Touchstone Mid Cap Fund

Sub-Advised by: The London Company

U.S. Equity - Mid Cap Core 2Q/2026

Fund Manager Commentary

As of 06-30-2026

Fund Highlights

- Utilizes a bottom-up security selection process that screens potential investments against a proprietary quantitative model for return on capital, earnings to value ratio, free cash flow and return on equity
- Looks at a company's corporate governance structure and management incentives to try to ascertain whether or not management's interests are aligned with shareholder interests
- Seeks to identify the sources of a company's competitive advantage as well as what levers management has at its disposal to increase shareholder value
- Seeks to purchase generally profitable, financially stable mid-cap companies that consistently generate high returns on unleveraged operating capital, are run by shareholder-oriented management, and are trading at a discount to their private market value

Market Recap

U.S. equities rose during the quarter, reversing their decline at the start of the year. The themes driving performance included a resurgent AI and semiconductor trade, de-escalation of the conflict with Iran, and a shift in Federal Reserve (Fed) rate expectations. The broader market rallied strongly. The 10-year Treasury yield rose modestly, while the yield curve flattened as short-term yields increased more quickly amid a shift from expectations for rate cuts toward the possibility of rate hikes. Turning to market factors, Momentum and Volatility delivered the strongest positive relative returns as investors favored higher-beta, higher-volatility stocks. Value factors were mostly negative, with only stocks that appeared inexpensive based on book value outperforming. Quality and Yield factors detracted from relative returns as the market shifted away from stability, profitability, and total yield. Growth factors were mixed, while Size remained negative.

Portfolio Review

The Touchstone Mid Cap Fund (Class A Shares, Load Waived) underperformed its benchmark, the Russell MidCap® Index, for the quarter ended June 30, 2026.

Sector allocation was neutral, while stock selection detracted from relative performance. The market was led by momentum and high-beta factors, while Quality was among the weakest factors, creating a significant headwind for the Fund. A handful of individual holdings and an underweight allocation to Information Technology also pressured relative performance.

From a sector perspective, underweight allocations to Energy and Utilities helped relative performance. An underweight allocation to Information Technology and an overweight allocation to Materials detracted.

Among the largest contributors to Fund performance were Entegris, Inc. (Information Technology sector), Bruker Corporation (Health Care sector), and Keysight Technologies Inc. (Information Technology sector).

Entegris was a top contributor, benefiting from improving semiconductor demand, accelerating AI investment, and rising fab utilization. Beyond the industry recovery, management outlined a clear path to structurally higher earnings through manufacturing optimization, improved working capital, and the rebuilding of its operating model over time. We remain attracted to Entegris' strong competitive position, high barriers to entry, and long runway for free cash flow expansion.

Bruker outperformed following solid quarterly results and continued margin execution despite maintaining a conservative outlook. The company continues to benefit from strong product innovation, disciplined capital allocation, and a diversified portfolio of leading analytical instruments. We remain confident in Bruker's long-term growth opportunities.

Keysight Technologies advanced after reporting strong quarterly results and better-than-expected guidance, driven by robust demand for AI-related data center testing. We continue to view Keysight as the industry leader in electronic test and measurement, with durable competitive advantages supported by its scale, technology, and customer relationships.

Among the largest detractors from Fund performance were Domino's Pizza, Inc. (Consumer Discretionary sector), Allison Transmission Holdings, Inc. (Industrials sector), and Armstrong World Industries, Inc. (Industrials sector).

Domino's Pizza declined as domestic and international same-store sales fell short of expectations amid a challenging consumer backdrop. While near-term industry sentiment remains weak, we continue to believe Domino's asset-light business model, global

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scale, and consistent market share gains support attractive long-term earnings growth.

Allison Transmission Holdings declined despite solid quarterly execution, as unchanged guidance and macroeconomic uncertainty across several end markets weighed on investor sentiment. The company delivered better-than-expected margins in its core transmission business through strong pricing and cost discipline, while integration of the Dana Off-Highway acquisition remains on track. We continue to believe Allison is well positioned to benefit from recovering end markets, acquisition synergies, and its disciplined approach to capital allocation.

Armstrong World Industries declined as softer commercial construction activity weighed on near-term results. Despite these headwinds, backlog growth, innovation, and margin expansion initiatives remain intact. We continue to believe Armstrong's leading market position supports attractive long-term earnings growth.

During the quarter, the Fund initiated a position in AppFolio, Inc. (Information Technology sector); increased its positions in CooperCompanies, Inc. (Health Care sector), Somnigroup International Inc. (Consumer Discretionary sector), and NewMarket Corp. (Materials sector); reduced its positions in Keysight Technologies and Entegris; and exited Lamb Weston (Consumer Staples sector) and Otis Worldwide (Industrials sector).

The Fund initiated a position in AppFolio, a leading provider of cloud-based property management software serving more than 22,000 customers across approximately 9.5 million residential units. Operating in a highly fragmented market with significant room for further penetration, the company benefits from high switching costs, deep customer integration, and an expanding suite of mission-critical solutions. We believe the market underestimates AppFolio's durable competitive advantages, long-term monetization opportunities, and earnings growth potential.

