Touchstone Value Fund

Sub-Advised by: Barrow, Hanley, Mewhinney & Strauss, LLC

U.S. Equity – Large-Cap Value 2Q/2025

Fund Manager Commentary

As of June 30, 2025

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 2025 defied expectations as equity markets rebounded strongly from an early sell-off triggered by Liberation Day tariffs and escalating geopolitical conflict. Despite persistent inflation, softening labor market data, and downwardly revised GDP growth (1.5% vs. 2.1% projected), the S&P 500 reached all-time highs. The U.S. dollar fell sharply—its worst first-half performance in 50 years—while Treasury yields declined and oil prices fluctuated, reflecting ceasefire speculation and shifting macro narratives.

The U.S. Federal Reserve (Fed) held rates steady amid political pressure and market volatility. Expectations for four cuts earlier in the year were revised down to two as the Fed maintained a hawkish stance. Inflation cooled modestly, helped by declining gasoline and used car prices, even as core inflation remained sticky. Markets responded less dramatically to tariff developments, treating them more as negotiating tactics than structural threats.

Portfolio Review

The Touchstone Value Fund (Class A Shares, Load Waived) outperformed its benchmark, the Russell 1000 Value® Index, for the quarter ended June 30, 2025.

Outperformance was driven by strong security selection in the Consumer Discretionary and Industrials sectors. Carnival Corporation rallied on strong cruise demand and relief from proposed taxation in the One Big Beautiful Bill. Vertiv Holdings Co. benefited from robust order growth and supply chain adaptations, while Johnson Controls International plc gained on margin expansion, upbeat guidance, and confidence in new leadership.

Conversely, the Energy and Health Care sectors detracted. Halliburton Co. declined on weaker oil prices and capital expenditure concerns, while Sanofi SA, Merck & Co. Inc., Avantor Inc., and UnitedHealth Group Inc. struggled due to regulatory uncertainties, pipeline setbacks, and deteriorating Medicare Advantage profitability. UnitedHealth was notably hit by a sharp guidance cut, negative margin trends, and an earnings overstatement revelation.

Beyond individual names, value stocks broadly lagged growth during the quarter, reversing some of the first quarter's strong relative gains. However, the Fund's focus on bottom-up stock selection and valuation discipline supported its performance, even as macro conditions remained turbulent and sentiment rotated back to large cap growth leadership.

Outlook and Conclusion

Despite the rapid rebound from the April lows, economic signals remain mixed. Inflation has eased from goods and energy, but remains elevated in services, and trade-related cost pressures persist. Though the Congressional Budget Office projects meaningful deficit offsets from tariff revenues, consumer and business activity is showing signs of a post-pull-forward lull.

While markets are pricing in cuts, the Fed appears reluctant to act prematurely, especially given the potential stimulative impact of the One Big Beautiful Bill's full expensing provisions. These

(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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dynamics may favor companies with strong capital expenditure exposure and durable fundamentals—characteristics the Fund targets. With elevated concentration in a few mega-cap stocks and increasing valuation dispersion, the environment remains ripe for active value strategies focused on underappreciated opportunities.

Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio Total	Net
A Shares	07/31/03	**TVLAX**	89154X468	1.13%	1.08%
C Shares	04/12/12	**TVLCX**	89154X450	2.16%	1.78%
Y Shares	09/10/98	**TVLYX**	89154X443	0.88%	0.83%
INST Shares	12/20/06	**TVLIX**	89154X435	0.81%	0.68%
R6 Shares	10/28/21	**TVLRX**	89154M876	0.79%	0.63%
Total Fund Assets	**$582.9 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 1.08% for Class A Shares, 1.78% 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 10/29/25.

Share class availability differs by firm.

Annualized Total Returns

	2Q25	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	4.50%	3.07%	12.00%	13.23%	15.18%	9.41%	8.82%
C Shares	4.24%	2.71%	11.20%	12.41%	14.32%	8.76%	8.22%
Y Shares	4.53%	3.09%	12.29%	13.50%	15.48%	9.69%	9.09%
INST Shares	4.58%	3.26%	12.42%	13.70%	15.64%	9.85%	9.19%
R6 Shares	4.59%	3.29%	12.47%	13.77%	15.66%	9.78%	9.12%
Benchmark	3.79%	6.00%	13.70%	12.76%	13.93%	9.19%	8.16%
Including Max Sales Charge							
A Shares	-0.71%	-2.07%	6.36%	11.32%	14.00%	8.76%	8.58%
C Shares	3.24%	1.71%	10.20%	12.41%	14.32%	8.76%	8.22%

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 1000® Value Index

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The performance presented for Class A, C, INST and R6 Shares combines the performance of an older class of shares (Y Shares) from the Fund's inception, 09/10/98, with the performance since the inception date of each share class.

Top 10 Equity Holdings of Fund

		(% of Portfolio)
1	Carnival Corp.	4.5
2	Entergy Corp	3.6
3	Bank of America Corp.	3.5
4	Vertiv Holdings Co.	3.3
5	Keurig Dr Pepper Inc.	3.2
6	Fidelity National Information	3.1
7	Exxon Mobil Corp.	3.1
8	Philip Morris International Inc.	2.9
9	Johnson Controls International PLC	2.8
10	Air Products & Chemicals, Inc.	2.7

Source: BNY Mellon Asset Servicing

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.

Touchstone Funds are distributed by **Touchstone Securities, Inc.**
A registered broker-dealer and member FINRA and SIPC

A member of Western & Southern Financial Group

Not FDIC Insured | No Bank Guarantee | May Lose Value

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 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 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 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.

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