

Ares Capital Management Panel

The Outlook for High Yield

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Touchstone Investments®

DISTINCTIVELY ACTIVE®

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Ares Global Liquid Credit: Introduction

\$47.3bn

Global Liquid Credit AUM

24+

Senior Leadership Team Average Years of Experience

20+

Years of High Yield Bond and Bank Loan Investing

50

Dedicated Investment Professionals in LA, NYC and London

Note: As of December 31, 2023. AUM amounts include funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and registered investment adviser.

Current State of the Market

High Yield Bonds

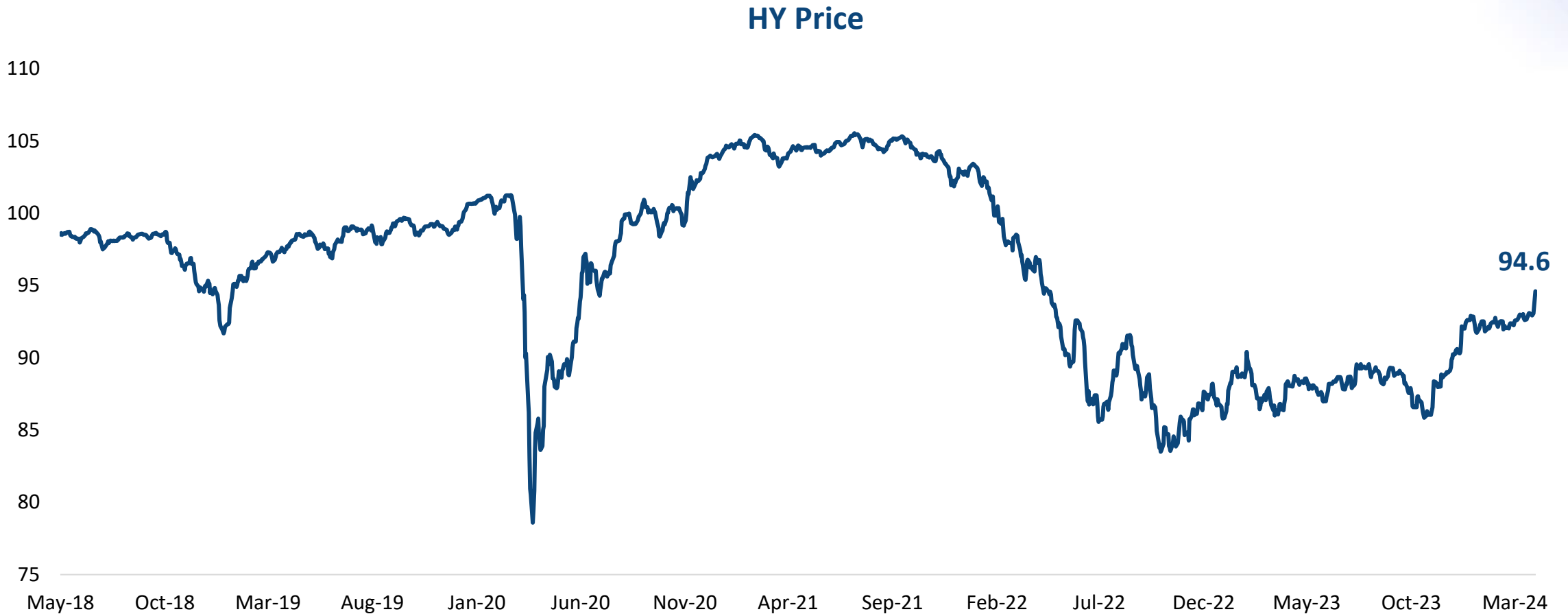
315 OAS	2nd Percentile for the post-GFC Period
7.75% Yield to Worst	74th Percentile for the post-GFC Period

Bank Loans

509 3 Year Discount Margin	45th Percentile for the post-GFC Period
9.30% Yield to 3 Year Takeout	87th Percentile for the post-GFC Period