Among the Fund's adds and trims during the quarter, we increased positions in CooperCompanies, Somnigroup International, and NewMarket, reflecting confidence in their attractive valuations, durable competitive positions, and long-term earnings and free cash flow growth potential. We believe improving demand trends, operational execution, and company-specific catalysts support meaningful upside across these holdings. To maintain position-sizing discipline and fund new opportunities, the Fund trimmed Keysight Technologies and Entegris following strong share price appreciation, while maintaining a constructive long-term outlook for both companies.

The Fund exited Lamb Weston because of the position's small size and weaker demand trends across the restaurant and food-service channel. Despite the company's leadership in frozen potato products, ongoing volume softness, pricing pressure, and margin headwinds continue to weigh on the near-term outlook. The Fund also exited Otis Worldwide and redeployed the capital into higher-conviction opportunities. While the company benefits from a durable service moat and recurring revenue base, its exposure to China and a weaker new-equipment outlook continue to limit near-term catalysts.

Outlook and Conclusion

We believe the current environment reinforces the value of the Fund's quality-focused, defensive investment approach. As economic growth, consumer spending, and Fed policy evolve, market volatility could increase, making businesses with durable competitive advantages, strong free cash flow, conservative balance sheets, and high returns on invested capital increasingly attractive. While relative performance may vary over shorter periods—particularly during strong market rallies, we believe the Fund's high-conviction, downside-conscious approach is well positioned to deliver attractive long-term risk-adjusted returns across full market cycles.

Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio Total	Net
A Shares	05/14/07	**TMAPX**	89155H629	1.18%	1.18%
C Shares	05/14/07	**TMCJX**	89155H611	1.93%	1.93%
Y Shares	01/02/03	**TMCPX**	89155H793	0.92%	0.92%
Z Shares	04/24/06	**TMCTX**	89155H785	1.24%	1.23%
INST Shares	01/27/12	**TMPIX**	89155T649	0.87%	0.87%
R6 Shares	02/22/21	**TMPRX**	89155T490	0.82%	0.81%

Total Fund Assets $4.5 Billion

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 and other expenses, if any) to 1.21% for Class A Shares, 1.96% for Class C Shares, 0.96% for Class Y Shares, 1.21% for Class Z Shares, 0.89% for Class INST Shares, and 0.79% for Class R6 Shares. These expense limitations will remain in effect until at least 01/29/27.

Share class availability differs by firm.

Annualized Total Returns

	2Q26	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	9.40%	3.73%	7.88%	8.51%	5.76%	10.65%	10.43%
C Shares	9.19%	3.34%	7.06%	7.70%	4.99%	9.84%	9.65%
Y Shares	9.47%	3.85%	8.14%	8.79%	6.04%	10.94%	10.68%
Z Shares	9.40%	3.70%	7.84%	8.47%	5.74%	10.63%	10.39%
INST Shares	9.48%	3.88%	8.21%	8.85%	6.11%	11.01%	10.73%
R6 Shares	9.50%	3.91%	8.28%	8.92%	6.18%	11.01%	10.71%
Benchmark	13.83%	15.30%	21.63%	16.51%	8.50%	12.00%	11.55%
Including Max Sales Charge							
A Shares	3.93%	-1.46%	2.49%	6.67%	4.68%	10.08%	7.22%
C Shares	8.19%	2.34%	6.06%	7.70%	4.99%	9.84%	6.76%

Benchmark - Russell Midcap® Index
Max 5% sales charge for Class A Shares and 1% Contingent Deferred Sales Charge for Class C Shares held less than 1 year.

The Russell Midcap Index measure the performance of the 800 smallest companies in the Russell 1000 Index. The benchmark index mentioned is an unmanaged statistical composite of stock or bond market performance. Investing in an index is not possible. Index returns do not reflect any fees, expenses or sales charges.

*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 combines the performance of the oldest share class from the Fund's inception with the performance since the inception date of each share class.
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Top 10 Holdings

		(% of Portfolio)
1	Entegris Inc	5.8
2	AerCap Holdings NV	5.5
3	Dollar Tree Inc	5.3
4	Somnigroup International Inc	5.1
5	Keysight Technologies Inc	4.3
6	Allison Transmission Holdings Inc	4.1
7	M&T Bank Corp	4.0
8	Armstrong World Industries Inc	3.8
9	NewMarket Corp	3.8
10	The Cooper Companies Inc	3.6

Not FDIC Insured | No Bank Guarantee | May Lose Value

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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 mid-cap companies which may be subject to more erratic market movements than stocks of larger, more established companies. 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. 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. A fund that focuses its investments in the securities of a particular market sector is subject to the risk that adverse circumstances will have a greater impact on the fund than a fund that does not focus its investments in a particular sector. The Fund's service providers are susceptible to cyber security risks that could result in losses to a Fund and its shareholders. Cyber security incidents could affect issuers in which a Fund invests, thereby causing the Fund's investments to lose value. Current and future portfolio holdings are subject to change.

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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