

Fund Manager Commentary

As of 03-31-2026

Fund Highlights

- Invests primarily in common stocks of small companies
- Research intensive approach focuses on finding high quality companies that are believed to have improving business models, solid management teams, sustainable growth potential and favorable industry dynamics
- Quality companies are those that possess the following traits: consistent earnings, reasonable valuations, low debt levels, solid free cash flows and strong management with a history of good capital allocation

Market Recap

The low return environment in February masked material volatility at the industry and stock level across the small cap market. Risk-on flipped to risk-off in March with the Russell 2000® Index down 5.0%. Small caps outperformed large caps during the quarter.

The Russell 2000 Index sectors that outperformed during the quarter were Energy, Materials, Industrials, Consumer Staples, and Utilities. The Russell 2000 Index sectors that underperformed for the quarter were Information Technology (IT), Health Care, Consumer Discretionary, Communication Services, Financials, and Real Estate.

Portfolio Review

The Touchstone Small Company Fund (Class A Shares, Load Waived) underperformed its benchmark, the Russell 2000 Index, for the quarter ended March 31, 2026.

The Fund's top three performing sectors in terms of adding value were IT, Financials, and Consumer Discretionary, all driven by stock selection. The Fund's bottom three performing sectors that detracted from relative performance were Health Care, Materials, and Communication Services, primarily due to negative stock selection.

Among the top contributors during the quarter in the Fund were Tidewater Inc. (Energy sector), Ciena Corp., Kulicke & Soffa Industries Inc., Onto Innovation Inc., and RingCentral Inc. (all IT sector).

Tidewater is the leading global provider of offshore support vessels for the offshore oil and gas industry. It outperformed as oil prices and offshore investment activity increased. Ciena was a top five contributor last quarter, with massive investments in AI infrastructure driving unprecedented demand for the company's optical network equipment. Kulicke & Soffa Industries is a global leader in semiconductor assembly technology and is benefitting from the cyclical upturn in semiconductor demand led by AI

and data center spending. Onto Innovation is a global leader in semiconductor manufacturing equipment focused on niche markets like process control and inspection, which are seeing significant increases in demand led by AI. RingCentral is a leading global provider of voice communication platforms in the cloud. The stock outperformed after the company gave guidance of robust free cash flow per share growth in 2026. The stock materially outperformed the broader software industry, which was under pressure on AI competitive threat fears.

Among the top detractors during the quarter in the Fund were Commvault Systems Inc., Qualys Inc. (both IT sector) Doximity Inc., Progyny Inc., and Haemonetics Corp. (all Health Care sector). Doximity, a leading digital platform for medical professionals in the United States, reported a record year but noted biopharmaceutical spending budgets were uncertain entering the new year. We continue to hold the position but are monitoring whether the spending slowdown is transitory or demand for their platform has changed. Commvault Systems was negatively impacted by the broad sell-off in the software industry due to AI competitive threat concerns. We continue to hold the position and are closely monitoring competitive dynamics. Qualys was negatively impacted by the broad sell-off in the software industry due to AI competitive threat concerns. We continue to hold the position and are closely monitoring competitive dynamics. Progyny, the market leading provider of fertility benefits management for large employers, reported a record year and provided an outlook for 2026 earnings in line with market expectations. However, end of year census declines in the total number of member lives sparked concern that a weakening employment picture could negatively impact their business. We believe their outlook is conservative and utilization of fertility benefits is stable and added to the position. Haemonetics reported a better-than-expected quarter and increased their earnings outlook for the year. However, one of their three primary business segments missed their growth target. We believe that

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segment will see improved growth this year and added to the position.

Among new purchases during the quarter in the Fund were Worthington Enterprises Inc. (Industrials sector), Gentex Corp. (Consumer Discretionary sector), Hancock Whitney Corp., Moelis and Co. (both Financials sector), and Privia Health Group Inc. (Health Care sector). Worthington Enterprises manufactures highly specialized building and consumer products such as ceiling suspension systems and heating, cooling, and cooking containment solutions. We believe cyclical demand and operational improvements will drive double-digit earnings growth in the next few years. Gentex manufactures premium content for the automobile industry focused on digital vision, mirror, and connected care technology solutions. We believe the global auto industry has cyclical upside over time. Hancock Whitney is a regional bank in the Southeast. They meet bank investment criteria of above average capital levels, credit quality, and returns while being exposed to faster growth markets. Moelis is an independent investment bank. We believe investments made in their platform and talent added over the last several years position the company to gain market share into a potentially strong merger and acquisition cycle. Privia Health provides technology and solutions to a scaled national network of primary care physicians. We believe secular shifts in health care delivery provide them with a long runway for growth.

