Touchstone Mid Cap Growth Fund

Sub-Advised by: Westfield Capital Management Company, L.P.

U.S. Equity – Mid-Cap Growth 2Q/2021

Fund Manager Commentary

As of June 30, 2021

Fund Highlights

- Believes that mid cap companies that exhibit faster earnings growth offer the best opportunity for superior real rates of return given the conviction that stock prices follow earnings growth
- Seeks reasonably priced stocks of companies with high forecasted earnings potential through in-depth, fundamental research and first-hand knowledge of company operations derived through on-site visits and meetings with company management teams, as well as suppliers, users and competitors
- Emphasizes excellent company management, disciplined capital allocation, strong returns on invested capital, solid financial controls, unit volume growth, cash flow sufficient to fund growth and unique market position or pricing power

Market Recap

U.S. equities finished the quarter in positive territory for the fifth consecutive time since the market bottomed in March 2020. Reversing the trend from the end of the first quarter, pro-cyclical stocks and value, as a factor, ceded market leadership to their growth peers. Robust equity inflows coupled with stellar corporate earnings, rising vaccination rates, continued re-openings, and supportive monetary policy propelled equity markets higher. Inflation was the topic of the quarter with much debate over how much of the recent price pressures are transitory in nature due to supply chain bottlenecks and what are likely to result in sustained upward price pressure. While the debate raged on, the U.S. Federal Reserve Board (Fed) remained firm in its assertion that current pressures will abate over time and no additional intervention will be necessary.

After a first quarter that was characterized by extreme factor volatility, factors had a relatively more muted effect on performance in the second quarter. The Energy, Real Estate, and Health Care sectors outperformed the overall benchmark while the Materials, Consumer Staples, and Consumer Discretionary sectors lagged.

Portfolio Review

The Touchstone Mid Cap Growth Fund (Class A Shares Load-Waived) underperformed its benchmark, the Russell Midcap® Growth Index, for the quarter ended June 30, 2021.

The Fund's relative weakness in the Consumer Discretionary, Industrials, and Health Care sectors outweighed relative strength in the Consumer Staples, Financials and Information Technology sectors.

Consumer Discretionary was the largest sector detractor from relative performance in the second quarter. Home products retailer Williams-Sonoma, Inc. was the top detractor within the sector over the quarter. The company's stock largely marked time as recent gains were digested after a strong first quarter. A combination of decelerating growth after an impressive prior twelve months and inventory shortages that plagued many businesses including Williams-Sonoma led to the modest returns for the quarter. We continue to favor the stock believing the company's size and scale, and its omni channel presence online and in storefronts nationwide create a competitive advantage over their peers.

Industrials detracted from relative returns over the period. The swift rotation away from high quality, cyclically oriented recovery stocks in the quarter had an outsized impact on certain segments of the market, including Industrials. Much like we saw in the first quarter, these rotations can be violent, but typically have been relatively short lived and we think the same of this most recent period. With continued improvement in the economic backdrop amidst widespread re-openings and consumers eager to spend once again, we continue to favor exposure to recovery-oriented areas such as Industrials going forward.

Health Care was another sector detractor from relative returns. Ascendis Pharma A/S, an innovative biopharmaceutical company with a technology platform improving delivery of complex molecules, was the top detracting stock within the sector. Ascendis lagged over the period as apprehension around the late-June Prescription Drug User Fee Act (PDUFA) announcement for its drug targeting human growth-hormone deficiency coupled with thin liquidity led to a sell-off. We continue to favor the stock with a catalyst rich back half of 2021 and favorable views from the FDA.

(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.***

Financials contributed to relative performance over the quarter. MSCI Inc., a well-established provider of analytics and investment decision tools, was the sector's top contributor. MSCI has had consistent growth in both its index, and emerging markets business segments, which include some of MSCI's largest product offerings. We continue to favor the stock for its steady organic growth and reliable product offerings.

Information Technology also contributed to relative results over the period. Cloud computing software company Nutanix, Inc. was the top relative performer in the sector. Strong execution on its business model transformation led to an acceleration in billings over the quarter, which was viewed favorably by investors. Additionally, Nutanix's management further clarified new key performance indicators and provided profitability targets during its investor day which were ahead of consensus expectations, providing a tailwind to the stock for the remainder of the quarter.

