

Touchstone Large Company Growth Fund

Sub-Advised by: DSM Capital Partners LLC

U.S. Equity – Large-Cap Growth

4Q/2025

Fund Manager Commentary

As of December 31, 2025

Fund Highlights

- Invests primarily in U.S. 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

Investors, in our view, were wrongly concerned with DeepSeek in early 2025. Tariff fears came next, but those concerns have thus far proven to be quite unfounded, as demonstrated by the ongoing growth of the American and global economies. We believe commentary over the fourth quarter, stirring fears of an AI bubble, was likely generated by those who have not done the work to understand both the successful adoption and, more importantly, the long-term potential of AI. As a result, over the second half of 2025, despite continued strong revenue and earnings growth, investors became much more concerned with the possibility of an AI Bubble and opted to sell many of the technology and AI related holdings that had performed well in the first half of the year.

Despite concerns of a tariff-induced economic slowdown, 2025 global economic growth is about 3% as expected a year ago. The American economy is exiting the year at roughly a 4% second half growth rate, which was well ahead of the slower first half. Consistent with past trends, European economic growth will likely come in at around 1.5%. Economic growth in China is supposedly near 5% for 2025, but given the lack of transparency surrounding their statistics, this result is difficult to confirm.

Portfolio Review

The Touchstone Large Company Growth Fund (Class A Shares, Load Waived) underperformed its benchmark, the Russell 1000® Growth Index, for the quarter ended December 31, 2025.

At the end of the fourth quarter, the Fund was invested in the Communication Services, Consumer Discretionary, Financials, Health Care, Industrials, and Information Technology (IT)

sectors. The Fund's underperformance in the fourth quarter versus the Russell 1000 Growth Index was primarily the result of our selections in IT sector stocks. Our selections in the Health Care sector also detracted from performance in the quarter, while our selections in the Consumer Discretionary sector benefitted the Fund during the fourth quarter. Not owning Apple Inc.

(Information Technology) and Tesla Inc. (Consumer Discretionary), with their combined position size of nearly 15% of the Russell 1000 Growth Index, accounted for a material portion of the Fund's underperformance versus the Index in the quarter. We continue to believe that Apple, with a 10% earnings per share growth rate, is overvalued at roughly 32x forward four quarter earnings. Similarly, we believe Tesla, which faces ever-increasing competition from several strong competitors in electric vehicles, and autonomous vehicles, is also priced at considerable risk at over 207x forward four quarter earnings. Furthermore, expectations that Tesla will be a dominant leader in Robotics appear misplaced as there are many technologically advanced and well-funded competitors around the world.

Top contributors to relative performance during the fourth quarter were largely IT-related companies, as well as the related investment in AI datacenter power, including Alphabet Inc. (Communication Services) and Amazon.com Inc. (Consumer Discretionary), along with non-AI-related holdings such as Howmet Aerospace Inc. (Industrials) and GE Vernova, Inc. (Industrials). Among the top detractors to relative performance were Uber Technologies Inc. (Industrials), Oracle Corp. (Information Technology), Microsoft Corp. (Information Technology), Netflix Inc. (Communication Services), and Meta Platforms Inc. (Communication Services).

(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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Several of the leading AI datacenter businesses, including Oracle, Microsoft and Meta Platforms were weak in the fourth quarter and roughly flat over the second half of 2025. Alphabet (Google), however, bucked this trend due to the success of its Gemini AI models as well as a favorable ruling in its lingering antitrust case. Meanwhile, Amazon.com reported strong quarterly earnings, driven in part by accelerating demand for its Amazon Web Services, and provided solid guidance. In addition, the company's high-margin advertising business continued to grow, and investors were encouraged by indications of a robust holiday shopping season. Also generally outperforming in the quarter were companies that sell "hardware" to AI datacenters, such as Broadcom Inc. (Information Technology) and NVIDIA Corp. (Information Technology). In our view, these two groups of companies are inextricably linked. NVIDIA, Broadcom, and Arista Networks Inc. (Information Technology) will continue to have strong and growing "hardware" businesses as long as the data center businesses remain strong and growing, which we firmly believe will be the case given the consistently rising revenue and earnings estimates for our largest technology holdings over the past two years.

Outlook and Conclusion

We expect global growth of roughly 3% in 2026, led by continued resilience in the U.S., with Europe and China contributing more modestly. Rising U.S. consumer net worth and sustained investment in AI-driven infrastructure provide a durable foundation for both consumption and industrial activity. Inflation appears largely contained across developed markets, allowing financial conditions to remain supportive. In our view, interest rates, particularly longer-term rates, are not a meaningful constraint on growth, and pro-growth U.S. policy contrasts with more restrictive environments in Europe and China.

Equity valuations remain supported by earnings growth and structural market evolution. Our updated S&P 500 analysis implies attractive upside under a normalized growth scenario, with more limited downside absent a global recession or major geopolitical shock. While risks persist, from geopolitical tensions to episodic financial stress, the balance of outcomes favors continued market expansion. The Fund's portfolio reflects this view, with projected earnings growth near 20% and valuations that remain reasonable relative to long-term prospects, particularly within core technology holdings.

We believe concerns about an AI bubble or overbuilt data center capacity are premature. AI adoption remains in its early stages, with usage, monetization, and application breadth still inflecting. Hyperscaler demand continues to exceed available capacity, and efficiency gains are reinforcing, not diminishing, investment needs. As infrastructure requirements expand alongside aging power grids, we remain constructive on beneficiaries across power generation and transmission, viewing the AI-driven buildout as a multi-year secular opportunity rather than a near-term peak.



Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio	
				Total	Net
A Shares	08/15/16	TSAGX	89154Q414	1.40%	1.05%
C Shares	08/15/16	TCGLX	89154Q398	7.83%	1.80%
Y Shares	08/15/16	TLGYX	89154Q380	1.01%	0.80%
INST Shares	08/28/09	DSMLX	89154Q372	0.86%	0.70%
Total Fund Assets		\$163.0 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 1.04% for Class A Shares, 1.79% for Class C Shares, 0.79% for Class Y Shares and 0.69% 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	-2.38%	14.91%	14.91%	25.41%	11.86%	14.55%	14.79%
C Shares	-2.55%	14.05%	14.05%	24.48%	11.02%	13.81%	14.01%
Y Shares	-2.32%	15.20%	15.20%	25.73%	12.13%	14.84%	15.05%
INST Shares	-2.30%	15.30%	15.30%	25.86%	12.25%	14.95%	15.13%
Benchmark	1.12%	18.56%	18.56%	31.15%	15.32%	18.13%	17.00%
Including Max Sales Charge							
A Shares	-7.26%	9.17%	9.17%	23.29%	10.72%	13.88%	14.37%
C Shares	-3.48%	13.05%	13.05%	24.48%	11.02%	13.81%	14.01%

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 - Russell 1000® Growth Index

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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, 08/28/09, with the performance since the inception date of each share class.

Top 10 Equity Holdings of Fund

	(% of Portfolio)		(% of Portfolio)
1 NVIDIA Corp.	16.5	6 Meta Platforms, Inc.	4.8
2 Microsoft Corp.	11.6	7 Arista Networks Inc.	4.7
3 Alphabet Inc.	8.0	8 Intuit, Inc.	4.1
4 Amazon.com Inc.	7.8	9 Uber Technologies Inc.	3.8
5 Broadcom Inc.	5.6	10 Howmet Aerospace Inc.	3.6

Source: BNY Mellon Asset Servicing

The Russell 1000® Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

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 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 and emerging markets securities, including depositary 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 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.

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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