Touchstone Large Cap Focused Fund

Sub-Advised by: Fort Washington Investment Advisors, Inc.◊

U.S. Equity – Large-Cap Core 4Q/2022

Fund Manager Commentary

As of December 31, 2022

Fund Highlights

- Invests primarily in issues having a market capitalization above $5 billion at time of purchase
- Distinctive approach is centered on linking valuations with barriers to entry
- Seeks to invest in businesses that are trading below what is believed to be its estimate of the companies' intrinsic value
- Focuses on businesses that are believed to have a sustainable competitive advantage or a high barrier to entry in place
- Concentrated, high conviction portfolio generally holds 25-45 companies

Market Recap

U.S. equities had positive returns in the fourth quarter after enduring three straight quarters of declines. Investor focus remained on the U.S. Federal Reserve Board (Fed) and assessing whether constructive inflation readings could at some point induce a policy shift. Among the best performing benchmark sectors were Energy, Industrials, and Materials. Among the worst performing sectors for the index were Consumer Discretionary, Communication Services, and Information Technology.

Portfolio Review

The Touchstone Large Cap Focused Fund (Class A Shares Load-Waived) outperformed its benchmark for the quarter ended December 31, 2022.

Within the Fund's portfolio, the sectors where fund holdings outperformed relative to the benchmark were Consumer Discretionary, Energy and Financials. Sectors that lagged relative to the benchmark include Communication Services, Health Care, and Information Technology. Stock selection positively contributed to the Fund's relative performance while sector allocation detracted.

The three holdings that contributed to performance were Schlumberger Ltd. (Energy sector), HCA Healthcare Inc. (Health Care sector), and Oracle Corp. (Information Technology sector). Schlumberger outperformed due to strong earnings and forward guidance as the company benefited from international oil and gas companies mobilizing rigs to capitalize on tight supply. HCA Healthcare shares outperformed as the company delivered third quarter earnings results that mildly exceeded expectations. Oracle reported strong revenue growth that beat expectations. The company's software supports mission critical applications in medium and large enterprises, and we expect this type of spend will be relatively resilient in the face of macro headwinds.

The holdings that detracted from performance included Amazon.com Inc. (Consumer Discretionary sector), Meta Platforms Inc. (Communication Services sector), and Airbnb Inc. (Consumer Discretionary sector). Amazon underperformed due to pull forward of demand and overbuilding of fulfillment capacity. Meta underperformed primarily due to mixed quarterly results during the period, higher than expected guidance for 2023 operating expenses, headlines regarding potential data protection regulatory challenges in Europe, and general concern around the firm's metaverse strategy. Airbnb underperformed primarily due to guidance implying decelerating growth in the 2022 holiday season and concern around travel spend with the uncertain economic outlook heading into 2023.

Investments made in international companies, which comprised 2.3 percent of assets at the end of the period, outperformed the benchmark. During the quarter, the Fund added Medtronic plc (Health Care sector) and removed Warner Bros Discovery Inc. from the portfolio.

As the quarter came to a close, the Fund had an overweight in the Communication Services, Health Care, and Information Technology sectors and an underweight in the Consumer Discretionary, Consumer Staples, Real Estate, Materials, and Energy sectors. The weight in the Industrials and Financials sectors were roughly in line with that of the index. The Fund held no positions in the Utilities sector.

(continued)

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Outlook and Conclusion

Despite the fourth quarter rally in equities, the path for a soft landing remains narrow and we continue to see indications of the slowdown we thought was likely in the back half of 2022 and into 2023 mainly due to the lag effects of higher interest rates and higher prices. The labor market and consumer spending have been resilient buoyed by elevated pandemic savings. But with sustained tight financial conditions, we see additional downside risk to growth.

