Touchstone Mid Cap Growth Fund

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

U.S. Equity – Mid-Cap Growth 1Q/2025

Fund Manager Commentary

As of March 31, 2025

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

Markets in the first quarter of 2025 reflected a dramatic reversal in sentiment. Early strength pushed major indices to record highs, but momentum faded through March as macroeconomic signals softened and investor caution grew. Signs of stress emerged across cyclical sectors, and leadership rotated toward value and defensives. Large caps outperformed smaller peers, while quality and low-volatility factors gained traction. By quarter-end, market positioning had already begun to reflect heightened uncertainty, a dynamic that would intensify in early April with the announcement of a sweeping new U.S. tariff regime, sparking one of the sharpest equity drawdowns since 2020.

For the quarter, the three sectors with the best total return in the Index were Energy, Health Care, and Industrials. The three worst performing sectors were Communication Services, Utilities, and Consumer Discretionary.

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 March 31, 2025.

The Touchstone Mid Cap Growth Fund had a factor tailwind during the quarter, which was offset by stock specific weakness. From a factor perspective, the Fund's overweight to size and underweight to volatility was a relative tailwind to performance, which offset a relative headwind from being underweight leverage and overweight momentum. Relative weakness in Information Technology and Energy outweighed relative strength in Health Care and Consumer Discretionary.

Information Technology was the top relative detractor over the quarter. Globant S.A., an all-digital information technology services firm specializing in custom software development, was among the largest detractors in the Fund's portfolio over the quarter. The company's 2025 revenue guidance of 9.5% disappointed investors expecting low double-digit growth, despite Globant still materially outperforming peers. Management pointed to macroeconomic pressures and slower client decision-making in key regions like Latin America. While the reset in expectations triggered a post-earnings drawdown, we continue to view Globant as one of the best-managed companies in the space. Its differentiated approach and strong execution offer a competitive edge. Although we are mindful of near-term volatility, we remain confident in the company's ability to navigate through cyclical pressures and capitalize on ongoing digital transformation demand globally.

The Consumer Discretionary sector was the top relative detractor over the quarter. PulteGroup Inc., the third-largest U.S. homebuilder known for its high-margin homes and shareholder-focused strategy, Energy also detracted from relative returns over the quarter, primarily due to our underweight positioning. With oil down almost 20% over the past year, the Energy sector has been a very difficult space. The typical demand centers, such as industrial activity and China, have been weak, and OPEC has reportedly elected to begin bringing barrels back to market despite the soft fundamentals. Given this mixed backdrop, we have remained underweight Energy with a bias toward quality and free cash. relative underperformance during the quarter. The downturn was driven by higher interest rates and a significant negative December readthrough from a large homebuilder, which weighed on the sector. While PulteGroup's ability to generate robust margins and consistent cash flows highlights its strong market positioning, we exited the position in December following the

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broader challenges facing the housing market. Despite this, the company's operational efficiency and historical performance underscore its potential for long-term shareholder value creation.

Health Care was among the top relative sector contributors over the quarter. Ascendis Pharma A/S, a clinical-stage biotechnology company focused on sustained-release therapeutics, was a top contributor over the quarter. The stock advanced following upbeat commentary at the JPM conference, strong commercial uptake for Yorvipath, and a disappointing data release from AstraZeneca's competing program. Ascendis' proprietary TransCon technology continues to validate its differentiated approach to drug delivery. In addition to Yorvipath's traction, the company is progressing toward key catalysts including the TransCon CNP FDA filing and COACH trial results, both of which remain underappreciated, in our opinion. ASND's positive Growth Hormone Phase 3 results bolster confidence in the broader pipeline and business model. With a scalable platform, efficient capital deployment, and late-stage portfolio depth, Ascendis is positioned to create meaningful value in endocrine and orphan disease markets.

Consumer Discretionary also contributed to relative results during the quarter. Tapestry, Inc., a provider of luxury accessories and lifestyle brands, outperformed as its largest brand, Coach, has been growing through innovation and marketing initiatives. Coach has been seeing a strong response from consumers, with accelerating top line growth in North America and Europe along with early signs of recovery in China. The FTC decision to block Tapestry's proposed acquisition of competitor Capri Holdings enabled Tapestry to accelerate capital returns to shareholders which has been well received.

