

Fund Manager Commentary

As of September 30, 2025

Fund Highlights

- Utilizes a classic value-driven fundamental investment process
- Seeks to identify companies believed to be selling at a discount to their intrinsic value
- Employs five valuation screens that seek to identify attractively priced securities
- Conducts in-depth research and analysis on the securities that pass the valuation screens in an effort to identify leading companies selling at attractive valuations
- Examines financial statements and assesses the company's management team, competitive strategy and its current market position

Market Recap

Style factors created a noticeable headwind for the Fund during the quarter. Within the benchmark, volatility was linear with the highest quintile outperforming the lowest. Companies with the smallest market capitalization outperformed larger caps. Within return on equity quintiles, companies with the lowest return on equity drastically outperformed other quintiles. Low balance sheet leverage outperformed higher leverage. Results varied across price-to-earnings quintiles, but non-earners, which make up 20% of the benchmark's weight, were up. Companies with high percentages of foreign sales outperformed companies with lower foreign sales.

Within the benchmark, Communication Services, Materials, Information Technology (IT), and Health Care outperformed the overall return for the index. The largest underperformers were Consumer Staples, Financials, and Real Estate.

Portfolio Review

The Touchstone Small Cap Value Fund (Class A Shares, Load Waived) underperformed its benchmark, the Russell 2000® Value Index, for the quarter ended September 30, 2025.

The Fund's underperformance in the quarter was overwhelmingly driven by the market's above-mentioned appetite for risk (high volatility, non-earners, small size, and low return on equity) and subpar allocation among sectors. Eight of eleven sectors in the portfolio detracted from relation performance. The detracting sectors were led by Health Care, Materials, Communication Services, and Financials. The largest contributor was the Real Estate sector.

Performance in the Real Estate sector was led by commercial services provider Newmark Group Inc. The company reported strong demand for its offerings driven by commercial real estate

sales and mortgage servicing. A notable laggard in the sector was Agree Realty Corp. The REIT focuses on properties for national retailers and tends to be one of the more defensive names in the group. As a result, despite decent quarterly results, the stock lagged in the broader market environment.

The IT sector was a positive contributor led by a strong contribution from Lumentum Holdings Inc. (LITE). LITE reported strong results and raised 2025 guidance expectations as telecom and datacenter growth for artificial intelligence (AI) and cloud computing continue to boost demand for the company's optical solutions. Analog chip maker Silicon Laboratories Inc. lagged the market as investors ignored analog semiconductor names in favor of those more leveraged to AI demand.

Specialty electronics company Standex Internationals Corp. and Enviri Corp., an environmental services firm, were standouts in the Industrial sector. Standex continues to see solid demand for their new products and the company is adding capacity to meet customer needs. Enviri announced they would explore strategic alternatives as the company trades at a valuation discount to peer company multiples.

The Consumer Staples sector was a modest detractor during the quarter. Starch and sweetener producer Ingredion Inc. underperformed following government commentary casting high fructose corn syrup (HFCS) in a negative light, although HFCS is a small segment of the company's product mix. On its quarterly earnings call, management also pointed to continued sluggish volumes.

While the Consumer Discretionary sector was a modest laggard, several names were positive contributors to performance. Installed Building Products Inc. outperformed low investor expectations as strong demand for commercial insulation and good margin

(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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performance drove an earnings beat. Aftermarket auto parts supplier Dorman Products Inc. continues to see strong demand and has been able to pass through pricing to offset tariff-related cost increases. Shoe company Steve Madden Ltd. outperformed as supply chain adjustments, pricing to offset tariffs, and a recent acquisition are expected to drive better performance in 2026.

The Financials sector lagged the benchmark, driven by underperformance from Pinnacle Financial Partners Inc. The bank, with a strong franchise in the southeastern United States, announced an unexpected merger with Synovus Financial Corp. We (along with other investors) expected share losses and a difficult integration, and we exited the position as a result.

Expro Group Holdings NV was a highlight in an Energy sector that underperformed in the Fund. The offshore services company pointed to second half results that were better than feared with stable activity and pricing. Cactus Inc. was a detractor in the sector. The manufacturer of wellheads and flexible pipe is dealing with lumpy demand patterns and increased costs due to tariffs on metals and imports.

The Materials sector was a large detractor, driven by our lack of exposure to metal and mining stocks and the underperformance of Silgan Holdings Inc. Silgan lowered earnings guidance as weather and a customer bankruptcy reduced demand for its food cans and drink closures.

