

Fund Manager Commentary

As of 03-31-2026

Fund Highlights

- Employs a process that is focused on long-only, bottom-up value management
- Uses traditional methods of stock selection, research and analysis, to identify securities believed to be undervalued, and searches for companies that have price-to-earnings and price-to-book ratios below the market and that have above-average dividend yields
- Process seeks to identify the reasons for a temporary undervaluation of a company's shares and believes that value can be added through individual stock selection
- Fundamentals of companies are analyzed one at a time rather than on broader market themes
- Utilizes risk management techniques in an effort to keep the Fund's portfolio from becoming overexposed to particular market segments

Market Recap

U.S. equity markets experienced a volatile start to 2026, with early-quarter strength reversing as geopolitical tensions and commodity-driven inflation pressures weighed on sentiment. Broad indices finished the quarter modestly negative, with dispersion across sectors driven largely by commodity exposure. Energy and Materials sectors benefited from higher oil prices following escalating geopolitical risks, while Consumer Discretionary and Financials sectors lagged amid concerns over consumer headwinds and slowing economic growth. Value stocks modestly outperformed growth during the quarter, supported by their greater exposure to cyclical and commodity-oriented sectors. Despite recent performance challenges, valuation disparities between value and growth remain elevated, with value trading at a meaningful discount to both growth and the broader market.

Portfolio Review

The Touchstone Value Fund (Class A Shares, Load Waived) underperformed its benchmark, the Russell 1000 Value Index, for the quarter ended March 31, 2026.

From an attribution perspective, sector allocation was modestly positive, with overweight positions in the Energy and Utilities sectors contributing to relative results. However, stock selection within the Financials and Consumer Discretionary sectors more than offset these gains.

Positive contributions came from select holdings in Industrials and Energy sectors. Vertiv Holdings Co. (Industrials sector) was a notable contributor, reflecting continued strong demand for data center infrastructure tied to AI and cloud adoption trends.

Additionally, holdings in Energy, such as Halliburton Co. and Exxon Mobil Corp., benefited from rising commodity prices and favorable supply dynamics.

Detractors were led by stocks in the Financials and Consumer Discretionary sector. Within the Financials sector, regional bank stocks, such as Western Alliance Bancorporation, lagged as macro uncertainty and interest rate concerns weighed on sentiment. Consumer-facing names also detracted as higher energy prices pressured discretionary spending expectations.

Fund positioning remains consistent with our disciplined value philosophy, emphasizing companies with attractive valuations, improving fundamentals, and identifiable catalysts for change. The Fund continues to exhibit below-market valuation multiples and above-average profitability and earnings growth potential.

Outlook and Conclusion

Looking ahead, we believe the environment remains constructive for value-oriented investing. Earnings growth for value stocks is expected to accelerate and move closer to market levels, while valuation discounts remain historically wide. At the same time, elevated market concentration, particularly in AI-driven growth sectors, introduces risk, as current expectations may normalize and support broader market participation.

Macroeconomic uncertainty persists, including potential inflation pressures and shifting monetary policy, though value has historically performed well in such environments. Against this backdrop, we remain focused on companies with strong balance sheets, durable cash flows, and improving fundamentals that are trading at discounts to intrinsic value, positioning the Fund to generate attractive risk-adjusted returns over a full market cycle.



Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio	
				Total	Net
A Shares	07/31/03	TVLAX	89154X468	1.11%	1.08%
C Shares	04/12/12	TVLCX	89154X450	2.30%	1.75%
Y Shares	09/10/98	TVLYX	89154X443	0.86%	0.83%
INST Shares	12/20/06	TVLIX	89154X435	0.80%	0.68%
R6 Shares	10/28/21	TVLRX	89154M876	0.79%	0.63%

Total Fund Assets \$564.4 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 and other expenses, if any) to 1.08% for Class A Shares, 1.75% for Class C Shares, 0.83% for Class Y Shares, 0.68% for Class INST Shares, and 0.63% 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	-0.80%	-0.80%	11.93%	13.92%	8.94%	10.69%	8.83%
C Shares	-0.99%	-0.99%	11.09%	13.09%	8.14%	9.87%	8.02%
Y Shares	-0.73%	-0.73%	12.21%	14.22%	9.21%	10.98%	9.11%
INST Shares	-0.78%	-0.78%	12.33%	14.34%	9.35%	11.14%	9.21%
R6 Shares	-0.77%	-0.77%	12.38%	14.42%	9.40%	11.08%	9.14%
Benchmark	2.10%	2.10%	15.87%	14.31%	9.43%	10.58%	8.36%
Including Max Sales Charge							
A Shares	-5.76%	-5.76%	6.33%	11.99%	7.83%	10.12%	7.82%
C Shares	-1.98%	-1.98%	10.11%	13.09%	8.14%	9.87%	9.93%

Benchmark - Russell 1000® Value 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 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. 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. The Frank Russell Company (FRC) is the source and owner of the data contained or reflected in this material and all trademarks and copyrights related thereto. The material may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a Touchstone Investments presentation of the data, and FRC is not responsible for the formatting or configuration of this material or for any inaccuracy in the presentation thereof.

Top 10 Holdings

	(% of Portfolio)		(% of Portfolio)
1	Carnival Corp	3.8	
2	Exxon Mobil Corp	3.7	
3	Merck & Co Inc	3.4	
4	Bank of America Corp	3.4	
5	Entegris Inc	3.2	
6	Entergy Corp	3.1	
7	GE HealthCare Technologies Inc Common Stock	3.1	
8	Alphabet Inc Class A	3.1	
9	Berkshire Hathaway Inc Class B	2.9	
10	Chevron Corp	2.8	

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 large-cap companies which may be unable to respond quickly to new competitive challenges. 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 value stocks which may not appreciate in value as anticipated or may experience a decline in value. The Fund invests in preferred stocks which are relegated below bonds for payment should the issuer be liquidated. If interest rates rise, the fixed dividend on preferred stocks may be less attractive, causing their price to decline. The Fund invests in foreign securities, including depositary receipts, such as American Depositary Receipts, Global Depositary Receipts, and European Depositary Receipts, 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 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. 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 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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