The Fund's largest sector change was in Health Care where we increased exposure during the quarter with the purchase of Cencora, Inc., a pharmaceutical distributor. Cencora is 1 of 3 major players in an oligopoly, and we believe they stand to benefit from pricing power, operational efficiencies, and strong supplier relationships. We believe Cencora should experience steady growth driven by increasing demand for specialty pharmaceuticals, biosimilars, and GLP-1s, supporting long-term revenue visibility and the stock trades at a compelling valuation relative to peers.

Outlook and Conclusion

As the market digests the implications of a more volatile macro and policy environment, we believe the near-term outlook warrants measured caution. The tariff shock has materially increased downside risk to earnings and growth expectations, and volatility remains elevated amid persistent uncertainty. Still, the recent repricing has improved market breadth and reset valuations in certain areas, presenting opportunities for selective reentry. We continue to prioritize capital preservation, focusing on companies with strong free cash flow, pricing power, and tariff resilience. In our view, a disciplined, quality-oriented approach will be essential as the investment landscape evolves through ongoing policy and economic crosscurrents.

We believe the current environment is favorable for our disciplined approach focused on high-quality growth investments with a valuation discipline. During times of heightened market volatility, we generally look to upgrade quality when opportunities arise. We continue to believe that having a barbell approach is prudent and should benefit the strategies during this market volatility. Our Fund is largely exposed to high quality growth companies with strong pricing power and deep competitive moats that can grow through a tough economic backdrop. In this market, valuations are going to matter so we have a heightened focus on companies with valuation support as well. Over the near-term, we think we will get a short-term bounce before potentially going lower. We are watching credit spreads closely. During the initial downdraft we took advantage of opportunities to pick off a few high quality, growth franchises trading at more reasonable valuations. We do not think we have seen the bottom thus far, so we will be very disciplined on price targets for these growth franchises on a bounce.

Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio	
				Total	Net
A Shares	10/03/94	**TEGAX**	89154X880	1.24%	1.24%
C Shares	10/03/94	**TOECX**	89154X872	2.07%	2.00%
Y Shares	02/02/09	**TEGYX**	89154X534	1.01%	0.98%
INST Shares	04/01/11	**TEGIX**	89154X526	0.95%	0.87%
R6 Shares	02/10/20	**TFGRX**	89154X112	0.90%	0.78%
Total Fund Assets	**$1.2 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, 1.99% for Class C Shares, 0.97% 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 01/29/26.

Share class availability differs by firm.

Annualized Total Returns

	1Q25	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	-9.51%	-9.51%	-4.65%	1.55%	12.75%	9.11%	11.32%
C Shares	-9.68%	-9.68%	-5.47%	0.71%	11.82%	8.42%	10.96%
Y Shares	-9.46%	-9.46%	-4.45%	1.79%	13.02%	9.37%	11.48%
INST Shares	-9.45%	-9.45%	-4.34%	1.92%	13.15%	9.47%	11.50%
R6 Shares	-9.43%	-9.43%	-4.25%	2.02%	13.25%	9.52%	11.52%
Benchmark	-7.12%	-7.12%	3.57%	6.16%	14.86%	10.14%	10.23%
Including Max Sales Charge							
A Shares	-14.03%	-14.03%	-9.41%	-0.17%	11.60%	8.46%	11.11%
C Shares	-10.58%	-10.58%	-6.38%	0.71%	11.82%	8.42%	10.96%

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

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 Y, INST and R6 Shares combines the performance of an older class of shares (Class A Shares) from the Fund's inception, 10/03/94, with the performance since the inception date of each share class.

Top 10 Equity Holdings of Fund

		(% of Portfolio)
1	Palantir Technologies Inc.	4.4
2	Axon Enterprise Inc.	4.4
3	Ascendis Pharma A/S	3.4
4	TransDigm Group Inc.	3.0
5	Howmet Aerospace Inc.	2.7

		(% of Portfolio)
6	Ares Management Corp.	2.7
7	Atlassian Corp.	2.6
8	HubSpot Inc.	2.5
9	Arthur J Gallagher & Co.	2.4
10	Fair Isaac Corp	2.4

Source: BNY Mellon Asset Servicing

Not FDIC Insured | No Bank Guarantee | May Lose Value

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 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. 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. 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. 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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