

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
NATIONWIDE DESTINATION 2040 FUND		45-0566349	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
NATIONWIDE FUNDS	1-800-848-0920	web_help@nationwide.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
P.O. BOX 701		MILWAUKEE, WI 53201-0701	
8 Date of action		9 Classification and description	
10/31/2020		COMMON STOCK - REGULATED INVESTMENT COMPANY	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
SEE ATTACHED	N/A	SEE ATTACHED	N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ NATIONWIDE DESTINATION 2040 FUND PAID QUARTERLY DISTRIBUTIONS TO COMMON SHAREHOLDERS FROM JANUARY TO OCTOBER 2020. PART OF THE DISTRIBUTIONS CONSTITUTE A NON-TAXABLE RETURN OF CAPITAL. SEE ATTACHED FOR DETAILS.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ A DISTRIBUTION THAT CONSTITUTES A NON-TAXABLE RETURN OF CAPITAL WILL DECREASE A U.S. TAXPAYER'S BASIS IN THE SHARES OF NATIONWIDE DESTINATION 2040 FUND. SEE ATTACHED FOR DETAILS.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ AT THE CLOSE OF THE FUND'S FISCAL YEAR ENDED ON 10/31/2020, THE FUND'S CURRENT AND ACCUMULATED E&P WAS CALCULATED UNDER IRC SECTION 312 AS MODIFIED BY SECTION 852(c) FOR A REGULATED INVESTMENT COMPANY (RIC) AND THE REGULATIONS THEREUNDER. THE AMOUNT OF E&P WAS COMPARED TO THE AMOUNT OF THE FUND'S FISCAL YEAR DISTRIBUTIONS TO SHAREHOLDERS. DISTRIBUTIONS IN EXCESS OF E&P WERE CHARACTERIZED AS A RETURN OF CAPITAL AND SHOULD BE APPLIED AS A REDUCTION IN EACH SHAREHOLDER'S TAX BASIS IN THE APPLICABLE SHARES.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► _____
INTERNAL REVENUE CODE SECTIONS 301, 316 AND 852.

18 Can any resulting loss be recognized? ► NO

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THIS ORGANIZATIONAL ACTION IS REPORTABLE WITH RESPECT TO CALENDAR YEAR 2020. SHAREHOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE EFFECT OF THE NON-TAXABLE RETURN OF CAPITAL IN LIGHT OF THEIR INDIVIDUAL CIRCUMSTANCES.

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ► A SIGNED COPY IS MAINTAINED BY ISSUER Date ► 12/28/2020

Print your name ► DAVE MAJEWSKI Title ► DIRECTOR, FINANCIAL ADMINISTRATION

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	RAUL POSADA	<i>Raul Posada</i>	12/30/2020		P00626199
	Firm's name ► KPMG LLP, 4200 WELLS FARGO CENTER	Firm's EIN ►		13-5565207	
	Firm's address ► 90 SOUTH 7TH STREET, MINNEAPOLIS, MN 55402	Phone no.		612-305-5000	

Nationwide Destination 2040 Fund
Return of Capital Analysis
45-0566349

Shareholders of record on distribution date listed below will decrease their tax basis as follows:

<u>Share Class</u>	<u>CUSIP</u>	<u>Ticker Symbol</u>	<u>Record Date</u>	<u>Record Date Shares</u>	<u>Distributions</u>	<u>Total ROC</u>	<u>ROC per Share</u>
Class A	63867N570	NWMAX	3/11/2020	4,077,068	0	0	0.000000
	63867N570	NWMAX	6/10/2020	4,057,673	0	0	0.000000
	63867N570	NWMAX	9/9/2020	4,078,029	1,363,326	127,759	0.031329
Class R	63867N547	NWMDX	3/11/2020	4,832,325	0	0	0.000000
	63867N547	NWMDX	6/10/2020	4,574,129	0	0	0.000000
	63867N547	NWMDX	9/9/2020	4,382,013	1,438,220	134,777	0.030757
Class R6	63867N521	NWMHX	3/11/2020	5,297,624	0	0	0.000000
	63867N521	NWMHX	6/10/2020	5,211,856	71,507	6,701	0.001286
	63867N521	NWMHX	9/9/2020	5,065,934	1,751,648	164,149	0.032402
Institutional Service Class	63867N539	NWMSX	3/11/2020	9,836,402	0	0	0.000000
	63867N539	NWMSX	6/10/2020	9,920,781	33,135	3,105	0.000313
	63867N539	NWMSX	9/9/2020	10,230,159	3,479,277	326,047	0.031871