

2020 Supplemental Tax Information

Taxable Income Earned by Source - Dividend income paid during 2020 by the Touchstone Funds is taxable as ordinary dividends for federal income tax purposes except when shares are held through a tax-advantaged account, such as a 401(k) plan or an IRA. The distributions are taxable whether you received dividends in cash or reinvested dividends in additional shares of the Funds. The state taxation of regulated investment company dividends, which are derived in whole or in part from interest on federal obligations, varies from state to state. Please consult your tax adviser concerning the taxation of regulated investment company dividends in your state.

The table below shows the portion of dividends derived from interest income from U.S. Treasury and other government securities during 2020.

	Active Bond Fund	Balanced Fund	Dynamic Diversified Income Fund	Dynamic Global Allocation Fund	Flexible Income Fund	High Yield Fund	Impact Bond Fund	Ultra Short Duration Fixed Income Fund
Income by type during 2020								
US Treasury Obligations	5.75%	3.53%	0.75%	0.33%	2.03%	-	3.52%	-
Federal Home Loan Bank	-	-	-	-	-	-	-	-
Federal National Mortgage Assoc.	-	-	-	-	-	-	-	-
Govt. National Mortgage Assoc.	-	-	-	-	-	-	-	-
Federal Deposit Insurance Corp.	-	-	-	-	-	-	-	-
Federal Farm Credit Bank	-	-	-	-	-	-	-	-
Tennessee Valley Authority	-	-	0.14%	0.10%	-	-	1.07%	-
National Credit Union Association	-	-	-	-	-	-	-	-
Federal Agricultural Mortgage Corp.	-	-	-	-	-	-	-	-
U.S. International Development Finance Corp	-	-	-	-	-	-	-	0.15%
Small Business Administration	-	-	-	-	-	-	-	-
Other	94.25%	96.47%	99.11%	99.57%	97.97%	100.00%	95.41%	99.85%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Alternative Minimum Tax (AMT) - The Ohio Tax-Free Bond Fund's 2020 dividends were not subject to the AMT.

Tax-Exempt Income - The Ohio Tax-Free Bond Fund's federal exemption rate was 99.99% and its dividends were 100% exempt from Ohio personal income taxes.

Touchstone Funds (DRD) – Dividend income paid during 2020 by the Funds listed below are taxable as ordinary dividends for federal income tax purposes except when shares are held through a tax-advantaged account, such as a 401(k) plan or an IRA. For corporations, a portion of each dividend paid is eligible for the dividends received deduction provided by Section 243 of the Internal Revenue code. If a Fund is not listed, it did not have any dividends eligible for the deduction in 2020.

The table below shows the percentage of each dividend eligible for the deduction.

Touchstone Fund Name	Percent eligible	Touchstone Fund Name	Percent eligible
Anti-Benchmark U.S. Core Equity Fund ¹ (percent listed is for 2020 dividends up to merger)	23.04%	International Growth Fund ⁴	10.80%
Anti-Benchmark U.S. Core Equity Fund ² (percent listed is for 2020 dividends after merger)	100%	Large Cap Focused Fund	100%
Balanced Fund	34.12%	Large Cap Fund	100%
Credit Opportunities II Fund	0.08%	Large Company Growth Fund	68.98%
Dynamic Diversified Income Fund	7.65%	Mid Cap Fund	75.68%
Dynamic Global Allocation Fund	15.04%	Mid Cap Value Fund	100%
Flexible Income Fund	15.16%	Sands Capital Institutional Growth Fund ⁵	54.16%
Focused Fund	100%	Small Cap Core Fund	100%
Global ESG Equity Fund	100%	Small Cap Value Fund	100%
Growth Opportunities Fund	24.50%	Small Company Fund	100%
International Equity Fund	1.07%	Value Fund	100%
International Growth Opportunities Fund ³	16.04%		

¹The Anti-Benchmark U.S. Core Equity Fund merged into the Dynamic Equity Fund at close of business on 10-2-2020

²The Dynamic Equity Fund name changed to Anti-Benchmark U.S. Core Equity Fund on 10-5-2020

³The International Growth Opportunities Fund merged into the International Small Cap Fund at close of business on 9-11-2020

⁴The International Small Cap Fund name changed to International Growth Fund on 9-14-2020

⁵The Sands Capital Institutional Growth Fund merged into the Sands Capital Select Growth Fund at close of business on 12-11-2020



Foreign Taxes Paid – Shareholders of the Funds listed below who received 2020 dividends are entitled to receive your choice of either a foreign tax credit or an itemized deduction for foreign taxes paid by the Fund. Your portion of the foreign taxes paid by the Fund in 2020 is reported in Box 7 of your Form 1099-DIV. Although generally, it may be more advantageous to claim a credit for the foreign taxes paid, the ability to claim a credit depends on your individual tax situation. We suggest that you consult your tax adviser to determine your best course of action. Visit TouchstoneInvestments.com in the Resources section under Taxes/Tax Information for the Foreign Tax Factors and the Foreign Source Income percentages for the applicable Touchstone Fund.

Touchstone Fund Name
Anti-Benchmark International Core Equity Fund
Dynamic Diversified Income Fund
Dynamic Global Allocation Fund
International Equity Fund
International ESG Equity Fund
International Growth Opportunities Fund (merged into the International Small Cap Fund at close of business on 9-11-2020)
International Growth Fund (renamed from International Small Cap Fund on 9-14-2020)
Sands Capital Emerging Markets Growth Fund

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