Based on our outlook, the investment team has been mitigating risk through a combination of long standing elements of our process and gradual shifts in portfolio positioning. Several components of our investment process help mitigate the impact of higher inflation and interest rates. First, focusing on barriers to entry in fundamental analysis, specifically businesses with pricing power, is especially important today as companies look to pass on cost pressures. Second, consistently using conservative discount rates provides a cushion as rates rise. Last, prioritizing a margin of safety with each holding provides additional risk mitigation for challenging market environments. Additionally, since early 2021, the Fund has been gradually reducing risk in the portfolio in terms of both sector weights and exposures within sectors. For example, sector weights in Consumer Discretionary and Communication Services have decreased while the Consumer Staples weight and the cash position have increased. Within sectors, we have also taken opportunities to swap out of positions in favor of new positions that come with some combination of fundamental risk reduction and higher margin of safety in valuation.

At the end of the fourth quarter, the Fund continued to emphasize businesses with higher barriers to entry and returns on capital. Consistent with the past several quarters, portfolio positioning is fairly defensive while we look for opportunities that fit our framework through the volatility. We believe this risk posture combined with continued disciplined execution of our process will benefit the portfolio going forward.

As of December 31, 2022, Schlumberger Ltd. Made up 1.72%, HCA Healthcare Inc. made up 2.36%, Oracle Corp. made up 2.31%, Amazon.com Inc. made up 3.23%, Meta Platforms Inc. made up 1.96%, Airbnb Inc. made up 0.72%, and Medtronic plc made up 1.65% of the Touchstone Large Cap Focused Fund. Current and future portfolio holdings are subject to change.

Fund Facts *(As of 12/31/22)*

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio* Total	Net
A Shares	01/12/34	**SENCX**	89154Q299	0.99%	0.99%
C Shares	05/04/98	**SCSCX**	89154Q281	1.80%	1.80%
Y Shares	05/04/07	**SICWX**	89154Q265	0.78%	0.73%
INST Shares	12/23/14	**SCRLX**	89154Q273	0.73%	0.70%
R6 Shares	10/28/21	**TSRLX**	89154M884	3.02%	0.66%
Total Fund Assets	**$2.5 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 "AFFE," and other expenses, if any) to 1.00% for Class A Shares, 1.79% for Class C Shares, 0.72% for Class Y Shares, 0.69% for Class INST Shares and 0.65% for Class R6 Shares. These expense limitations will remain in effect until at least 10/29/23.*

Share class availability differs by firm.

Annualized Total Returns** *(As of 12/31/22)*

	4Q22	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Excluding Max Sales Charge							
A Shares	7.96%	-17.55%	-17.55%	8.56%	10.14%	12.39%	10.77%
C Shares	7.75%	-18.21%	-18.21%	7.70%	9.26%	11.67%	9.96%
Y Shares	8.04%	-17.31%	-17.31%	8.86%	10.43%	12.70%	10.83%
INST Shares	8.04%	-17.29%	-17.29%	8.88%	10.47%	12.68%	10.80%
R6 Shares	8.05%	-17.28%	-17.28%	8.69%	10.22%	12.43%	10.77%
Benchmark^	7.56%	-18.11%	-18.11%	7.66%	9.42%	12.56%	—
Including Max Sales Charge							
A Shares	2.57%	-21.66%	-21.66%	6.72%	8.85%	11.82%	10.70%
C Shares	6.75%	-19.01%	-19.01%	7.70%	9.26%	11.67%	9.96%

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 - S&P 500® Index[1]

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 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 class expenses. Returns assume reinvestment of all distributions. Returns are not annualized for periods less than one year.*

*****The performance presented for Class C, Y, INST and R6 Shares combines the performance of an older class of shares (A Shares) fromthe Fund's inception, 01/12/34, with the performance since the inception date of each share class.***

[1]The S&P 500® Index is a group of 500 widely held stocks and is commonly regarded to be representative of the large capitalization stock universe.

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 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 invests in emerging markets securities which are more likely to experience turmoil or rapid changes in market or economic conditions than developed countries. 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. The Fund is non-diversified, which means that it may invest a greater percentage of its assets in the securities of a limited number of issuers and may be subject to greater risks. 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.

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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