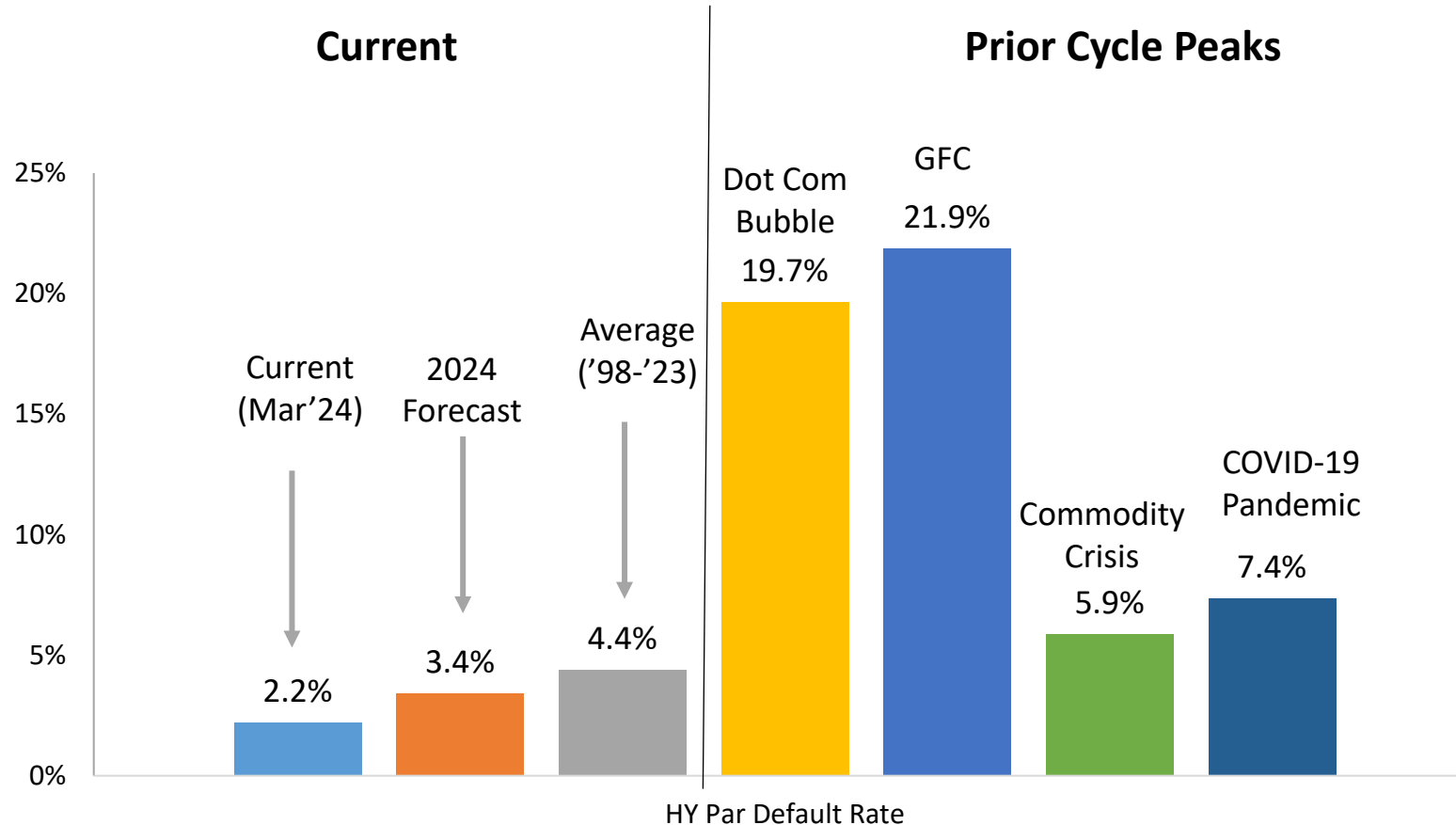
Note: As of March 31, 2024. High yield bonds represented by the ICE BofA US High Yield Constrained Bond Index. Bank loans represented by the Credit Suisse Leveraged Loan Index. Percentiles are based on monthly data from January 2010 through March 2024.

Potential for Capital Appreciation in High Yield Bonds



For illustrative purposes only. US High Yield represented by the ICE BofA US High Yield Constrained Bond Index. As of March 31, 2024

