

INTERIM REPORT AND UNAUDITED FINANCIAL STATEMENTS  
THREADNEEDLE SPECIALIST INVESTMENT FUNDS ICVC  
OCTOBER 2019

# THREADNEEDLE SPECIALIST INVESTMENT FUNDS ICVC

## Contents

<b>Company Information*</b>	<b>2</b>	<b>Portfolio Statements*:</b>	
<b>Authorised Corporate Director's Report</b>	<b>3</b>	UK Mid 250 Fund	<b>95 – 96</b>
UK Mid 250 Fund	<b>4 – 6</b>	UK Sustainable Equity Fund (formerly Ethical UK Equity Fund)	<b>97 – 98</b>
UK Sustainable Equity Fund (formerly Ethical UK Equity Fund)	<b>7 – 10</b>	UK Extended Alpha Fund	<b>99 – 100</b>
UK Extended Alpha Fund	<b>11 – 13</b>	UK Equity Alpha Income Fund	<b>101</b>
UK Equity Alpha Income Fund	<b>14 – 18</b>	UK Absolute Alpha Fund	<b>102 – 103</b>
UK Absolute Alpha Fund	<b>19 – 24</b>	Sterling Medium and Long-Dated Corporate Bond Fund	<b>104 – 108</b>
Sterling Medium and Long-Dated Corporate Bond Fund	<b>25 – 28</b>	Sterling Short-Dated Corporate Bond Fund	<b>109 – 114</b>
Sterling Short-Dated Corporate Bond Fund	<b>29 – 35</b>	UK Fixed Interest Fund	<b>115</b>
UK Fixed Interest Fund	<b>36 – 40</b>	UK Index Linked Fund	<b>116</b>
UK Index Linked Fund	<b>41 – 45</b>	Pan European Focus Fund	<b>117 – 118</b>
Pan European Focus Fund	<b>46 – 49</b>	American Extended Alpha Fund	<b>119</b>
American Extended Alpha Fund	<b>50 – 55</b>	US Equity Income Fund	<b>120 – 121</b>
US Equity Income Fund	<b>56 – 62</b>	China Opportunities Fund	<b>122 – 123</b>
China Opportunities Fund	<b>63 – 65</b>	Global Emerging Markets Equity Fund	<b>124 – 126</b>
Global Emerging Markets Equity Fund	<b>66 – 70</b>	Emerging Market Local Fund	<b>127 – 129</b>
Emerging Market Local Fund	<b>71 – 75</b>	Global Extended Alpha Fund	<b>130 – 131</b>
Global Extended Alpha Fund	<b>76 – 80</b>	Global Equity Income Fund	<b>132 – 134</b>
Global Equity Income Fund	<b>81 – 91</b>	Global Focus Fund	<b>135 – 136</b>
Global Focus Fund	<b>92 – 94</b>	<b>Performance Summary*</b>	<b>137</b>
		<b>Risk and Reward Profiles*</b>	<b>138 – 140</b>
		<b>Important Information*</b>	<b>141 – 148</b>
		<b>Directory*</b>	<b>149 – 150</b>

*\*These pages, together with the investment reports of the individual funds comprise the Authorised Corporate Director's Report.*

## Company Information

### Company

Threadneedle Specialist Investment Funds ICVC (the Company)  
Registered Number IC000232

### Registered Office

Cannon Place, 78 Cannon Street, London EC4N 6AG

### Director

There is a sole director, the Authorised Corporate Director (the ACD), which is Threadneedle Investment Services Limited.

### Board of Directors of the ACD

K Cates (non-executive)  
J Griffiths (Appointed to the Board on 24 September 2019)  
A Roughead (non-executive)  
P Stone  
R Vincent (Appointed to the Board on 12 August 2019)  
L Weatherup

## Authorised Corporate Director's Report

The ACD, Threadneedle Investment Services Limited, has pleasure in presenting the Interim Report and Unaudited Financial Statements for Threadneedle Specialist Investment Funds ICVC for the 6 months to 31 October 2019.

We hope that you find the report informative. Should you require any further information regarding any aspect of your investment, or about other Columbia Threadneedle products, we would be pleased to help. Alternatively, you may find it helpful to visit [columbiathreadneedle.com](http://columbiathreadneedle.com) for further information about Columbia Threadneedle.

Thank you for your continued support.



**L Weatherup**  
Director

## DIRECTORS' STATEMENTS

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes (COLL) Sourcebook, we hereby certify the Interim Report and Unaudited Financial Statements for each of the funds listed on page 1 (contents page) on behalf of the Directors of Threadneedle Investment Services Limited.



**L Weatherup**  
Director

17 December 2019



**P Stone**  
Director

## Threadneedle UK Mid 250 Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve capital growth over the long term. It looks to outperform the FTSE 250 ex Investment Trusts Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least 90% of its assets in shares of companies listed on the London Stock Exchange; predominantly companies domiciled in the UK, or which have significant UK business operations.

The Fund selects companies considered to have good prospects for share price growth, from any industry or economic sector, focusing on companies included within the FTSE 250 ex Investment Trusts Index.

The FTSE 250 ex Investment Trusts Index currently comprises approximately 200 companies (excluding Investment Trusts) listed on the London Stock Exchange and is regarded as an appropriate performance measure of medium-sized UK companies. It provides a suitable target benchmark against which the Fund performance will be measured and evaluated over time.

