

Touchstone International Value Fund

Sub-Advised by: LSV Asset Management

International Equity – Large-Cap Value

4Q/2025

Fund Manager Commentary

As of December 31, 2025

Fund Highlights

- Targets value securities, emphasizing stocks of companies based in non-US developed and emerging market countries diversifying its portfolio through exposure to various international economies and sectors
- Generally, invests in companies that have a market capitalization of \$20 million or more at the time of purchase ensuring investment in established companies with reasonable scale and stability
- Focuses on companies whose securities are currently undervalued in the market but demonstrate signs of recent improvement in business performance or market valuation designed to identify and capitalize on recovering companies before their full value is recognized by the market
- Uses a sophisticated quantitative model, which analyzes various data points to generate buy or sell signals to minimize emotional bias and use empirical data to guide the buying and selling of securities within the fund's portfolio

Market Recap

International equities delivered resilient gains in the fourth quarter of 2025, underpinned by steady macroeconomic data, improving corporate earnings, and continued signals of broadly accommodative monetary policy. The MSCI ACWI Ex-U.S. Index rose 5.05% while developed international equity markets, as measured by the MSCI EAFE Index, returned 4.86% during the quarter. Emerging markets gained 4.73% while European equities added 6.20% and Pacific markets increased 2.16%. From a style perspective, international value stocks outperformed growth over the quarter, the MSCI ACWI Ex-U.S. Value Index rose 7.61% while the Growth Index advanced 2.56%. From a sector perspective, ten of the eleven broad MSCI EAFE sectors delivered positive returns, with Utilities, Health Care, Materials, and Financials outperforming, while Communication Services was the only sector in negative territory.

While the dollar stabilized in the fourth quarter after its sharp first-half decline, the greenback's full-year depreciation still provided a meaningful tailwind to USD-based returns for international assets in 2025. The Nikkei 225 consolidated near record highs after posting full-year gains of approximately 26%. Strong corporate earnings momentum, ongoing governance reforms, persistent share-buyback activity, and a stable domestic policy backdrop reinforced foreign investor confidence. European markets delivered positive results on the quarter despite being constrained by cautious European Central Bank (ECB) policy, weak manufacturing data, and lingering geopolitical uncertainties.

Germany was a laggard, pressured by sluggish industrial activity and political transition. The UK market generated outsized returns during the quarter, with strength in Financials and Energy.

Emerging market equities delivered solid gains in the fourth quarter, capping an exceptional year that saw the asset class significantly outperform developed market peers. The MSCI Emerging Markets Index posted a 4.73% return for the quarter, driving full-year performance to 33.57%, one of the strongest annual performances in recent history. Key drivers included supportive global liquidity conditions, a weaker US dollar throughout much of 2025, and accommodative policy stances across several major emerging market economies. China's equity market performance turned negative in the fourth quarter, retreating after the explosive rally earlier in the year. Chinese equities declined during the quarter as the initial enthusiasm around September's aggressive stimulus measures faded and investors grew concerned about the durability and scale of policy support. Despite continued rhetoric from authorities about stabilizing growth and supporting strategic sectors, concrete follow-through on fiscal measures disappointed expectations, while underlying economic data, particularly in property and consumer spending, remained weak. Elsewhere in Asia, South Korea emerged as the year's standout performer, with the KOSPI delivering 14.8% on the quarter and one of the strongest global equity performances, rising approximately 76% for the full-year, driven by powerful rallies in semiconductor, defense, and technology stocks tied to global AI demand. Taiwan similarly benefited from semiconductor strength. Latin American markets delivered strong fourth quarter results due to a late-year rally in industrial metals and agricultural commodities, boosting export revenues and fiscal positions across

(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.**



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the region. Brazil and Mexico experienced solid gains, benefiting from the combination of stronger commodity prices, a weaker dollar, and central banks' ability to ease policy following successful disinflation.

Portfolio Review

The Touchstone International Value Fund (Class A Shares, Load Waived) outperformed its benchmark, the MSCI ACWI Ex-U.S. Index, for the quarter ended December 31, 2025.

The Fund's deep value bias had a positive impact on relative returns for the quarter as companies that were cheap on the basis of cash flows and earnings, which we favor, outperformed. Performance attribution further indicates that both stock selection and sector selection added to relative returns. Stock selection relative gains were largely the result of the outperformance of deep value names within Industrials, Financials, and Materials sectors. Within Industrials, holdings in Industrial Conglomerates, Trading Companies & Distributors industries, while avoiding expensive stocks within Aerospace & Defense industry added to returns.

Within Financials, holdings in Diversified Banks, Life & Health Insurance, and Asset Management & Custody Banks industries added to returns. Within Materials, holdings in Gold, Steel, and Aluminum industry stocks added to returns. On the negative side, stock selection detracted within the Consumer Staples and Utilities sectors. From a sector perspective, relative gains were largely the result of our overweight to Financials and Materials coupled with underweight positioning to the Communication Services sector.