Manageable Outlook for Default Rates

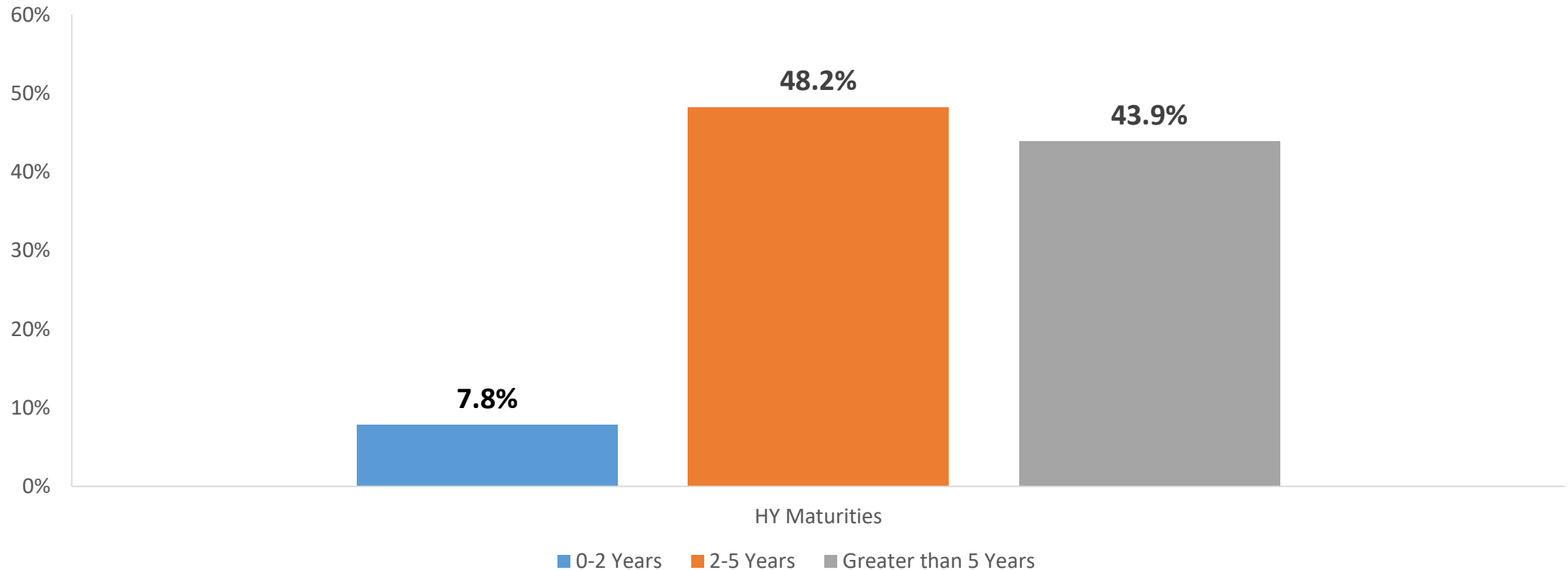


As of March 31, 2024.

Sources: BofA Global Research HY Credit Chartbook. Dot Com Bubble reflects the last 12 months' par default rate for U.S. High Yield as of January 2002. GFC reflective of the 12 twelve months par default rate for U.S. High Yield as of September 2009. Commodity Crisis reflective of the last 12 months' par default rate for U.S. High Yield as of October 2016. COVID-19 pandemic reflective of the last 12 months' par default rate for U.S. High Yield as of November 2020

Lack of Maturity Wall Today

92% of the HY Market has a > 2-year maturity

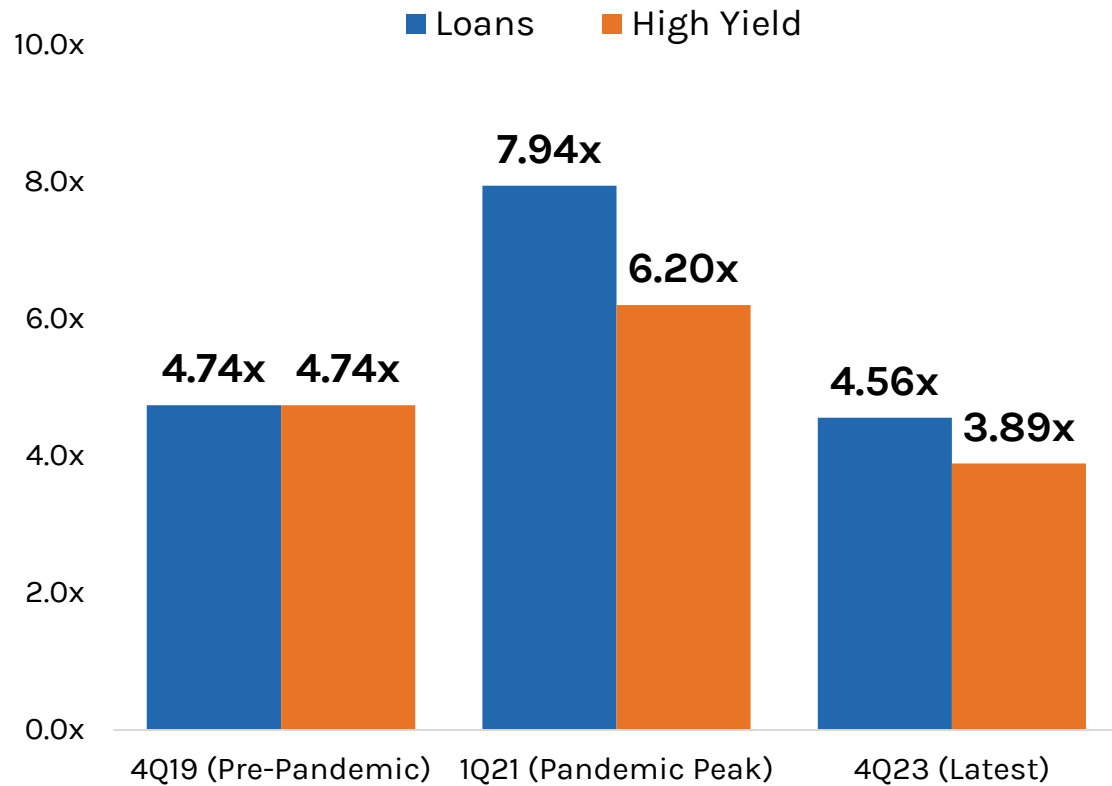


As of March 31, 2024.

