade primarily via U.S.-based companies and more recently in global holdings such as Nexi and Worldline. These positions declined in value over the second half of the year on fears of new COVID-19 shutdowns and emerging "fintech" competitors. Despite the near-term concerns, we attribute the negative performance of these payment names to the normal cycles of investing and expect a rebound in these positions.

Outlook and Conclusion

While global central banks initially considered current inflation to be "transitory", it is now expected to persist into 2023. In response, the U.S. Federal Reserve will begin "tapering" their bond buying program soon and we believe will likely end it completely within several months. In any case, until central banks cease their purchases of bonds, interest rates will not have the opportunity to naturally reach levels dictated by economic factors. On its own, the elimination of quantitative easing should push interest rates gradually higher from today's historic lows. However, globally there is stronger evidence of higher-for-longer inflation than has been apparent over the past 30 or 40 years. We believe rates will rise more rapidly if the perception of higher-for-longer inflation becomes more generally accepted.

Despite the anticipation of many investors for a return to value outperforming growth, we believe the ongoing competitive dynamics of digital/internet technologies will prove a disadvantage to value, and most non-U.S. businesses, as revenue and profit pressures build from competing new digital technologies. Additionally, value stocks are generally more cyclical, operate in more competitive industries and have greater capital requirements. Finally, in a very low interest rate world, value stocks in both Europe and the U.S. often have high price-to-earnings ratios due to their dividend yield, yet these valuations are often not justified by the underlying business fundamentals of those companies.

Similarly, investors seem to expect a return to European Union and/or Emerging Markets outperformance over the United States. We continue to believe that U.S. technology-laden markets will outperform the Rest-of-World indices which generally exclude New Era technology giants, with the notable exception of China. In short, we believe growth/United States will outperform value/ Rest-of-World going forward.

We continue to believe the likely direction of global markets remains upward, given that the coronavirus pandemic is at the beginning-of-the-end (hopefully), the global economy is recovering, corporate earnings are much stronger than expected and the valuation of the S&P 500® is reasonable assuming inflation moderates in the not-too-distant future. As investors, we are reliant on the world's major central banks to manage monetary policy to prevent inflation, as well as deflation. It is far too early to conclude that inflation is here to stay, but it is a situation that must be monitored. We are preparing for that risk by avoiding excessively high valuations and cyclical investments.

Our investment approach is built on the simple concept that "earnings win." Over time, businesses appreciate in value as their earnings grow. The Fund's earnings have grown largely as anticipated before the pandemic, remained solid (albeit a bit less than anticipated) during the pandemic and we believe growth is possible beginning in 2022.

As of December 31, 2021, Capgemini SE made up 7.62%, Larsen & Toubro Infotech made up 2.43%, Endava PLC made up 1.61%, Microsoft Corp. made up 2.44%, NICE Ltd. made up 5.30%, Entain PLC made up 2.80%, Tongcheng Travel Holdings Ltd. made up 2.00%, Worldline SA made up 1.53%, HDFC Bank Ltd. made up 4.22% and Nexi SpA made up 2.94% of the Touchstone International Growth Fund. Current and future portfolio holdings are subject to change.

Fund Facts *(As of 12/31/21)*

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio* Total	Net
A Shares	08/15/16	**TNSAX**	89154X427	2.31%	1.24%
C Shares	08/15/16	**TNSCX**	89154X419	3.43%	1.99%
Y Shares	08/15/16	**TNSYX**	89154X393	1.25%	0.99%
Inst Shares	03/28/12	**TNSIX**	89154X385	1.20%	0.89%
Total Fund Assets	**$89.2 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 1.24% for Class A Shares, 1.99% for Class C Shares, 0.99% for Class Y Shares and 0.89% for Class Inst Shares. These expense limitations will remain in effect until at least 10/29/22.*

Share class availability differs by firm.

Annualized Total Returns** *(As of 12/31/21)*

Class	4Q21	YTD	1 Year	3 Year	5 Year	Inception
Excluding Max Sales Charge						
A Shares	0.29%	-4.96%	-4.96%	15.90%	12.36%	10.55%
C Shares	0.07%	-5.75%	-5.75%	15.03%	11.51%	9.72%
Y Shares	0.42%	-4.70%	-4.70%	16.22%	12.61%	10.78%
INST Shares	0.35%	-4.67%	-4.67%	16.30%	12.74%	10.86%
Benchmark^	1.82%	7.82%	7.82%	13.18%	9.61%	6.27%
Including Max Sales Charge						
A Shares	-4.70%	-9.68%	-9.68%	13.93%	11.04%	9.87%
C Shares	-0.93%	-6.69%	-6.69%	15.03%	11.51%	9.72%

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 Ex-U.S. Index[1]

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.*** *From time to time, the investment advisor may waive some fees and/or reimburse expenses, which if not waived or reimbursed, will lower performance. Performance by share class will differ due to differences in class expenses. Returns assume reinvestment of all distributions. Returns are not annualized for periods less than one year.*

*****The performance presented for Class A, C and Y Shares combines the performance of an older class of shares (INST Shares) from the Fund's inception, 03/28/12, with the performance since the inception date of each share class.***

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.

Not FDIC Insured | No Bank Guarantee | May Lose Value

[1]The MSCI All Country World Ex-U.S. Index is an unmanaged, capitalization-weighted index composed of companies representative of both developed and emerging markets excluding the United States.

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.

A Word About Risk

The Fund invests in equities which are subject to market volatility and loss. 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 Fund invests in convertible securities which are subject to the risks of both debt securities and equity securities. 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 securities, including 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 Fund invests in emerging markets securities which are more likely to experience turmoil or rapid changes in market or economic conditions than developed countries. 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 is non-diversified, which means that it may invest a greater percentage of its assets in the securities of a limited number of issuers than a diversified fund and may be subject to greater risks. 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. Current and future portfolio holdings are subject to change. 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.

Touchstone Funds are distributed by Touchstone Securities, Inc.*
*A registered broker-dealer and member FINRA and SIPC

Touchstone is a member of Western & Southern Financial Group

Touchstone Investments®
DISTINCTIVELY ACTIVE®

800.638.8194 • TouchstoneInvestments.com