The Fund is relatively concentrated, and typically invests in fewer than 55 companies, which may include shares of some companies not within the Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes, when deemed appropriate. The Fund may also hold money market instruments, deposits, cash and near cash.

The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

#### Performance of Class 1 – Accumulation shares\*

Over the six months to 31 October 2019, the published share price of Class 1 – Accumulation shares in the Threadneedle UK Mid 250 Fund has fallen from 263.39p to 257.95p.

For comparison, using noon prices, the performance of the Class 1 share class was -2.06% and -1.78% for the Class 2 share class compared to a return of +0.25% for the Morningstar UK Unit Trusts/OEICs – IA UK All Companies Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the FTSE 250 ex Investment Trusts Index was +3.02%.

#### Market Overview and Portfolio Activity

The FTSE 250 index rallied over the review period and outperformed the broader market. Much of the mid-cap index's relative gains occurred in

September and October when earlier fears of a no-deal Brexit ebbed. More broadly, equities benefited from the prospect, then reality that the Federal Reserve and European Central Bank would ease policy, and several overseas takeover bids for UK firms. That said, markets were periodically buffeted by worries around Brexit, the US-China trade war and the global economic outlook.

For much of the period, UK equities also contended with heightened political uncertainty, as Prime Minister Theresa May was forced to step down and was replaced by Boris Johnson. In August, Mr Johnson announced plans to suspend Parliament ahead of the extended Article 50 deadline of 31 October 2019, apparently to frustrate attempts to legislate against a no-deal Brexit. These developments weighed on sterling and stocks of UK domestically oriented firms, though the currency's fall buoyed sentiment towards shares of international earners.

However, sterling and domestically oriented stocks rebounded in September and October as fears of a no-deal Brexit receded. MPs managed to legislate against such a scenario in September before Parliament was suspended, and the Supreme Court later ruled the suspension unlawful. In October, Mr Johnson negotiated a revised withdrawal deal with the EU, but the UK Parliament forced him to seek a further extension (until 31 January 2020). MPs subsequently agreed to his demands for an early general election, set for 12 December.

The UK economy contracted in second quarter, as business investment declined and the stockpiling which had bolstered activity in the previous quarter was wound down. More encouragingly, consumption data held up reasonably well, thanks to low unemployment rates and the increase in inflation-adjusted wages.

In terms of activity, we initiated a position in BBA Aviation, the biggest operator of fixed-based operations for private jets. With twice the market share of its nearest rival, BBA boasts both scale and network advantages. The firm has other assets in its portfolio which we believe are collectively underappreciated by the market, giving management further scope to realise additional value. In a less conglomerated guise, we believe there is scope for the share price to re-rate, given the firm's strong underlying cash dynamics and unrivalled market position, which is more akin to that of an infrastructure asset.

Other new additions to the portfolio included Grafton, Essentra, OneSavings Bank and Bellway. Builders' merchant Grafton has a network of well-invested generalist and trade-specific store chains throughout the UK, and a fast-growing retail operation in Ireland. Specialty plastics and fibres firm Essentra is making solid strategic progress, led by a resilient packaging business and a well-invested filters division which should grow its revenue

base via outsourcing contract wins from tier one customers. Specialist lender OneSavings is focused on the under-served areas of the borrowing market. Housebuilder Bellway is a highly cash-generative, quality domestic business which is trading attractively relative to its mid-cap peers. Any meaningful pick-up in house-price inflation expectations should boost investor confidence in this sector.

We also added to selected existing holdings, notably Cineworld, the largest global cinema operator. The firm has recently concluded a round of returns-enhancing refurbishments and cashflows should start to build as the balance sheet rapidly de-levers. The stock has been buffeted by short-term concerns lately, but we believe it offers significant value.

We profitably sold Electrocomponents, following the stock's strong run this year. We closed our position in ConvaTec to fund higher conviction ideas, and also exited Balfour Beatty and Just Group. We realised some gains in HomeServe, Aveva and AJ Bell, which have performed well in 2019.

In recent months, fears of a cyclical recession, ongoing political difficulties in agreeing a Brexit deal, and the US-led trade war have hampered market sentiment. This has led to significant uncertainty, which has weighed on markets. UK exporters were particularly badly hit, even though many have minimal exposure to direct UK cross-border exports. These companies have shown themselves to be winning franchises over time, and the portfolio's positioning has tilted towards these proven businesses. The portfolio continues to have a balanced exposure towards industrials, focusing on businesses with strong franchises and significant self-help.

We are also beginning to see pockets of value appear in the Brexit-related space, and have begun hunting for companies that meet our strict threshold. We continue to keep a close eye on related developments and hope to use the volatility that is sure to accompany Brexit to pick up further sustainable franchises in due course. With inflation appearing to be an increasing risk, it is ever more imperative to own businesses that have pricing power, innovative qualities and the ability to increase market share in difficult environments. In this era of disruption, coupled with uncertainty around the direction of the economy, we are looking for companies that are focused on building their brands, products and barriers to entry, which will enable them to thrive when the skies eventually clear a little.