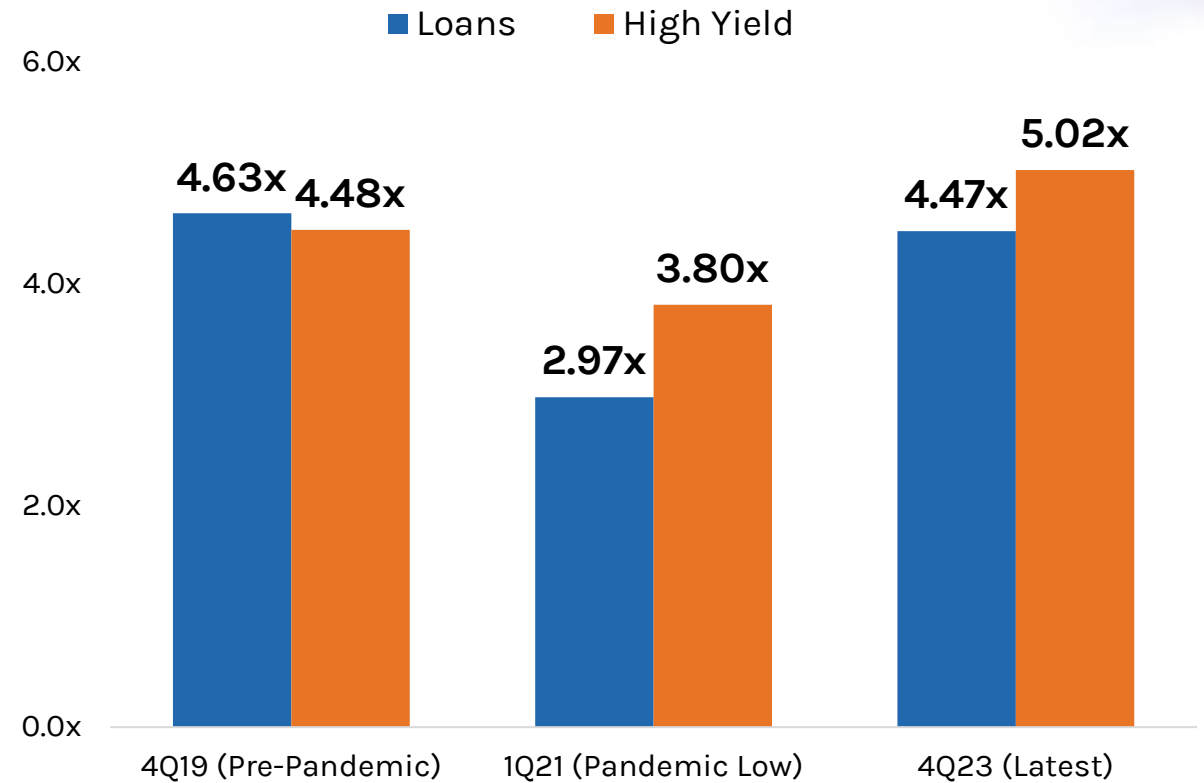
Source: BofA Global Research HY Credit Chartbook

Issuer Fundamentals are Sound

Leverage



Interest Coverage



Source: JPM, 4Q23 Loan and High Yield Credit Fundamentals Report. For illustrative purposes only.

Components of the Touchstone Ares Credit Opportunities Fund

	High Yield Bonds	Bank Loans	CLO Debt	CLO Equity	Stressed / Distressed
Asset-Level Target Yield¹	7 - 10%	7 - 10%	8 - 12%	14 – 16%	15 - 20%
Liquidity	High	High	High	Moderate	Low
Secured	Varies	Yes	Yes	Yes	Varies
Rate Sensitivity	Moderate	Low	Low	Low	Moderate
Volatility	Moderate	Moderate	Moderate	High	High

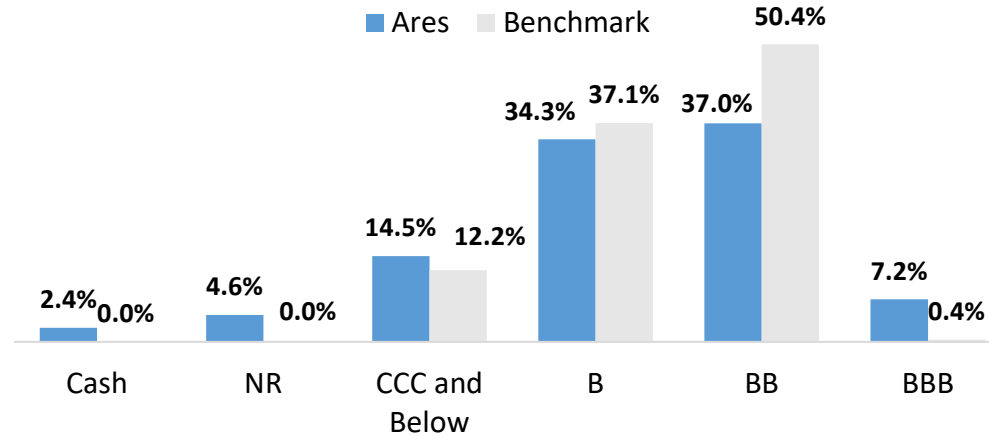
Access to a broad set of asset classes in which Ares has scale, experience and demonstrated results