Over the quarter, performance at the individual stock level reflected the Fund's systematic emphasis on valuation and fundamentals rather than any idiosyncratic stock-specific views. Contributors tended to be companies that were attractively valued and exhibited solid fundamentals, strong cash flow generation, improving earnings trends, and positive sentiment and momentum signals. These positions benefited as the market recognized improving fundamentals or as previously discounted stocks mean-reverted toward fair value. In the case of SK hynix Inc. and Taiwan Semiconductor Manufacturing Company Ltd., we did not own these stocks in the Fund as they are currently expensive, and we were rewarded as valuations compressed during the quarter. The United Laboratories International Holdings Ltd. position (Health Care sector) faced some recent headwinds relating to the Hong Kong pharmaceutical sector which has faced recent headwinds, including concerns over regulatory hurdles in China and potential downward pressure on drug pricing. This has led to a cautious sentiment among investors.

At quarter end, the Fund (vs. the benchmark index) was overweight Financials, Materials, and Health Care sectors while underweight Communication Services, Information Technology, and Industrials sectors. At the industry level, the Fund was overweight Pharmaceuticals, Insurance, and Machinery, while underweight Semiconductor & Semiconductor Equipment, Aerospace & Defense, and Electrical Equipment. Changes in our positioning are consistent with our systematic, valuation-driven approach, which is generally reflected in our emphasis on companies that were attractively valued and fundamentally sound—businesses generating solid cash flow and earnings, with supportive sentiment or momentum characteristics.

Outlook and Conclusion

As a systematic, valuation-driven manager, our process does not rely on macroeconomic forecasts or top-down positioning. We maintain a disciplined, bottom-up approach focused on identifying attractively valued and fundamentally sound companies within a tightly risk-controlled framework. Country, sector, and industry exposures remain close to benchmark, so the Fund positioning reflects where we find the best opportunities at the stock level rather than explicit macro views. While we can offer little in the way of near-term guidance, we remain optimistic that the extremely attractive deep value positioning of the Fund will be rewarded over time. At quarter end, the Fund is trading at significant valuation discounts relative to the MSCI ACWI Ex-U.S. Index. The Fund is trading at 10.8x forward earnings compared to 16.6x for the benchmark, 1.4x book value versus 2.2x for the benchmark, and 6.7x cash flow compared to 12x for the benchmark. In addition, the portfolio is yielding 3.84% compared to 2.56% for the MSCI ACWI Ex-U.S. Index.

Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio	
				Total	Net
A Shares	03/01/93	SWRLX	89154Q216	1.51%	1.26%
C Shares	05/04/98	SWFCX	89154Q190	3.21%	1.85%
Y Shares	08/27/07	SIIEX	89154Q182	1.28%	0.89%
INST Shares	10/30/17	TOIIX	89154Q158	3.80%	0.77%
Total Fund Assets	\$146.9 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 1.26% for Class A Shares, 1.85% for Class C Shares, 0.89% for Class Y Shares and 0.77% for Class INST Shares. These expense limitations will remain in effect until at least 10/29/26.

Share class availability differs by firm.

Annualized Total Returns

	4Q25	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	9.27%	53.73%	53.73%	21.21%	10.50%	8.42%	7.48%
C Shares	9.10%	52.83%	52.83%	20.48%	9.82%	7.63%	6.98%
Y Shares	9.37%	54.27%	54.27%	21.65%	10.91%	8.80%	7.71%
INST Shares	9.38%	54.43%	54.43%	21.79%	11.03%	8.88%	7.72%
Benchmark	5.05%	32.39%	32.39%	17.33%	7.91%	8.41%	—
Including Max Sales Charge							
A Shares	3.82%	46.06%	46.06%	19.14%	9.38%	7.87%	7.31%
C Shares	8.10%	51.83%	51.83%	20.48%	9.82%	7.63%	6.98%

Benchmark - MSCI All Country World Ex-U.S. Index

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

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The performance presented for Class C, Y, and INST Shares combines the performance of an older class of shares (A Shares) from the Fund's inception, 03/01/93, with the performance since the inception date of each share class.

Top 10 Equity Holdings of Fund

	(% of Portfolio)		(% of Portfolio)
1 Novartis AG	2.6	6 BNP Paribas SA	1.7
2 SK Square Co. Ltd.	2.1	7 DPM Metals Inc.	1.6
3 HSBC Holdings Plc	2.1	8 Danske Bank A/S	1.6
4 Samsung Electronics Co. Ltd.	2.1	9 Banco Santander SA	1.5
5 GSK Plc	1.9	10 Bayer AG	1.5

Source: BNY Mellon Asset Servicing

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.

Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used to create indices or financial products. This report is not approved or produced by MSCI.

A Word About Risk

The Fund invests in value stocks which may not appreciate in value as anticipated or may experience a decline in value. The Fund invests in equities which are subject to market volatility and loss. The Fund utilizes quantitative models which may be subject to technical issues including programming and data inaccuracies, are based on assumptions, and rely on data that may be subject to limitations, any of which could adversely affect their effectiveness. The Fund invests in foreign and emerging markets securities, and depository receipts, such as American Depository Receipts, Global Depository Receipts, and European Depository 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 due to their smaller economies. 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.

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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