

Fund Manager Commentary

As of June 30, 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

The second quarter of 2025 saw a marked rebound in U.S. growth equities, particularly in technology, following a sentiment-driven correction during the early part of the year. Much of this volatility stemmed from mounting concerns over President Trump's evolving tariff policies, which remain the central macroeconomic risk to the global economy. The uncertainty surrounding their implementation, duration, and global response has led to more cautious behavior from consumers and businesses worldwide, threatening to trim global growth from prior expectations of 3% to potentially 1–2%, with Europe at risk of recession.

Despite these geopolitical and trade-related headwinds, growth stocks proved resilient. The Russell 1000 Growth Index rallied approximately 30% from its April lows, materially outperforming value indices. Earnings season reinforced the strength of secular growth trends in U.S. technology, especially among companies aligned with artificial intelligence (AI), digital transformation, and cloud infrastructure. Within this backdrop, our portfolio benefited from owning companies with durable, non-discretionary demand profiles, strong fundamentals, and upwardly revised earnings guidance.

Portfolio Review

The Touchstone Large Company Growth Fund (Class A Shares, Load Waived) outperformed its benchmark, the Russell 1000® Growth Index, for the quarter ended June 30, 2025.

The Fund's performance in the Information Technology sector (IT) contributed the most to relative returns during the quarter.

Additional positive contributions came from selections in Industrials sector and an underweight in Consumer Staples sector. The primary detractor was an overweight in the Financials sector.

Top contributing stocks within the Fund's portfolio during the quarter included NVIDIA Corp. (IT sector), which was the standout performer; strong demand for AI reasoning models and robust earnings helped drive this performance. Also, Microsoft Corp. (IT sector) propelled by accelerated Azure growth and AI-driven demand across workloads. Arista Networks Inc., Broadcom Inc. (both IT sector), and GE Vernova Inc. (Industrials sector), were all top contributors, supported by favorable earnings and strong end-market demand in cloud, data centers, and infrastructure.

Top detracting stocks within the Fund's portfolio during the quarter were Fiserv, Inc. (Financials sector), Advanced Micro Devices, Inc. (AMD, IT sector), and Arthur J. Gallagher & Co. (AJG, Financials sector). Fiserv was a detractor due to weaker-than-expected revenues at Clover, although a rebound in Canadian cross-border traffic and new digital initiatives provide optimism. AMD was sold to reallocate capital toward higher-conviction names. AJG detracted modestly, but we sold due to a delayed acquisition and less favorable management sentiment.

During the quarter, the Fund maintained a focus on high-quality growth names, particularly those providing critical infrastructure and services in the AI and broader technology ecosystems. Companies facilitating AI adoption, including semiconductor, software, cloud, and enterprise digital platforms, remain core to our investment thesis.

(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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We believe AI is now an essential tool for competitive advantage across industries, not a discretionary investment. As such, our portfolio remains tilted toward technology leaders with robust balance sheets, scalable business models, and strong pricing power. While no major shifts in sector allocation occurred, we continued to favor businesses with structural growth drivers and resilient demand, even amid broader economic uncertainty.

Outlook and Conclusion

Heading into the second half of 2025, we view Trump's tariff policy as the most material macro risk. Depending on how global partners respond, via cooperation or retaliation, economic growth trajectories may diverge meaningfully. Current consumer and business sentiment, especially in Europe, has weakened, and monetary authorities are likely to act with increased caution amid the uncertainty. While tariffs may temporarily lift inflation by 1–2%, the long-term inflationary impact remains uncertain.

Despite these headwinds, we retain a constructive outlook for U.S. equities, particularly for secular growth businesses. Our analysis supports a year-end S&P 500 target of 6,750, with potential upside to 6,900 assuming stable macro conditions and continued strength in technology earnings. We believe the evolving composition of the index, more capital-light, cash-generative, and less cyclical, justifies a price-to-earnings multiple of 23–24x on \$300 in earnings.

Given the superior growth, resilience, and valuation support of our holdings, we believe the Fund remains well-positioned to benefit from expanding price-to-earnings multiples and sustained earnings momentum. Our emphasis on valuation discipline provides downside protection while allowing participation in market upside. We remain focused on long-term opportunities where innovation and durable competitive advantages drive shareholder value.



Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio	
				Total	Net
A Shares	08/15/16	TSAGX	89154Q414	1.53%	1.07%
C Shares	08/15/16	TCGLX	89154Q398	6.43%	1.82%
Y Shares	08/15/16	TLGYX	89154Q380	1.08%	0.82%
INST Shares	08/28/09	DSMLX	89154Q372	0.89%	0.72%
Total Fund Assets		\$169.8 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 10/29/25. Share class availability differs by firm.

Annualized Total Returns

	2Q25	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	23.68%	12.09%	15.86%	24.20%	15.08%	14.37%	15.12%
C Shares	23.45%	11.64%	14.97%	23.27%	14.21%	13.58%	14.30%
Y Shares	23.77%	12.23%	16.15%	24.51%	15.36%	14.65%	15.37%
INST Shares	23.78%	12.26%	16.26%	24.64%	15.48%	14.75%	15.45%
Benchmark	17.84%	6.09%	17.22%	25.76%	18.15%	17.01%	16.77%
Including Max Sales Charge							
A Shares	17.49%	6.48%	10.07%	22.10%	13.90%	13.69%	14.68%
C Shares	22.45%	10.64%	13.97%	23.27%	14.21%	13.58%	14.30%

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.	13.5	6 Meta Platforms, Inc.	4.7
2 Microsoft Corp.	10.5	7 Intuit, Inc.	4.7
3 Amazon.com Inc.	8.5	8 Uber Technologies Inc.	4.7
4 Arista Networks Inc.	6.8	9 Broadcom Inc.	4.4
5 Alphabet Inc.	5.9	10 Fortinet, Inc.	3.4

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 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 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 Adviser 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-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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