Diversification does not assure profit or protect against market loss. **All investments involve risk, including possible loss of principal.**
 (1) Target yield ranges are as of December 2023. Asset-level yields do not represent investor returns.

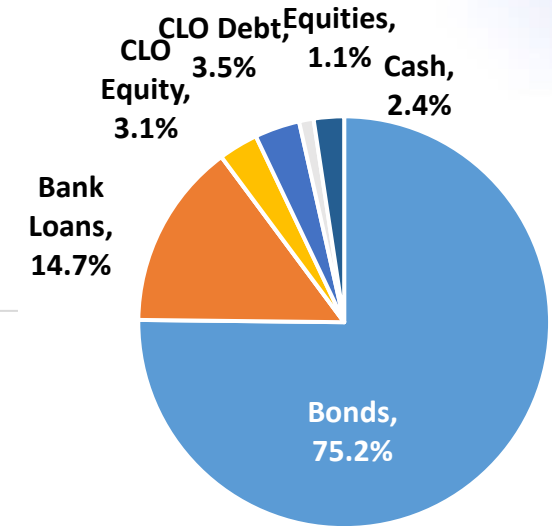
Portfolio Summary

Key Attributes	Ares	Benchmark
Number of Issuers	228	958
Current Yield (%)	6.8	6.6
Yield to Worst (%)	8.7	7.8
Wtd. Average Price (\$)	92.2	94.6
Wtd. Average OAS (bps)	410	304
Effective Duration	2.9	3.1

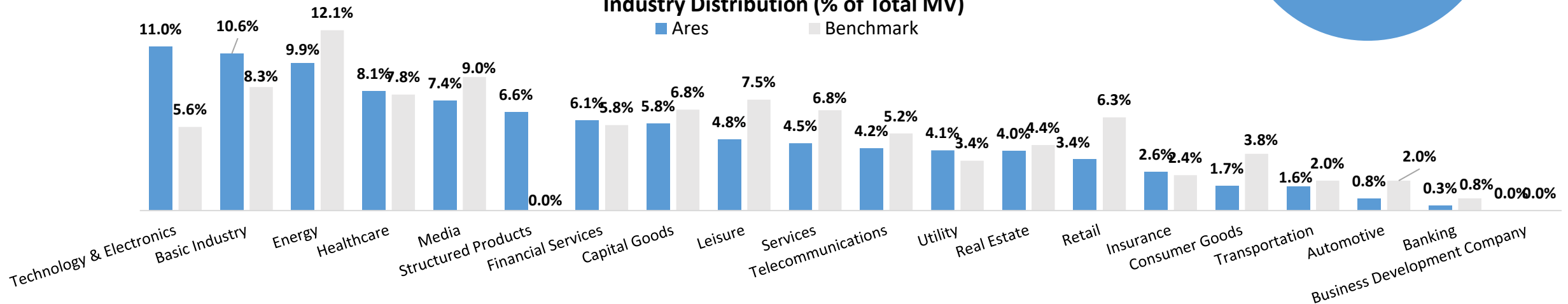
Ratings Profile



Asset Allocation



Industry Distribution (% of Total MV)



As of March 31, 2024. For illustrative purposes only. The Fund's allocation is based on recent market conditions and is subject to change based on future market conditions at the time of investment and may differ materially from that set forth herein. Yield is an attribute of underlying investments and does not represent a return to investors. Please refer to endnotes for index definitions and an important index disclosure.