We remain convinced that there are areas of significant value in the UK mid-cap market, both in domestic and internationally exposed names. While the macroeconomic environment is likely to remain choppy, we still see opportunities in quality UK mid-cap franchises. These businesses operate in growth markets, and/or have the strength to increase market share with the associated ability to grow both profits and cash, leading to increased shareholder value.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital losses	(1,682)	(5,953)
Revenue	833	1,312
Expenses	(295)	(486)
Net revenue before taxation	538	826
Taxation	–	–
Net revenue after taxation	538	826
Total return before equalisation	(1,144)	(5,127)
Equalisation	(9)	(211)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>(1,153)</b>	<b>(5,338)</b>

### BALANCE SHEET

as at 31 October 2019

	2019 £000	April 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	57,237	61,517
<b>Current assets:</b>		
Debtors	123	1,998
Cash and bank balances	1,999	773
Total assets	59,359	64,288
<b>Liabilities:</b>		
<b>Creditors:</b>		
Other creditors	(768)	(138)
Total liabilities	(768)	(138)
<b>Net assets attributable to shareholders</b>	<b>58,591</b>	<b>64,150</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>64,150</b>	<b>96,496</b>
Amounts receivable on the issue of shares	10,811	3,097
Amounts payable on the cancellation of shares	(15,232)	(31,421)
	(4,421)	(28,324)
Dilution adjustment	15	26
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(1,153)	(5,338)
<b>Closing net assets attributable to shareholders</b>	<b>58,591</b>	<b>62,860</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

## Threadneedle UK Mid 250 Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	262.99	266.89	252.12	287.76	290.35	272.68
Return before operating charges (p)	(3.47)	0.38	19.14	(3.82)	0.55	20.77
Operating charges (p)	(2.17)	(4.28)	(4.37)	(1.55)	(3.14)	(3.10)
Return after operating charges (p)*	(5.64)	(3.90)	14.77	(5.37)	(2.59)	17.67
Distributions (p)	–	(2.02)	(0.71)	–	(3.82)	(2.42)
Retained distributions on accumulation shares (p)	–	2.02	0.71	–	3.82	2.42
Closing net asset value per share (p)	257.35	262.99	266.89	282.39	287.76	290.35
*after direct transaction costs of (p)	0.51	0.93	0.85	0.56	1.06	0.92
<b>Performance</b>						
Return after charges (%)	(2.14)	(1.46)	5.86	(1.87)	(0.89)	6.48
<b>Other information</b>						
Closing net asset value (£000)	6,040	14,377	15,605	3,715	4,769	28,923
Closing number of shares	2,347,170	5,466,947	5,847,185	1,315,744	1,657,249	9,961,319
Operating charges (%)**	1.67 <sup>†</sup>	1.66	1.65	1.09 <sup>†</sup>	1.07	1.08
Direct transaction costs (%)***	0.40	0.36	0.32	0.40	0.36	0.32
<b>Prices</b>						
Highest share price (p)	267.49	283.29	285.04	293.34	308.42	309.51
Lowest share price (p)	242.01	221.67	250.98	265.24	242.07	271.77
	Class X – Accumulation shares			Class Z – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	120.84	120.66	112.16	200.02	201.47	188.90
Return before operating charges (p)	(1.60)	0.22	8.54	(2.66)	0.33	14.36
Operating charges (p)	(0.05)	(0.04)	(0.04)	(0.90)	(1.78)	(1.79)
Return after operating charges (p)*	(1.65)	0.18	8.50	(3.56)	(1.45)	12.57
Distributions (p)	–	(2.82)	(2.23)	–	(2.99)	(2.02)
Retained distributions on accumulation shares (p)	–	2.82	2.23	–	2.99	2.02
Closing net asset value per share (p)	119.19	120.84	120.66	196.46	200.02	201.47
*after direct transaction costs of (p)	0.24	0.42	0.38	0.39	0.70	0.64
<b>Performance</b>						
Return after charges (%)	(1.37)	0.15	7.58	(1.78)	(0.72)	6.65
<b>Other information</b>						
Closing net asset value (£000)	7,974	4	4	40,862	45,000	51,964
Closing number of shares	6,689,554	3,000	3,000	20,798,928	22,497,816	25,793,053
Operating charges (%)**	0.09 <sup>†</sup>	0.03	0.03	0.91 <sup>†</sup>	0.91	0.90
Direct transaction costs (%)***	0.40	0.36	0.32	0.40	0.36	0.32
<b>Prices</b>						
Highest share price (p)	123.68	128.32	128.21	204.04	214.05	214.66
Lowest share price (p)	111.72	101.29	111.96	184.46	168.16	188.33

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>†</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period.

## Threadneedle UK Mid 250 Fund

### Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

##### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

#### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Accumulation shares</b>	
Opening shares	5,466,947
Shares issued	189,123
Shares redeemed	(3,277,636)
Net conversions	(31,264)
Closing shares	<u>2,347,170</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	1,657,249
Shares issued	691,613
Shares redeemed	(1,023,118)
Net conversions	(10,000)
Closing shares	<u>1,315,744</u>
<b>Class X – Accumulation shares</b>	
Opening shares	3,000
Shares issued	6,686,554
Shares redeemed	–
Net conversions	–
Closing shares	<u>6,689,554</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	22,497,816
Shares issued	186,033
Shares redeemed	(1,940,316)
Net conversions	55,395
Closing shares	<u>20,798,928</u>

## Threadneedle UK Sustainable Equity Fund (formerly Ethical UK Equity Fund)

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve a return over the long term consisting of capital growth and some income, achieved through investment in companies that are positively exposed to sustainable themes through their products and services, as well as those with strong or improving environmental, social and governance (ESG) characteristics.

The Fund is actively managed, and invests at least 75% of its assets in shares of companies domiciled in the UK, or which have significant UK business operations.