The most significant change to the Fund's portfolio characteristics was the impact on active sector weights resulting from the Russell Index rebalance at the end of June. In particular, the weight in the cyclical areas—as defined by Industrials, Materials, Energy, Financials, Consumer Discretionary, Semiconductors, and Semiconductor Equipment—in the benchmark increased significantly in the rebalance. Across the firm, we continue to believe there is significant earnings upside potential in cyclicals and recovery-oriented stocks. As a result, we added to the Fund's cyclical/recovery exposure during the quarter, especially within the Financials and Energy sectors. We believe these companies should have the highest earnings recovery potential. Despite these changes, following the rebalance the Fund has a lower overweight to cyclicals compared to the overweight pre-rebalance.

The Fund's largest sector change was in Health Care as the absolute weight declined, however it is currently overweight. During the quarter, the Fund exited STERIS PLC when it reached our internal price target, and exited the Fund position in Masimo Corporation as we looked to reduce exposure to high P/E growth within the sector.

It is important to remember that we take a bottom-up, fundamental approach when identifying securities for inclusion within the Fund and sector exposures are the result of our fundamental conviction in individual companies.

Outlook and Conclusion

Moving forward, we continue to believe that we are entering a period of robust economic activity as the economy fully reopens, supply chain bottlenecks subside, and pent-up demand is exhausted. With robust aggregate demand, we anticipate current price pressures in the system will remain, and likely worsen, as the labor market tightens in the coming months with the end of jobless benefits which we believe will ultimately drive wage pressure higher. There will undoubtedly be counter-trend trades to make at times, but we maintain conviction that the best way to invest in this type of environment is through exposure to high-quality growth cyclical businesses, particularly those with pricing power. We believe these businesses are best suited to navigate a rising interest rate environment and pass through rising input costs. For those best positioned, they may even be able to expand margins. We also believe that growth-at-any-price should be avoided here. Valuations will matter and quality is key. Ultimately, we anticipate the Fed will adjust course over time and pull forward its timelines for both tapering bond-purchases and raising interest rates.

As of June 30, 2021, Williams-Sonoma, Inc. made up 1.48%, Ascendis Pharma A/S made up 1.84%, MSCI Inc. made up 1.91%, Nutanix, Inc. made up 1.87%, STERIS PLC and Masimo Corporation made up 0.00% of the Touchstone Mid Cap Growth Fund. Current and future portfolio holdings are subject to change.

Fund Facts *(As of 06/30/21)*

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio* Total	Net
A Shares	10/03/94	**TEGAX**	89154X880	1.23%	1.23%
C Shares	10/03/94	**TOECX**	89154X872	2.07%	2.07%
Y Shares	02/02/09	**TEGYX**	89154X534	0.99%	0.99%
INST Shares	04/01/11	**TEGIX**	89154X526	0.92%	0.87%
R6 Shares	02/10/20	**TFGRX**	89154X112	1.47%	0.78%
Total Fund Assets	**$1.5 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 "AFFE," and other expenses, if any) to 1.39% for Class A Shares, 2.14% for Class C Shares, 1.14% for Class Y Shares, 0.86% for Class INST Shares and 0.77% for Class R6 Shares. These expense limitations will remain in effect until at least 07/29/22.*

Share class availability differs by firm.

Annualized Total Returns** *(As of 06/30/21)*

Class	2Q21	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	9.71%	8.72%	39.66%	20.43%	20.05%	13.95%	12.91%
C Shares	9.48%	8.28%	38.50%	19.44%	19.11%	13.26%	12.48%
Y Shares	9.76%	8.82%	39.97%	20.70%	20.35%	14.24%	13.05%
INST Shares	9.81%	8.91%	40.12%	20.80%	20.42%	14.34%	13.05%
R6 Shares	9.83%	8.94%	40.12%	20.82%	20.44%	14.35%	13.06%
Benchmark^	11.07%	10.44%	43.77%	22.39%	20.52%	15.13%	11.47%
Including Max Sales Charge							
A Shares	4.23%	3.30%	32.67%	18.07%	18.64%	13.28%	12.66%
C Shares	8.48%	7.28%	37.50%	19.44%	19.11%	13.26%	12.48%

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 Midcap® Growth Index[1]

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*****The performance presented for Class Y and INST Shares combines the performance of an older class of shares (A Shares) from the Fund's inception, 10/03/94, with the performance since the inception date of each share class.***

[1] The Russell Midcap® Growth Index measures the performance of those Russell Midcap 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.

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 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 foreign securities 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 experience higher portfolio turnover which may lead to increased fund expenses, lower investment returns and higher short-term capital gains taxable to shareholders. 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. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate. Events affecting the financial markets, such as a health crisis, 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. 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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