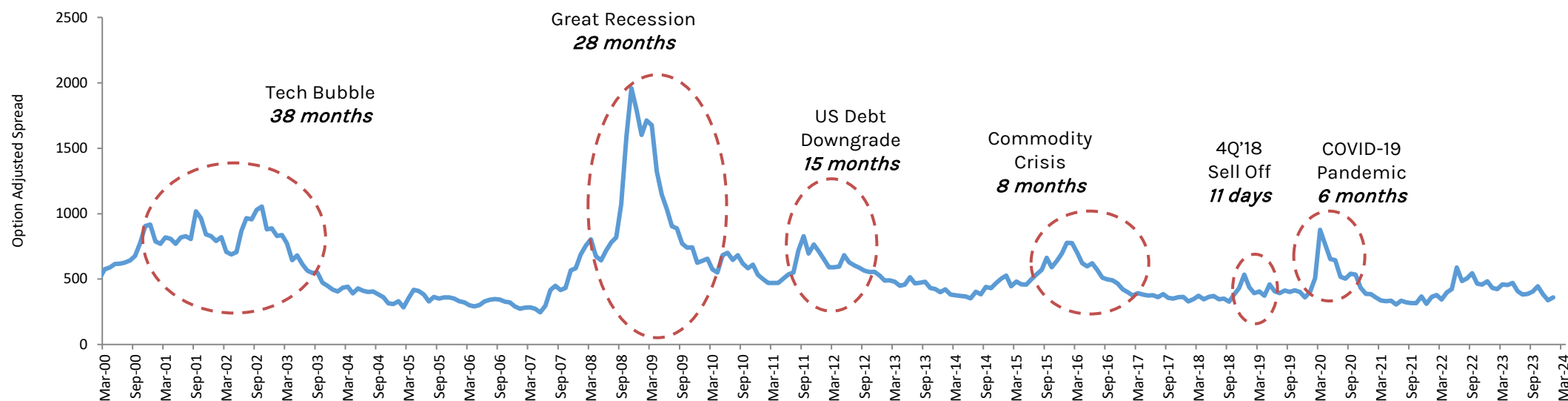
Active Management Is Essential

1 Fluctuating asset performance across economic cycles underscores the importance of a tactical approach to portfolio management, particularly when identifying mispriced assets

2 Since the “great recession”, structural changes in capital markets have caused market dislocations to become shorter and more frequent

3 Diversification and active allocation are essential to capturing the best relative value opportunities that arise in episodic periods of volatility

2000 – Present Day: Market Dislocations¹



Note: As of March 31, 2024. Represents opinions of Ares’ investment professionals only and should not be construed as investment advice. For illustrative purposes only.

(1) Dislocation defined as periods when high yield OAS increased above ~700 before returning to historical median of ~500.

Source: BofA US High Yield Master II Constrained Index (“HUCO”) OAS from January 1, 2001 through March 31, 2024.

Please refer to endnotes for Index Definitions. Diversification does not assure profit or protect against market loss.

The Fund does Well in Down Markets

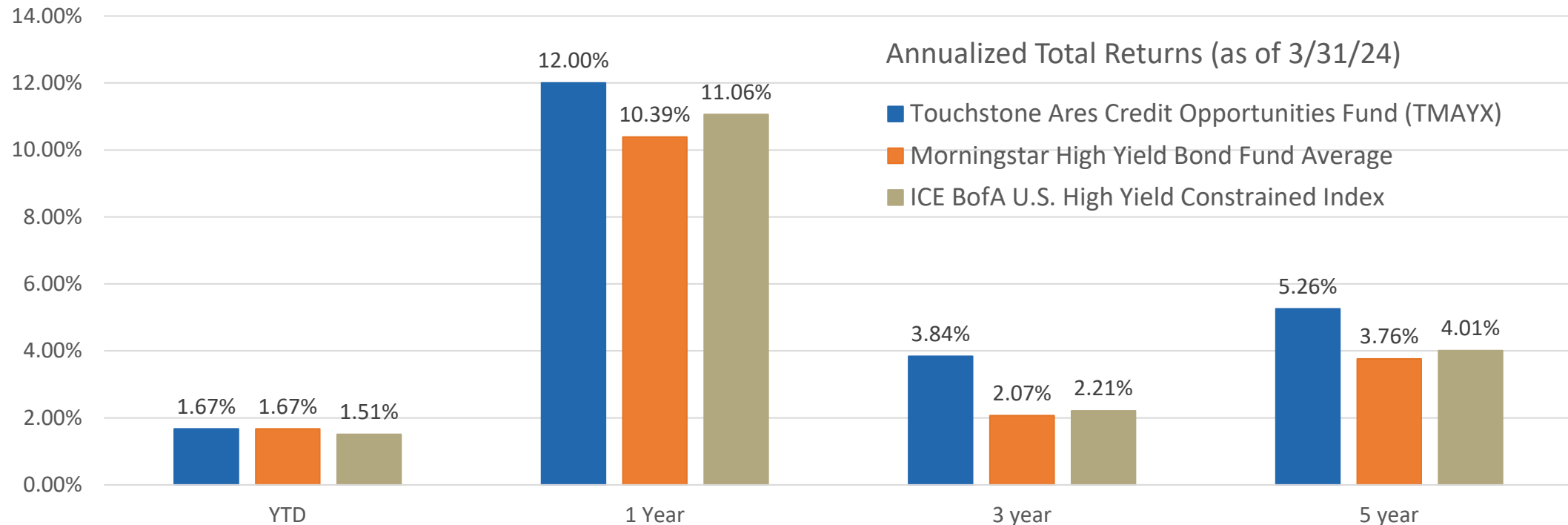
- ▶ Outperformance over time often comes from protecting capital in down markets
- ▶ Relative to the benchmark the fund outperformed in 84% of down months

