



## 2022 Supplemental Tax Information

**Taxable Income Earned by Source** – Dividend income paid during 2022 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 2022.

	Active Bond Fund	Balanced Fund	Flexible Income Fund	High Yield Fund	Impact Bond Fund	Strategic Income Opportunities Fund	Ultra Short Duration Fixed Income Fund	Strategic Income Opportunities ETF
<b>Income by type during 2022</b>								
US Treasury Obligations	12.53%	9.84%	2.37%	-	6.67%	4.98%	-	7.02%
Federal Farm Credit Banks	-	-	-	-	-	-	-	-
Federal Home Loan Banks	-	-	-	-	-	-	-	-
Student Loan Marketing Association	-	-	-	-	-	-	-	-
Tennessee Valley Authority	-	-	-	-	0.71%	-	-	-
Other Direct Federal Obligations	-	-	-	-	16.91%	-	0.01%	-
GNMA	-	0.09%	-	-	4.84%	-	0.09%	-
FNMA	4.99%	2.92%	-	-	7.89%	-	0.52%	-
Federal Home Loan Mortgage Corp	3.94%	1.62%	23.32%	-	2.80%	0.81%	-	-
Other Indirect Federal Obligations	-	-	-	-	-	-	-	-
Non-US Government Obligations	78.54%	85.53%	74.31%	100.00%	60.17%	94.21%	99.38%	92.98%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**Foreign Taxes Paid** – Shareholders of the Funds listed below who received 2022 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 2022 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](http://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.

- Anti-Benchmark International Core Equity Fund
- Dynamic Allocation Fund  
*(name changed from Dynamic Global Allocation Fund on 1-18-22)*
- International Equity Fund
- International ESG Equity Fund



**Touchstone Funds (DRD)** – Dividend income paid during 2022 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 2022.

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

Touchstone Fund Name	Percent eligible
Anti-Benchmark US Core Equity Fund	40.39%
Balanced Fund	89.61%
Dividend Equity Fund	66.36%
Dynamic Allocation Fund <i>(name changed from Dynamic Global Allocation Fund on 1-18-22)</i>	55.23%
Flexible Income Fund	5.97%
Focused Fund	100%
Growth Opportunities Fund	100%
International Growth Fund	13.54%
Large Cap Focused Fund	100%
Large Cap Fund	100%
Mid Cap Fund	100%
Mid Cap Growth Fund	100%
Mid Cap Value Fund	100%
Non-US ESG Equity Fund <i>(name changed from Global ESG Equity Fund on 7-28-22)</i>	30.11%
Sands Capital Emerging Markets Growth Fund	100%
Small Cap Fund	100%
Small Cap Value Fund	100%
Small Company Fund	100%
Strategic Income Opportunities Fund	10.69%
Value Fund	98.16%
Dividend Select ETF	100%
Strategic Income Opportunities ETF	3.51%
US Large Cap Focused ETF	100%

**Touchstone Core Municipal Bond Fund – Alternative Minimum Tax (AMT) and Tax-Exempt Income for 2022.**

- The Core Municipal Bond Fund income dividends were not subject to AMT.
- The federal exemption rate was 97.38%.
- The state exemption rates are listed in the table below.

State	Core-Municipal Bond Fund	State	Core-Municipal Bond Fund	State	Core-Municipal Bond Fund	State	Core-Municipal Bond Fund	State	Core-Municipal Bond Fund
AL	1.27%	HI	0.31%	MN	0.42%	MP	-	UT	-
AK	0.87%	ID	0.29%	MS	0.97%	OH	28.89%	VT	-
AZ	0.52%	IL	2.36%	MO	1.80%	OK	-	VA	0.15%
AR	-	IN	2.11%	MT	-	OR	1.77%	WA	0.12%
CA	2.57%	IA	0.87%	NE	-	PA	7.22%	WV	0.04%
CO	2.85%	KS	0.10%	NV	0.39%	PR	-	WI	1.93%
CT	1.85%	KY	2.63%	NH	0.18%	RI	0.04%	WY	-
DE	-	LA	0.63%	NJ	2.60%	SC	2.24%	Other	1.88%
DC	0.22%	ME	-	NM	0.64%	SD	-		
FL	10.93%	MD	1.01%	NY	3.17%	TN	0.09%		
GA	1.75%	MA	0.95%	NC	0.01%	TX	4.62%		
GU	0.81%	MI	5.31%	ND	0.62%	VI	-	<b>Total</b>	<b>100%</b>

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