The Fund focusses on selecting companies delivering sustainable outcomes or progressing towards the delivery of sustainable outcomes, as outlined in the Fund's Sustainable Investment Guidelines. Those companies will offer products and services aligned to the Fund's sustainable themes, or demonstrate leadership on sustainability issues through strong environmental, social, and governance practices.

On occasion, the Fund may invest in other securities (including fixed interest securities), and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

The Fund may also hold money market instruments, deposits, cash and near cash.

The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

#### Performance of Class Z – Accumulation shares\*

Over the six months to 31 October 2019, the published share price of Class Z - Accumulation shares in the Threadneedle UK Sustainable Equity Fund has risen from 128.18p to 132.52p.

For comparison, using noon prices, the performance of the Class Z share class was +3.39% and +3.17% for the Class T share class compared to a return of +0.25% for the Morningstar UK Unit Trusts/OEICs – IA UK All Companies Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the FTSE All Share Composite (Previously MSCI UK IMI Extended SRI) Index was +1.08%.

### Market Overview and Portfolio Activity

Climate change remains at the forefront of the public agenda. 'Net zero' is capturing headlines – in June, the UK became one of the first G7 economies to adopt 2050 goals into law requiring net-zero carbon emissions. This follows the advice of the country's climate change committee. Step changes in policy will be needed to meet the challenges, including the development and scaling-up of carbon capture and storage, the need for low-carbon electricity and changing land use, such as repurposing agricultural land to reforestation.

During the period, the UK's Financial Reporting Council updated the UK's Stewardship Code, extending the scope beyond equities and placing a greater emphasis on the importance of stewardship in creating long-term value for clients and sustainable benefits for society, the environment and the economy.

The review period also included the 'proxy season', where we vote at most of our investee companies. One of the focus issues this year was that of extravagant executive pensions; this drove many of our dissenting votes at companies where the pension level greatly exceeds that of the general workforce. Another frequent reason for voting against directors in the UK was a low level of board diversity or independence. Generally, we have seen the proportion of female directors improving but we continue, through active engagement and voting, to ensure companies have boards with sufficient levels of independence and female directors.

In terms of financial markets, the FTSE All-Share posted a slight gain over the review period. Globally, sentiment was buoyed by expectations that the Federal Reserve and European Central Bank would ease policy, which indeed materialised. The UK stock market also benefited from several overseas takeover bids being launched for UK firms. That said, equities were periodically buffeted by worries around Brexit, the US-China trade war and the global economic outlook.

However, fears of a no-deal Brexit later receded, which benefited the pound and domestically oriented stocks. MPs managed to legislate against a no-deal Brexit and the new prime minister, Boris Johnson, later negotiated a revised withdrawal deal with the EU, but the UK Parliament forced him to seek a further extension (until 31 January 2020). MPs subsequently agreed to his demands for an early general election, set for 12 December.

The UK economy contracted in second quarter, as business investment declined and the stockpiling which had bolstered activity in the previous quarter was wound down. More encouragingly, consumption data held up reasonably well, thanks to low unemployment rates and the increase in inflation-adjusted wages.

New additions to the portfolio over the review period included Reckitt Benckiser, Derwent London, John Wood Group, AJ Bell and Equals Group (formerly known as FairFX).

Reckitt Benckiser is one of the world's largest consumer health companies; the stock aligns with our health, wellbeing and food security theme. The company's strategic focus is on reducing preventable disease, enhancing hygiene, and improving infant and child nutrition. The company estimates that it has educated 765 million people about health and hygiene issues.

The scale of housebuilder Derwent's operations means that its sustainability initiatives have great impact. All new buildings and those being leased have a Sustainability Framework, which has integrated science-based targets to ensure low-carbon, energy-efficient buildings.

Energy services firm John Wood Group provides expertise that will help facilitate the transition to a low-carbon economy, providing continuity, security and reliability in energy production. At the company's recent Capital Markets Day, management announced a strategic focus on sustainability, energy transition and sustainable infrastructure. Finance companies AJ Bell and Equals Group have future growth potential. The former looks to make investing low-cost, easy to understand and accessible. The latter focuses on reducing the cost of foreign exchange transactions for consumers and small businesses.

We closed our positions in Micro Focus, XPS Pensions and SIMEC Atlantis Energy.

Even though allocations and sentiment towards the UK market remain depressed, we are more constructive about the outlook for UK equities.

We retain conviction in the strong prospects of select UK domestic and non-commodity-based overseas earners. This environment creates opportunities for active managers, and should continue to entice inbound corporate mergers and acquisitions and activist investment to the UK.

We will use our disciplined process to identify investment opportunities in companies that deliver sustainable, innovative outcomes and continue to engage with companies to ensure the best outcomes for our clients.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	627	(1,250)
Revenue	366	337
Expenses	(164)	(167)
Net revenue before taxation	202	170
Taxation	–	–
Net revenue after taxation	202	170
<b>Total return before distributions</b>	<b>829</b>	<b>(1,080)</b>
Distributions	(202)	(170)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>627</b>	<b>(1,250)</b>

### BALANCE SHEET

as at 31 October 2019

	2019 £000	2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	25,228	24,210
<b>Current assets:</b>		
Debtors	43	258
Cash and bank balances	1,328	1,183
Total assets	26,599	25,651
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(167)	(182)
Other creditors	(192)	(53)
Total liabilities	(359)	(235)
<b>Net assets attributable to shareholders</b>	<b>26,240</b>	<b>25,416</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>25,416</b>	<b>24,781</b>
Amounts receivable on the issue of shares	1,757	610
Amounts payable on the cancellation of shares	(1,596)	(1,255)
	161	(645)
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	627	(1,250)
Retained distribution on accumulation shares	36	13
<b>Closing net assets attributable to shareholders</b>	<b>26,240</b>	<b>22,899</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

