Touchstone Value Fund

Sub-Advised by: Barrow Hanley Mewhinney & Strauss LLC

U.S. Equity - Large Cap Value 2Q/2026

Fund Manager Commentary

As of 06-30-2026

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

The second quarter of 2026 featured one of the strongest equity rallies in several years, driven primarily by continued enthusiasm surrounding AI infrastructure spending and large cap technology stocks. The S&P 500 advanced 15.2% during the quarter, outperforming the Russell 1000 Value Index return of 13.8% as investors continued to reward higher-growth companies and AI-related beneficiaries. While market gains broadened modestly beyond technology, leadership remained concentrated in a relatively small group of expensive companies, with Emerging Markets also benefiting from strong performance in semiconductor memory and other AI infrastructure enablers. Information Technology (IT) and Industrials led sector performance, while Energy was the only sector to decline as oil prices retreated following a Middle East ceasefire and progress toward reopening the Strait of Hormuz. Macroeconomic conditions remained constructive, although market leadership continued to be influenced by policy expectations and commodity prices. Oil prices declined materially during the latter part of the quarter, easing inflation concerns, yet investors continued to anticipate a relatively hawkish Federal Reserve under new Chair Kevin Warsh. Despite some improvement in market breadth, speculative activity remained elevated, evidenced by record inflows into technology ETFs and leveraged investment vehicles. Against this backdrop, Value stocks continued to trade at a meaningful valuation discount to both the broader market and Growth stocks, reinforcing the long-term opportunity set for disciplined value investors.

Portfolio Review

The Touchstone Value Fund (Class A Shares, Load Waived) underperformed its benchmark, the Russell 1000 Value Index, for the quarter ended June 30, 2026.

Relative performance was primarily driven by negative allocation and stock selection within Information Technology, where the Fund's underweight exposure and lack of ownership in benchmark constituents Micron Technology, Inc. and SanDisk Corp. proved significant headwinds as both stocks appreciated roughly 230% during the quarter. More broadly, a narrow group of expensive stocks trading above 25x forward earnings accounted for a disproportionate share of benchmark returns, while traditionally valued companies lagged despite generally solid underlying fundamentals.

Positive attribution was led by strong stock selection within Consumer Staples, Communication Services, Industrials, and Materials. The largest individual contributors included Hewlett Packard Enterprise Co., Entegris, Inc., Microchip Technology, Inc., QUALCOMM, Inc. (all IT sector), and J.B. Hunt Transport Services, Inc. (Industrials sector). Conversely, the largest detractors included GE HealthCare Technologies, Inc. (Health Care sector), Chevron Corp. (Energy sector), Fidelity National Information Services, Inc. (Financials sector), Permian Resources Corp. (Energy sector), and Halliburton Co. (Energy sector). Sector allocation also detracted from results through overweight positions in Utilities and Energy and an underweight in IT.

The Fund activity remained consistent with Barrow Hanley's LLC disciplined valuation-driven investment process. New purchases included CACI International, Inc. (Industrials sector), TE Connectivity plc (IT sector), NXP Semiconductors N.V. (IT sector), Charles Schwab Corp. (Financials sector), and Abbott Laboratories (Health Care sector), each offering attractive combinations of

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valuation, improving fundamentals, and favorable long-term risk/reward profiles. Positions in Vertiv Holdings Co. (Industrials sector), Prologis, Inc. (Real Estate sector), and Avantor, Inc. (Health Care sector) were eliminated as valuation objectives were achieved or capital was reallocated toward higher-conviction opportunities. Despite recent relative headwinds, the Fund's portfolio continued to exhibit attractive valuation characteristics.

Outlook and Conclusion

Although market leadership remains concentrated in a narrow group of AI-related companies, we believe current conditions continue to favor a disciplined, bottom-up value investment approach. Value stocks still trade at meaningful discounts relative to both the S&P 500 and growth equities despite improving earnings growth expectations. While valuations have moderated from their historical extremes, the market continues to assign a substantial premium to growth companies, leaving attractive opportunities among businesses with improving fundamentals that remain overlooked by investors. We believe any moderation in AI-related expectations, continued broadening of market leadership, or normalization of valuation multiples could provide a favorable backdrop for value-oriented portfolios.

The Fund remains positioned in companies exhibiting Barrow Hanley's longstanding combination of cheapness, change, and asymmetric return potential. The Fund continues to trade at substantial discounts to the broader market across multiple valuation measures while maintaining above-market projected earnings growth, profitability, and capital allocation characteristics. As markets increasingly refocus on company fundamentals rather than narrow thematic leadership, we believe the Fund is well positioned to benefit from improving earnings, attractive valuations, and the long-term opportunities created by today's unusually wide dispersion between Value and Growth stocks.

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 $609.5 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

	2Q26	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	10.31%	9.43%	18.16%	15.59%	10.19%	11.35%	9.13%
C Shares	10.07%	8.99%	17.31%	14.73%	9.36%	10.52%	8.32%
Y Shares	10.40%	9.59%	18.51%	15.87%	10.47%	11.64%	9.41%
INST Shares	10.49%	9.63%	18.67%	16.05%	10.62%	11.80%	9.51%
R6 Shares	10.41%	9.57%	18.63%	16.10%	10.67%	11.74%	9.45%
Benchmark	13.84%	16.23%	27.09%	17.78%	11.17%	11.52%	8.79%
Including Max Sales Charge							
A Shares	4.80%	3.96%	12.25%	13.63%	9.06%	10.78%	8.19%
C Shares	9.07%	7.99%	16.31%	14.73%	9.36%	10.52%	10.49%

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.
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Top 10 Holdings

		(% of Portfolio)
1	Carnival Corporation Ltd	3.9
2	Bank of America Corp	3.6
3	Alphabet Inc Class A	3.5
4	Hewlett Packard Enterprise Co	3.4
5	Merck & Co Inc	3.3
6	Entegris Inc	3.0
7	Keurig Dr Pepper Inc	3.0
8	Entergy Corp	2.9
9	Xcel Energy Inc	2.8
10	GE HealthCare Technologies Inc Common Stock	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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