

Fund Manager Commentary

As of March 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 outperformed U.S. markets in the first quarter of 2025, as investors were drawn to their attractive valuations following years of U.S. market dominance. The MSCI ACWI ex-U.S. Index was up 5.23% while developed international equity markets, as measured by the MSCI EAFE Index, increased 6.86%. Emerging markets returned 2.93% while European equities rose over 10% while Asian equities were flat for the quarter. From a style perspective, international value stocks outperformed growth over the quarter. From a sector perspective, ten of eleven broad sectors posted gains over the quarter with Communication Services, Financials, Utilities, and Energy stocks faring the best for the period while Information Technology was the only sector in negative territory on the quarter.

European markets gained momentum from the European Central Bank's continued easing cycle, with its sixth rate cut since June 2024 bringing the deposit facility rate down to 2.50% in March, improving borrowing conditions and supporting equity valuations. Strong fourth quarter earnings from European companies, particularly in financials and industrials, further bolstered performance, while defense stocks rallied amid discussions in NATO and EU circles regarding increased Ukraine aid. Meanwhile, Japan demonstrated resilience despite changing economic conditions, with the Bank of Japan raising its policy rate to 0.5% in January, its third hike since March 2024, signaling confidence in achieving sustainable inflation and wage growth. Japanese long-term bond yields reached 15-year highs, reflecting structural economic shifts including persistent wage growth and inflation levels exceeding the Bank of Japan's 2% target. Despite

some volatility in export sectors due to trade policy developments, Japan's ongoing corporate governance improvements maintained investor interest, with companies focusing on capital efficiency and delivering record shareholder returns through dividends and buybacks.

Emerging markets equities demonstrated resilience and appeal in first quarter 2025 due to attractive relative valuations. Chinese stocks emerged as standout performers, surging 15% year-to-date, buoyed by several factors including less severe U.S. tariffs than anticipated, renewed optimism toward Chinese technology companies following DeepSeek's groundbreaking R1 artificial intelligence model launch in January, and signals of more supportive policies from Beijing. This technological milestone significantly enhanced the perceived earnings potential of Chinese technology firms, while the government's targeted stimulus measures focusing on domestic consumption and technology sectors further strengthened investor confidence. Meanwhile, other markets showed mixed results: Brazil's currency appreciated over 7% against the U.S. dollar after significant 2024 depreciation, enhancing the appeal of local assets to foreign investors; Taiwan's technology-heavy economy struggled alongside U.S. technology stocks amid recession fears and policy uncertainty; and Turkey experienced market turbulence following the detention of Ekrem Imamoglu, a key political rival to President Erdogan, which sparked widespread protests and eroded investor confidence.

Portfolio Review

(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 Touchstone International Value Fund (Class A Shares, Load Waived) outperformed its benchmark, the MSCI ACWI Ex-U.S. Index, for the quarter ended March 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. The Fund's smaller capitalization bias proved to be headwind to relative returns. Performance attribution further indicates that stock selection added to excess returns over the quarter while sector selection also supported relative returns. Stock selection relative gains were largely the result of the outperformance of deep value names within Materials, Financials, and Consumer Discretionary sectors. Within the Materials sector, holdings in Gold, Construction Materials, and Metal, Glass & Plastic Containers Industries added to returns. Within the Financials sector, holdings in Diversified Banks, Diversified Capital Markets, and Life & Health Insurance Industries added to returns. Within the Consumer Discretionary sector, holdings in the Broadline Retail Industry while avoiding expensive names in the Accessories & Luxury Goods Industry added to returns. Conversely, stock selection detracted from relative performance in the Communication Services, Utilities, and Consumer Staples sectors. From a sector perspective, relative gains were primarily result of our overweight to Financials and Energy stocks coupled with underweight positioning to Information Technology sector.

The Fund's investment process is quantitative and is driven by a proprietary model which ranks securities based on fundamental measures of value and indicators of recent recovery and, a risk control process that controls for residual benchmark risk while maximizing the expected return of the portfolio. The portfolio modestly increased exposure to the Consumer Discretionary sector allocation while modestly reducing exposure to Information Technology sector stocks based on model views.

Outlook and Conclusion

At quarter end, markets remain cautious about U.S. trade policy. As a systematic equity manager we prioritize bottom-up stock selection through a disciplined quantitative approach while employing robust risk controls. Rather than making explicit macro bets, the Fund mitigates idiosyncratic risks through sector, industry, and individual position constraints. Although not directly targeting macro factors, the approach still captures these influences indirectly through forward analyst earnings expectations that gradually incorporate macro developments, and through price momentum signals that efficiently reflect market reactions to events like tariff announcements. This methodology maintains focus on security selection alpha while naturally incorporating macroeconomic developments through market price discovery and evolving analyst forecast. The valuation gap between cheap and expensive companies remains wide and our model continues to identify compelling opportunities across global markets. Our experience during past periods of uncertainty has shown us that patience is typically rewarded. The Fund currently trades at a meaningful discount to the benchmark on several valuation metrics and we are able to find good quality companies across sectors and industries.



Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio	
				Total	Net
A Shares	03/01/93	SWRLX	89154Q216	1.48%	1.27%
C Shares	05/04/98	SWFCX	89154Q190	2.85%	1.86%
Y Shares	08/27/07	SIIEX	89154Q182	1.25%	0.90%
INST Shares	10/30/17	TOIIX	89154Q158	1.36%	0.78%
Total Fund Assets		\$104.9 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 10/29/25. Share class availability differs by firm.

Annualized Total Returns

	1 Q25	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	13.92%	13.92%	10.50%	6.68%	12.43%	5.14%	6.66%
C Shares	13.80%	13.80%	9.88%	6.02%	11.67%	4.32%	6.15%
Y Shares	14.07%	14.07%	10.97%	7.10%	12.85%	5.51%	6.88%
INST Shares	14.07%	14.07%	11.08%	7.19%	12.97%	5.57%	6.89%
Benchmark	5.23%	5.23%	6.09%	4.48%	10.92%	4.98%	—
Including Max Sales Charge							
A Shares	8.23%	8.23%	5.00%	4.87%	11.28%	4.60%	6.49%
C Shares	12.80%	12.80%	8.89%	6.02%	11.67%	4.32%	6.15%

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.
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 adviser 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 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	Shell Plc	1.7
2	Alibaba Group Holding Ltd.	2.5	7	ABN Amro Bank NV	1.7
3	Roche Holding AG	1.8	8	Natwest Group PLC	1.6
4	JD.Com Inc.	1.7	9	Banco Santander SA	1.6
5	HSBC Holdings Plc	1.7	10	Manulife Financial Corp. Ltd.	1.6

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 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 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 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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Not FDIC Insured | No Bank Guarantee | May Lose Value