### DISTRIBUTION TABLE

for the accounting period 1 May 2019 to 31 October 2019

Dividend distribution in pence per share

#### Class 2 – Gross accumulation shares\*

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2019
<b>Group 1</b> 01/05/19 to 31/10/19	0.9606	–	0.9606
<b>Group 2</b> 01/05/19 to 31/10/19	0.1114	0.8492	0.9606
<b>Total distributions in the period</b>			<b>0.9606</b>

#### Class T – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 01/05/19 to 31/10/19	0.9136	–	0.9136	0.8110
<b>Group 2</b> 01/05/19 to 31/10/19	0.5094	0.4042	0.9136	0.8110
<b>Total distributions in the period</b>			<b>0.9136</b>	<b>0.8110</b>

## Threadneedle UK Sustainable Equity Fund (formerly Ethical UK Equity Fund)

### DISTRIBUTION TABLE

(continued)

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 01/05/19 to 31/10/19	1.2328	–	1.2328	1.1050
<b>Group 2</b> 01/05/19 to 31/10/19	0.7838	0.4490	1.2328	1.1050
<b>Total distributions in the period</b>			<b>1.2328</b>	<b>1.1050</b>

Group 2: shares purchased during a distribution period.

\*For launch dates, refer to the footnotes after the comparative tables.

## Threadneedle UK Sustainable Equity Fund (formerly Ethical UK Equity Fund)

### Comparative Table Disclosure

	Class 2 – Gross accumulation shares		Class T – Income shares		
	31/10/2019 <sup>1</sup>		31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	100.00		119.96	118.98	117.30
Return before operating charges (p)	6.09		4.64	4.34	4.71
Operating charges (p)	(0.32)		(0.80)	(1.58)	(1.59)
Return after operating charges (p)*	5.77		3.84	2.76	3.12
Distributions (p)	(0.96)		(0.91)	(1.78)	(1.44)
Retained distributions on accumulation shares (p)	0.96		–	–	–
Closing net asset value per share (p)	105.77		122.89	119.96	118.98
*after direct transaction costs of (p)	0.08		0.10	0.13	0.21
<b>Performance</b>					
Return after charges (%)	5.77		3.20	2.32	2.66
<b>Other information</b>					
Closing net asset value (£000)	170		22,403	22,538	23,387
Closing number of shares	160,341		18,230,584	18,788,639	19,655,832
Operating charges (%)**	0.67 <sup>1</sup>		1.32 <sup>1</sup>	1.34	1.34
Direct transaction costs (%)***	0.16		0.16	0.11	0.17
<b>Prices</b>					
Highest share price (p)	106.22		124.52	125.71	122.46
Lowest share price (p)	99.20		116.45	107.74	111.36
<b>Class Z – Accumulation shares</b>					
	31/10/2019	30/04/2019	30/04/2018		
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	127.86	124.41	120.71		
Return before operating charges (p)	4.95	4.61	4.85		
Operating charges (p)	(0.59)	(1.16)	(1.15)		
Return after operating charges (p)*	4.36	3.45	3.70		
Distributions (p)	(1.23)	(2.37)	(1.98)		
Retained distributions on accumulation shares (p)	1.23	2.37	1.98		
Closing net asset value per share (p)	132.22	127.86	124.41		
*after direct transaction costs of (p)	0.10	0.13	0.21		
<b>Performance</b>					
Return after charges (%)	3.41	2.77	3.07		
<b>Other information</b>					
Closing net asset value (£000)	3,667	2,878	1,394		
Closing number of shares	2,773,520	2,251,079	1,120,438		
Operating charges (%)**	0.92 <sup>1</sup>	0.94	0.94		
Direct transaction costs (%)***	0.16	0.11	0.17		
<b>Prices</b>					
Highest share price (p)	132.86	131.62	126.26		
Lowest share price (p)	124.14	113.77	115.54		

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup>Commenced 15 May 2019.

<sup>1</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

## Threadneedle UK Sustainable Equity Fund (formerly Ethical UK Equity Fund)

### Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

##### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

#### 2 RECONCILIATION OF SHARES

	2019
<b>Class 2 – Gross accumulation shares*</b>	
Opening shares	–
Shares issued	160,341
Shares redeemed	–
Net conversions	–
Closing shares	<u>160,341</u>
<b>Class T – Income shares</b>	
Opening shares	18,788,639
Shares issued	222,025
Shares redeemed	(780,080)
Net conversions	–
Closing shares	<u>18,230,584</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	2,251,079
Shares issued	1,044,529
Shares redeemed	(522,088)
Net conversions	–
Closing shares	<u>2,773,520</u>

\*For launch dates, refer to the footnotes after the comparative tables.

## Threadneedle UK Extended Alpha Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve above average capital growth over the long term. It looks to outperform the FTSE All-Share Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and seeks to gain at least 90% of its investment exposure to a concentrated portfolio of shares of companies listed on the London Stock Exchange, predominantly companies domiciled in the UK, or which have significant UK business operations.

This exposure to company shares is achieved by taking both long and short equity positions. Long positions are taken by investing in company shares directly, as well as indirectly using derivatives, and collective investment schemes (including funds managed by Columbia Threadneedle companies) when considered appropriate. Short positions are taken using derivatives only. Typically, the combination of these positions provides exposure to fewer than 85 companies.