Among sales during the quarter in the Fund were SPS Commerce Inc., Tower Semiconductor Ltd., Ciena Corp. (all IT sector), and Webster Financial Corp. (Financials sector).

SPS Commerce provides supply chain software that connects retailers and their vendors. We exited the position due to concerns related to decelerating growth. Tower Semiconductor is a leading foundry of high-value analog semiconductor solutions. This is a cyclical business we have owned over three separate time periods in the portfolio since inception, with the stock being our second top contributor to returns since inception. We exited the position due to the total company valuation being driven by about 25% of their products leveraged to AI data centers, and concerns competition will increase. Webster Financial is a regional

bank in the Northeast being acquired. Ciena is the third largest contributor to returns since inception, with all the gains in the last year driven by the massive AI infrastructure cycle. This drove the market capitalization to a large cap included in the S&P 500 Index and we exited at quarter end.

Outlook and Conclusion

Small cap earnings are expected to grow 11% in 2026 on top of robust 20% earnings growth in 2025. The earnings expectations for small cap companies have materially improved over the last year on the back of steady economic growth, lower interest rates, stable inflation, and fiscal stimulus. The war in the Middle East has increased risk and uncertainty and the impact on the growth outlook needs to be monitored. Small cap valuations ended the quarter at 15x forward earnings, a slight discount to their long-term average and a 25% discount to large cap stocks. The relative growth and valuation dynamic between small and large cap stocks over the last year has been the most favorable for small cap stocks in several years, and not surprisingly small cap stocks outperformed large cap stocks by over 10% from the April 2025 low.

Last quarter, we mentioned small cap returns in 2025 were driven by low quality small cap stocks. For example, the lowest ROE quintile outperformed the highest ROE quintile by over 40% from the April 8 low to December 31. However, we noted the fourth quarter market environment hinted at the low-quality cycle ending and the first quarter also suggests that. Nonetheless, the strategy has faced an uphill battle in the first quarter given its relative overweight to secular growth industries such as Health Care and Software. Stock selection in these areas has contributed positively to long-term returns, and we are carefully monitoring how AI technology advancements could disrupt the favorable long-term growth and profitability in these industries. We continue to execute our investment process consistently, identify compelling new investments, manage risk, and target the consistent risk/return profile the strategy has delivered since inception.



Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio	
				Total	Net
A Shares	03/01/93	SAGWX	89154Q257	1.15%	1.15%
C Shares	07/09/01	SSCOX	89154Q240	2.02%	1.96%
Y Shares	05/04/07	SIGWX	89154Q224	0.93%	0.90%
INST Shares	10/30/17	TICSX	89154Q166	0.92%	0.80%
R6 Shares	12/23/14	SSRRX	89154Q232	0.84%	0.80%

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 and other expenses, if any) to 1.22% for Class A Shares, 1.95% for Class C Shares, 0.89% for Class Y Shares, 0.79% for Class INST Shares, and 0.79% for Class R6 Shares. These expense limitations will remain in effect until at least 10/29/26.

Share class availability differs by firm.

Annualized Total Returns

	1Q26	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	-2.26%	-2.26%	15.37%	10.98%	5.48%	10.26%	10.65%
C Shares	-2.50%	-2.50%	14.44%	10.09%	4.61%	8.04%	9.36%
Y Shares	-2.20%	-2.20%	15.72%	11.26%	5.76%	10.57%	10.86%
INST Shares	-2.19%	-2.19%	15.83%	11.34%	5.87%	10.56%	10.74%
R6 Shares	-2.27%	-2.27%	15.71%	11.34%	5.88%	10.71%	10.80%
Benchmark	0.89%	0.89%	25.72%	13.05%	3.77%	9.88%	9.05%
Including Max Sales Charge							
A Shares	-7.15%	-7.15%	9.61%	9.10%	4.40%	9.70%	10.48%
C Shares	-3.47%	-3.47%	13.44%	10.09%	4.61%	8.04%	8.03%

Benchmark - Russell 2000® 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 2000 Index measures the performance of the small cap segment of the U.S. equity universe. 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)		(% of Portfolio)		
1	Dreyfus Government Cash Mgmt Instl	3.7	6	Option Care Health Inc	1.9
2	LiveRamp Holdings Inc	2.6	7	CarGurus Inc Class A	1.9
3	Haemonetics Corp	2.3	8	Onto Innovation Inc	1.7
4	Progyny Inc	2.2	9	Tidewater Inc	1.7
5	Grand Canyon Education Inc	2.1	10	Stride Inc	1.6

Not FDIC Insured | No Bank Guarantee | May Lose Value

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 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 focus its investments in a particular industry and/or market sector which may increase the Fund's volatility and magnify its effects on total return. 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 Advisor engages a subadvisor 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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