Time Period: 9/1/15 to 3/31/24		TMAXX Outperformance Down Months	Down Capture Ratio	Up Capture Ratio	Sortino Ratio	Alpha	Total Return (%)
Touchstone Ares Credit Opportunities Fund	TMAXX		86	94	0.6	0.4	5.4%
SPDR Bloomberg High Yield Bd ETF	JNK	78%	110	97	0.4	-1.2	4.0%
iShares iBoxx \$ High Yield Corp Bond ETF	HYG	81%	103	93	0.5	-0.9	4.1%
ICE BofA US HY Constrained TR USD		84%	100	100	0.6	0.0	5.1%

Source: Morningstar as of 3/31/24

Touchstone Ares Credit Opportunities Fund

Sub-Advisor	Inception	Objective	AUM	Benchmark	Tickers
Ares Capital Management II LLC	8/31/2015	Seeks total return, primarily from income and capital appreciation	\$494 million (as of 3/31/24)	ICE BofA U.S. High Yield Constrained Index	A Shares: TMARX C Shares: TMACX Y Shares: TMAYX INST Shares: TARBX



Questions?

- ▶ Touchstone Ares Credit Opportunities Fund is now GIMA approved
 - Available on Select UMA, PM, CGA platforms
 - Coverage began on December 8, 2023
 - Announcement sent to Wells Fargo Advisors on December 11, 2023
- ▶ We are proud to partner with Wells Fargo and offer access to Ares, a premier global credit manager, in daily liquid fund format

Touchstone Ares Credit Opportunities Fund

Fund Facts

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio	
				Total	Net
A Shares	08/31/15	TMARX	89155T631	1.27%	1.08%
C Shares	08/31/15	TMACX	89155T623	2.08%	1.48%
Y Shares	08/31/15	TMAYX	89155T615	1.01%	0.88%
INST Shares	08/31/15	TARBX	89155T599	1.22%	0.78%
Total Fund Assets	\$481.5 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 "AFFE," and other expenses, if any) to 1.03% for Class A Shares, 1.43% for Class C Shares, 0.83% for Class Y Shares and 0.73% for Class INST Shares. These expense limitations will remain in effect until at least 01/29/25.

Share class availability differs by firm.

As of 3/31/2024

Touchstone Ares Credit Opportunities Fund

Annualized Total Returns

	1Q24	YTD	1 Year	3 Year	5 Year	Inception
Excluding Max Sales Charge						
A Shares	1.65%	1.65%	11.86%	3.68%	5.02%	5.16%
C Shares	1.50%	1.50%	11.39%	3.21%	4.44%	4.57%
Y Shares	1.67%	1.67%	12.00%	3.84%	5.26%	5.39%
INST Shares	1.77%	1.77%	12.11%	3.98%	5.37%	5.50%
Benchmark	1.51%	1.51%	11.06%	2.21%	4.01%	5.15%
Including Max Sales Charge						
A Shares	-1.61%	-1.61%	8.28%	2.54%	3.94%	4.44%
C Shares	0.50%	0.50%	10.39%	3.21%	4.44%	4.57%

Max 3.25% sales charge for Class A Shares and 1% Contingent Deferred Sales Charge for Class C Shares held less than 1 year.

Calendar Year Returns

Class	2023	2022	2021	2020	2019	2018	2017	2016
Y Shares	13.24%	-8.55%	9.48%	4.71%	14.42%	-2.31%	6.62%	11.63%
Benchmark	13.47%	-11.21%	5.35%	6.07%	14.41%	-2.27%	7.48%	17.49%

The ICE BofA U.S. High Yield Constrained Index is a market-value-weighted index of all domestic and Yankee high-yield bonds, including deferred interest bonds and payment-in-kind securities. Issues included in the index have maturities of one year or more and have a credit rating lower than BBB-/Baa3 but are not in default. The index limits any individual issuer to a maximum of 2% benchmark exposure.

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.

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](https://www.touchstoneinvestments.com/mutual-funds).** From time to time, the investment adviser 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 sales charges and class expenses. Calendar year returns of the Fund and the Benchmark do not include the effects of the applicable sales charge which would lower returns. Returns assume reinvestment of all distributions. Returns are not annualized for periods less than one year.