The Fund follows an "equity extension strategy", which allows proceeds from short positions to be used to extend long positions within the portfolio, to include more of the fund manager's strongest investment ideas. However, the Fund does not usually short more than 30% of its value, and long positions don't normally exceed 130% of the value of the Fund.

The Fund's extended long and short positions are usually, at least in part, obtained by investing in a single total return swap, with a counterparty. This swap, which is a type of derivative instrument, provides a return linked to the performance of a basket of mainly equity-related securities, exchange traded funds and equity index positions, selected by the fund manager.

The Fund may also invest in other securities (including fixed interest securities), money market instruments, deposits, cash and near cash. These holdings may be substantial where necessary to provide cover for the exposure created using derivatives, or when considered appropriate towards achieving the Fund's investment objective. In addition to using derivatives for investment purposes, derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

The FTSE All-Share Index is regarded as an appropriate performance measure of the UK stock market, with over 600 companies currently included. It is representative of the type of company in which the Fund invests and provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

#### Performance of Class 1 – Accumulation shares\*

Over the six months to 31 October 2019, the published share price of Class 1 - Accumulation shares in the Threadneedle UK Extended Alpha Fund has risen from 488.81p to 490.31p.

For comparison, using noon prices, the performance of the Class 1 share class was +0.31% and +0.59% for the Class 2 share class compared to a return

of +0.25% for the Morningstar UK Unit Trusts/OEICs – IA UK All Companies Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the FTSE All-Share Index was +0.41%.

#### Market Overview and Portfolio Activity

The FTSE All-Share posted a slight gain over the review period. Sentiment was buoyed by expectations that the Federal Reserve and European Central Bank would ease policy, which indeed materialised, and as several overseas takeover bids were launched for UK firms. That said, equities were periodically buffeted by worries around Brexit, the US-China trade war and the global economic outlook.

For much of the period, UK equities also contended with heightened political uncertainty, as Prime Minister Theresa May was forced to step down and was replaced by Boris Johnson. In August, Mr Johnson announced plans to suspend Parliament ahead of the extended Article 50 deadline of 31 October 2019, apparently to frustrate attempts to legislate a no-deal Brexit. These developments weighed on sterling and stocks of UK domestically oriented firms, though the currency's fall buoyed sentiment towards shares of international earners.

However, sterling and domestically oriented stocks rebounded in September and October as fears of a no-deal Brexit receded. MPs managed to legislate against such a scenario in September before Parliament was suspended, and in October, Mr Johnson negotiated a revised withdrawal deal with the EU. The UK Parliament forced him to seek a further extension (until 31 January 2020). MPs subsequently finally agreed to his demands for an early general election, set for 12 December.

The UK economy contracted in second quarter, as business investment declined and the stockpiling which had bolstered activity in the previous quarter was wound down. More encouragingly, consumption data held up reasonably well, supported by low unemployment rates and improvements in inflation-adjusted wages.

In the long book, we initiated a position in housebuilder Persimmon on valuation grounds. We believe the 12% dividend yield is sustainable, given the length of the land bank and the company's underlying cashflow – even assuming a modest margin reduction to mitigate some of the customer service issues that we believe are responsible for the meaningful de-rating relative to the sector. Quite simply, we would expect earnings to grow modestly, the yield to compress and the price-earnings multiple to expand from 6.7x to a more normal 8-9x. The combination of these factors should boost total shareholder returns.

Other new holdings in the long book included utility firm SSE, catering and concession provider SSP and Restaurant Group.

SSP has global operations. Its shares have recently been impacted by a slight earnings miss and negative sentiment around the future of global air passenger traffic, given the company's exposure to airport concessions. Nevertheless,

new contract momentum remains strong and there is significant scope for margin expansion as the start-up costs associated with the concessions business subside.

SSE is uniquely positioned in the UK market due to its offshore wind exposure and is moving away from lower-quality, commoditised activities in the retail market. Though the dividend has been reduced, it is still attractive and offers a decent total return opportunity.

Restaurant Group is a domestic operator of branded restaurants, airport concessions and pubs. The shares have fallen substantially in recent months following the company's acquisition of restaurant chain Wagamama. We feel that the new CEO can execute a successful turnaround strategy by closing loss-making sites and converting existing sites to the Wagamama format.

We also received shares in M&G following its demerger from Prudential. We subsequently scaled up our holding in M&G, due to its extremely attractive valuation proposition.

We profitably sold Merlin Entertainments ahead of the completion of the firm's takeover.

Early on in the period, position sizes in the short book were generally increased in our pool of 'expensive quality' shorts, as we felt that the valuation of these equities had become too stretched and that some form of mean reversion seemed inevitable. We also felt that these shorts offered a useful hedge against our defensive growth holdings in the long book.

Over the period as a whole, new short positions were initiated in a mining firm as commodity prices continued to decline, a specialty chemicals business with an expensive valuation but suffering from a difficult trading backdrop, and a global pharmaceutical business focused on the veterinary market which traded on an eye-watering valuation. We also reinitiated a short position in a domestic telecom business which looks extremely expensive versus peers. We profitably covered our shorts in a cyber-security firm and in a high-profile litigation funding company. The latter was the subject of a 'bear raid' from a well-regarded US hedge fund, and its shares lost 70% of their value in two trading sessions. Hence, we felt it was prudent to close this position at a very good price.

