



2021 Supplemental Tax Information

Taxable Income Earned by Source – Dividend income paid during 2021 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 2021.

	Active Bond Fund	Balanced Fund	Dynamic Diversified Income Fund	Impact Bond Fund	Flexible Income Fund	High Yield Fund	Strategic Income Opportunities Fund	Ultra Short Duration Fixed Income Fund
Income by type during 2021								
US Treasury Obligations	9.82%	5.62%	1.14%	1.54%	4.63%	-	1.67%	-
Federal Home Loan Bank	-	-	-	-	-	-	-	-
Federal National Mortgage Assoc.	-	-	-	-	-	-	-	-
Govt. National Mortgage Assoc.	-	-	-	-	-	-	-	-
Federal Deposit Insurance Corp.	-	-	-	-	-	-	-	-
Federal Farm Credit Bank	-	-	-	-	-	-	-	-
Tennessee Valley Authority	-	-	0.18%	1.10%	-	-	-	-
National Credit Union Association	-	-	-	-	-	-	-	-
Federal Agricultural Mortgage Corp.	-	-	-	-	-	-	-	-
U.S. International Development Finance Corp	-	-	-	0.02%	-	-	-	0.13%
Small Business Administration	-	-	-	-	-	-	-	-
Other	90.18%	94.38%	98.68%	97.34%	95.37%	100.00%	98.33%	99.87%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Alternative Minimum Tax (AMT) – The Core Municipal Bond Fund’s (formerly the Ohio Tax-Free Bond Fund) 2021 dividends were not subject to the AMT.

Tax-Exempt Income – The Core Municipal Bond Fund’s (formerly the Ohio Tax-Free Bond Fund) federal exemption rate for 2021 was 100% and its dividends are 97.27% exempt from Ohio personal income taxes.



Touchstone Investments®
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Touchstone Funds (DRD) – Dividend income paid during 2021 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 2021.

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

Touchstone Fund Name	Percent Eligible
Anti-Benchmark US Core Equity Fund	49.22%
Balanced Fund	84.46%
Credit Opportunities Fund	0.10%
Dividend Equity Fund <i>(new fund launch 7-16-21 from AIG merger)</i>	100%
Dynamic Diversified Income Fund <i>(merged into Credit Opportunities Fund on 6-25-21)</i>	3.05%
Dynamic Global Allocation Fund <i>(name changed to Dynamic Allocation Fund on 1-18-22)</i>	22.49%
Flexible Income Fund	6.63%
Focused Fund	100%
Global ESG Equity Fund	26.78%
Growth Opportunities Fund	11.52%
International Equity	0.78%
Large Cap Focused Fund	68.83%
Large Cap Fund	100%
Large Company Growth Fund	11.90%
Mid Cap Fund	54.56%
Mid Cap Growth Fund	10.07%
Mid Cap Value Fund	85.85%
Sands Capital Select Growth Fund	9.51%
Small Cap Fund	74.38%
Small Cap Value Fund	100%
Small Company Fund	10.44%
Strategic Income Opportunities Fund <i>(new fund launch 7-16-21 from AIG merger)</i>	7.47%
Value Fund	57.87%



Foreign Taxes Paid – Shareholders of the Funds listed below who received 2021 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 2021 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 Global Allocation Fund
International Equity Fund
International ESG Equity Fund
Sands Capital Emerging Markets Growth Fund

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