The Health Care sector was the largest detractor during the quarter. Prestige Consumer Healthcare Inc. and Option Care Health Inc. (OPCH) were the largest detractors at the individual stock level. Prestige, an over-the-counter drug maker, declined in the quarter as the company reported a sales and earnings shortfall related to supply chain constraints for its clear-eyes vision product. OPCH, which provides infusion services, declined amid worries about policy changes that could potentially reduce drug prices. Not owning biotechnology or pharmaceutical shares also hurt relative returns, as these segments were up over 30% in the quarter.

As we enter the fourth quarter, our largest relative overweight position is the Industrials sector, while our largest underweight is in Communication Services. These exposures are driven by the opportunity set we see in each sector. During the quarter, we initiated a position in FB Financial Corp. We sold ChampionX Corp., and Pinnacle Financial Partners Inc.

Outlook and Conclusion

Crosswinds persist as we move into the final quarter of 2025. While a well-telegraphed reduction in interest rates boosted returns in the third quarter, the pace of future rate reductions is still in question, as is the independence of the U.S. Federal Reserve. Inflation continues to run at elevated rates while job creation has stagnated, creating diametrically opposing signals for decision makers. Tariffs, policy changes, and a government shutdown are all creating unevenness across the global economy. The AI boom has been a key driver for markets over the last two years, and a valuation bubble continues to be actively debated among investors.

Amid these market dynamics, we continue to hold fast and invest according to our process. Fundamentally we are looking for quality stocks, trading at a discount, with good risk/reward. We look for

companies with strong management teams, high barriers to entry, solid balance sheets, and we continue to rigorously examine downside scenarios for our positions.

We continue to find attractively valued investment opportunities with favorable risk/reward profiles. While we do not believe in making short term projections, we believe these investments will outperform the market longer term.



Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio	
				Total	Net
A Shares	03/01/11	TVOAX	89155T821	1.49%	1.35%
C Shares	03/01/11	TVOCX	89155T813	5.28%	2.00%
Y Shares	03/01/11	TVOYX	89155T789	1.21%	1.10%
INST Shares	03/01/11	TVOIX	89155T797	1.13%	0.94%
Total Fund Assets		\$185.9 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 1.34% for Class A Shares, 1.99% for Class C Shares, 1.09% for Class Y Shares and 0.93% for Class INST Shares. These expense limitations will remain in effect until at least 06/29/26. Share class availability differs by firm.

Annualized Total Returns

	3Q25	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	7.66%	5.80%	5.38%	12.05%	14.60%	8.66%	8.40%
C Shares	7.50%	5.30%	4.68%	11.25%	13.77%	8.02%	7.82%
Y Shares	7.74%	5.99%	5.65%	12.33%	14.88%	8.93%	8.58%
INST Shares	7.79%	6.13%	5.82%	12.50%	15.06%	9.11%	8.67%
Benchmark	12.60%	9.04%	7.88%	13.56%	14.59%	9.23%	8.17%
Including Max Sales Charge							
A Shares	2.29%	0.50%	0.12%	10.14%	13.43%	8.02%	8.13%
C Shares	6.50%	4.30%	3.68%	11.25%	13.77%	8.02%	7.82%

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 2000® Value Index

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The performance presented for Class A, C, Y and INST Shares combines the performance of a predecessor class of shares (Z Shares). Class Z Shares inception date was 03/04/02. Class Z Shares were merged into Class A Shares on 06/10/11.

Top 10 Equity Holdings of Fund

	(% of Portfolio)		(% of Portfolio)
1 Newmark Group Inc.	2.7	6 Enpro Inc.	2.0
2 Lumentum Holdings Inc.	2.7	7 Huron Consulting Group Inc.	2.0
3 Wintrust Financial Corp.	2.5	8 First Horizon Corp.	1.9
4 Encompass Health Corp.	2.2	9 Standex International Corp.	1.9
5 Gates Industrial Corp. PLC	2.2	10 Columbia Banking System, Inc.	1.9

Source: BNY Mellon Asset Servicing

The Russell 2000® Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower 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 small-cap companies, which may be subject to more erratic market movements than stocks of larger, more established companies. The Fund invests in value stocks which may not appreciate in value as anticipated or may experience a decline in value. 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. The Fund's investments in other investment companies will be subject to substantially the same risks as those associated with the direct ownership of the securities comprising the portfolios of such investment companies, and the value of the Fund's investment will fluctuate in response to the performance of such portfolios. In addition, if the Fund acquires shares of investment companies, shareholders of the Fund will bear their proportionate share of the fees and expenses of the Fund and, indirectly, the fees and expenses of the investment companies or ETFs. 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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