Despite the depressed allocations and sentiment towards the UK market, we are more constructive about the outlook for UK equities. We retain conviction in the strong prospects of select UK domestics and non-commodity-based overseas earners. This environment creates opportunities for active managers, and should continue to entice inbound corporate mergers and acquisitions and activist investment to the UK.

In a broader context, the recent flight to quality witnessed across global markets has resulted in a sharp undervaluation of value stocks relative to their growth counterparts.

We will focus on company fundamentals and use market volatility to top up and buy favoured stocks. We see numerous opportunities to generate returns in the long book, while the travails and challenges in global markets should give us decent opportunities to monetise the downside via the short book.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital losses	(741)	(9,019)
Revenue	2,991	2,486
Expenses	(606)	(565)
Interest payable and similar charges	(636)	(360)
Net revenue before taxation	1,749	1,561
Taxation	–	–
Net revenue after taxation	1,749	1,561
Total return before equalisation	1,008	(7,458)
Equalisation	88	29
Change in net assets attributable to shareholders from investment activities	1,096	(7,429)

### BALANCE SHEET

as at 31 October 2019

	2019 £000	April 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	146,825	140,341
<b>Current assets:</b>		
Debtors	2,155	1,435
Cash and bank balances	2,253	6,437
Cash equivalents**	5,504	–
Total assets	156,737	148,213
<b>Liabilities:</b>		
<b>Investment liabilities</b>	–	(56)
<b>Creditors:</b>		
Other creditors	(1,615)	(2,055)
Total liabilities	(1,615)	(2,111)
<b>Net assets attributable to shareholders</b>	<b>155,122</b>	<b>146,102</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Opening net assets attributable to shareholders	146,102	127,621
Amounts receivable on the issue of shares	22,327	13,324
Amounts payable on the cancellation of shares	(14,403)	(8,687)
	7,924	4,637
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	1,096	(7,429)
<b>Closing net assets attributable to shareholders</b>	<b>155,122</b>	<b>124,829</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

\*\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

## Threadneedle UK Extended Alpha Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	488.57	473.27	449.80	529.84	510.38	482.36
Return before operating charges (p)	4.86	21.74	29.90	5.29	23.62	32.17
Operating charges (p)	(3.39)	(6.44)	(6.43)	(2.20)	(4.16)	(4.15)
Return after operating charges (p)*	1.47	15.30	23.47	3.09	19.46	28.02
Distributions (p)	–	(10.38)	(8.15)	–	(14.04)	(11.53)
Retained distributions on accumulation shares (p)	–	10.38	8.15	–	14.04	11.53
Closing net asset value per share (p)	490.04	488.57	473.27	532.93	529.84	510.38
*after direct transaction costs of (p)	0.97	1.16	1.68	1.06	1.25	1.81
<b>Performance</b>						
Return after charges (%)	0.30	3.23	5.22	0.58	3.81	5.81
<b>Other information</b>						
Closing net asset value (£000)	5,062	5,459	5,551	140,512	140,636	122,063
Closing number of shares	1,033,023	1,117,252	1,172,837	26,365,883	26,543,107	23,916,107
Operating charges (%)**	1.39 <sup>†</sup>	1.39	1.40	0.83 <sup>†</sup>	0.83	0.84
Direct transaction costs (%)***	0.40	0.25	0.37	0.40	0.25	0.37
<b>Prices</b>						
Highest share price (p)	509.45	490.22	480.95	553.26	531.58	517.83
Lowest share price (p)	466.98	413.00	439.96	506.69	447.04	474.18

	Class X – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	244.51	233.73	219.21
Return before operating charges (p)	2.46	10.94	14.68
Operating charges (p)	(0.09)	(0.16)	(0.16)
Return after operating charges (p)*	2.37	10.78	14.52
Distributions (p)	–	(8.22)	(6.99)
Retained distributions on accumulation shares (p)	–	8.22	6.99
Closing net asset value per share (p)	246.88	244.51	233.73
*after direct transaction costs of (p)	0.49	0.58	0.83
<b>Performance</b>			
Return after charges (%)	0.97	4.61	6.62
<b>Other information</b>			
Closing net asset value (£000)	9,548	7	7
Closing number of shares	3,867,534	3,000	3,000
Operating charges (%)**	0.07 <sup>†</sup>	0.07	0.07
Direct transaction costs (%)***	0.40	0.25	0.37
<b>Prices</b>			
Highest share price (p)	255.80	245.28	236.61
Lowest share price (p)	233.99	205.76	216.98

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>†</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period.

## Threadneedle UK Extended Alpha Fund

### Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

##### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

#### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Accumulation shares</b>	
Opening shares	1,117,252
Shares issued	53,015
Shares redeemed	(137,095)
Net conversions	(149)
Closing shares	<u>1,033,023</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	26,543,107
Shares issued	2,432,780
Shares redeemed	(2,610,141)
Net conversions	137
Closing shares	<u>26,365,883</u>
<b>Class X – Accumulation shares</b>	
Opening shares	3,000
Shares issued	3,864,534
Shares redeemed	–
Net conversions	–
Closing shares	<u>3,867,534</u>

## Threadneedle UK Equity Alpha Income Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income combined with prospects for capital growth over the long term. It looks to provide an income yield higher than the FTSE All-Share Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least 90% of its assets in shares of companies listed on the London Stock Exchange; predominantly companies domiciled in the UK, or which have significant UK business operations.