As of 3/31/2024

Touchstone Ares Credit Opportunities Fund

Yield - Y Shares

Touchstone Ares Credit Opportunities Fund

30-Day SEC Yield	7.19%
30-Day Unsubsidized SEC Yield	7.14%

*Unsubsidized is calculated without expense waivers. **The 30-Day SEC Yield** is calculated by dividing the net investment income per share (as defined by industry regulations) earned by a fund over a 30-day period by the maximum public offering price. This number is then annualized. **The 30-Day SEC Yield** reflects the rate at which a fund is earning income on its current portfolio of securities and does not necessarily reflect income actually earned and distributed by a fund and, therefore, may not be correlated with a fund's past distributions actually paid to shareholders.*

As of 3/31/2024

Index Definitions

- ▶ **The Credit Suisse Western European Leveraged Loan Index (“CSWELLI”)** is designed to mirror the investable universe of the leveraged loan market of issues which are denominated in US\$ or Western European currencies. The issuer has assets located in or revenues derived from Western Europe, or the loan represents assets in Western Europe, such as a loan denominated in a Western European currency. Loan facilities must be rated “5B” or lower. That is, the highest Moody’s/S&P ratings are Baa1/BB+ or Ba1/BBB+. Only fully funded term loan facilities are included and the tenor must be at least one year. Minimum outstanding balance is \$100 million and new loans must be priced by a third-party vendor at month-end. The index inception is January 1998.
- ▶ **The Credit Suisse Institutional Leveraged Loan Index (“CSLLI”)** is designed to mirror the investable universe of the \$US-denominated leveraged loan market. The index inception is January 1992. The index is priced daily and rebalanced monthly. New loans are added to the index on their effective date if they qualify according to the following criteria: 1) Loan facilities must be rated “5B” or lower. That is, the highest Moody’s/S&P ratings are Baa1/BB+ or Ba1/BBB+. If unrated, the initial spread level must be Libor plus 125 basis points or higher. 2) Only fully-funded term loan facilities are included. 3) The tenor must be at least one year. 4) Issuers must be domiciled in developed countries; issuers from developing countries are excluded.
- ▶ **The ICE BofA US High Yield Constrained Index (“HUCO”)** tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody’s, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of \$250 million. In addition, qualifying securities must have risk exposure to countries that are members of the FX-G10, Western Europe or territories of the US and Western Europe. Index constituents are market capitalization weighted, provided the total allocation to an individual issuer does not exceed 2%. Inception date: December 31, 1996.
- ▶ **ICE BofA Global High Yield Constrained Index (“HWOC”)** contains all securities in The ICE BofA Global High Yield Index but caps issuer exposure at 2%. ICE BofA Global High Yield Index tracks the performance of USD, CAD, GBP and EUR denominated below investment grade corporate debt publicly issued in the major domestic or eurobond markets. Qualifying securities must have a below investment grade rating (based on an average of Moody’s, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of USD 250 million, EUR 250 million, GBP 100 million, or CAD 100 million. Original issue zero coupon bonds, eurodollar bonds, 144a securities (with and without registration rights), and pay-in-kind securities (including toggle notes) are included in the index. Inception date: December 31, 1997
- ▶ **ICE BofA European Currency Developed Markets High Yield Excluding Subordinated Financials Constrained Index (“HPSD”)** contains all securities in The ICE BofA European Currency High Yield Index provided they: 1) are not subordinated financials; 2) have a developed markets country of risk. Issuer exposure is capped at 3%. Developed markets is defined as an FX-G10 member, a Western European nation, or a territory of the US or a Western European nation. The FX-G10 includes all Euro members, the US, Japan, the UK, Canada, Australia, New Zealand, Switzerland, Norway and Sweden. Index constituents are capitalization-weighted, based on their current amount outstanding, provided the total allocation to an individual issuer does not exceed 3%. ICE BofA European Currency High Yield Index tracks the performance of EUR and GBP denominated below investment grade corporate debt publicly issued in the eurobond, sterling domestic or euro domestic markets. Qualifying securities must have a below investment grade rating (based on an average of Moody’s, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity, at least 18 months to final maturity at point of issuance, a fixed coupon schedule and a minimum amount outstanding of EUR 250 million or GBP 100 million. Inception date: December 31, 1997.
- ▶ **The ICE BofA US High Yield Index (“H0A0”)** tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody’s, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of \$100 million. Index constituents are capitalization-weighted based on their current amount outstanding times the market price plus accrued interest. Accrued interest is calculated assuming next-day settlement. Cash flows from bond payments that are received during the month are retained in the index until the end of the month and then are removed as part of the rebalancing. Cash does not earn any reinvestment income while it is held in the index. The index is rebalanced on the last calendar day of the month, based on information available up to and including the third business day before the last business day of the month. No changes are made to constituent holdings other than on month end rebalancing dates. Inception date: August 31, 1986.
- ▶ **The Bloomberg Barclays Capital Global Aggregate Bond Index (“Barclays Global Agg”)** measures the performance of global investment grade debt from twenty-four local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging market issuers. To be included in the index, bonds must be investment grade using the index credit quality classification methodology (middle rating of Moody's, Fitch and S&P). The currency must be freely tradeable and convertible and not exposed to exchange controls that are designed to encumber its buying and selling by foreign investors. There must be an established and developed forward market or non-deliverable forward (NDF) market for the local currency such that foreign market participants can hedge their exposures into core currencies. Inception date: January 1, 1990.