The Fund selects companies that exhibit above average income generation potential, as well as those considered to offer opportunities more by way of share price or dividend growth. The Alpha Income investment approach is a highly focused management style, allowing the flexibility for significant share and sector positions to be taken. As a result, investment is usually concentrated in fewer than 35 companies. These companies may be of any size, but investment tends to focus on larger companies included in the FTSE All-Share Index.

The FTSE All-Share Index is regarded as an appropriate performance measure of the UK stock market, with over 600 companies currently included. The income yield of this index provides a suitable target benchmark against which the level of income generated by the Fund will be measured and evaluated over time.

The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate. The Fund may also hold money market instruments, deposits, cash and near cash.

The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

#### Performance of Class 1 – Income Shares\*

Over the six months to 31 October 2019, the published share price of Class 1 - Income shares in the Threadneedle UK Equity Alpha Income Fund has fallen from 65.49p to 65.41p.

For comparison, using noon prices, the performance of the Class 1 share class was +2.08% and +2.37% for the Class 2 share class compared to a return of +0.02% for the Morningstar UK Unit Trusts/OEICS – IA UK

Equity Income Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the FTSE All-Share Index was +0.41%.

#### Market Overview and Portfolio Activity

The FTSE All-Share posted a slight gain over the review period. Sentiment was buoyed by expectations that the Federal Reserve and European Central Bank would ease policy, which indeed materialised, and as several overseas takeover bids were launched for UK firms. That said, equities were periodically buffeted by worries around Brexit, the US-China trade war and the global economic outlook.

For much of the period, UK equities also contended with heightened political uncertainty, as Prime Minister Theresa May was forced to step down and was replaced by Boris Johnson. In August, Mr Johnson announced plans to suspend Parliament ahead of the extended Article 50 deadline of 31 October 2019, apparently to frustrate attempts to legislate against a no-deal Brexit. These developments weighed on sterling and stocks of UK domestically oriented firms, though the currency's fall buoyed sentiment towards shares of international earners.

However, sterling and domestically oriented stocks rebounded in September and October as fears of a no-deal Brexit receded. MPs managed to legislate against such a scenario in September before Parliament was suspended, and in October, Mr Johnson negotiated a revised withdrawal deal with the EU. The UK Parliament forced him to seek a further extension (until 31 January 2020). MPs subsequently finally agreed to his demands for an early general election, set for 12 December.

The UK economy contracted in second quarter, as business investment declined and the stockpiling which had bolstered activity in the previous quarter was wound down. More encouragingly, consumption data held up reasonably well, supported by low unemployment rates and improvements in inflation-adjusted wages.

Over the review period, we focused on adding to our existing holdings, chiefly Marks & Spencer, Morrisons, GlaxoSmithKline and BT.

We participated in Marks & Spencer's rights issue, which was launched to fund its share of its joint venture with Ocado. While we understand the market's concerns around the terms of the offering, we believe that the deal with Ocado has strategic merits for Marks & Spencer. We also feel that there

is scope for meaningful improvements in Marks & Spencer's food division, although much of the deep restructuring is not yet visible in the financials.

Supermarket chain Morrisons has been experiencing challenging trading conditions but is expanding its revenue base as the wholesale operation grows. This paves the way for potentially greater operating leverage throughout the wider business. Additionally, the company's management is implementing cost efficiencies while investing in pricing.

GlaxoSmithKline is one of several globally diversified companies in the fund which are trading at attractive valuations relative to overseas-listed peers. We are optimistic about recent portfolio decisions, the transformation of the pharmaceutical pipeline and the company's increasingly focused approach to R&D.

BT recently announced plans to grow its business via rolling out 5G, helping customers to upskill, and expanding its mobile broadband network. We are optimistic about BT's investment in the rollout of the fibre-to-the-home network. The outlay is part of the firm's plans to target long-term growth and improve its relationship with the regulator, which should pave the way for BT to earn a reasonable return on its investment.

We realised some gains in Cobham following its strong rally after the takeover bid from US private equity firm Advent. We also took some profits in Legal & General, AstraZeneca and Rentokil, which have been among the fund's top performers in 2019.

While there are concerns about political and economic developments in the UK, we are more constructive about the outlook for UK equities.

We retain conviction in the strong prospects of select UK domestic and non-commodity-based overseas earners. This environment creates opportunities for active managers, and should continue to entice inbound corporate mergers and acquisitions and activist investment to the UK.

This valuation dynamic can also be understood in the broader context of an extremely polarised global market in which the gap between stocks perceived as cheap value and those deemed strong growth is very stretched. In our view a rotation is overdue. We are not attempting to predict the timing or trigger of such a move, but we aim to ensure that our portfolios are best prepared to weather the turbulence and seize the opportunities when this moment arrives.

As patient, conviction investors, we will continue to avoid short-term trades and instead concentrate on company fundamentals to target strong, risk-adjusted returns.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	1,461	(9,746)
Revenue	9,158	18,769
Expenses	(1,741)	(4,168)
Interest payable and similar charges	–	(1)
Net revenue before taxation	7,417	14,600
Taxation	–	–
Net revenue after taxation	7,417	14,600
<b>Total return before distributions</b>	<b>8,878</b>	<b>4,854</b>
Distributions	(8,970)	(16,490)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>(92)</b>	<b>(11,636)</b>

### BALANCE SHEET

as at 31 October 2019

	2019 £000	April 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	366,638	373,353
<b>Current assets:</b>		
Debtors	1,021	2,763
Cash and bank balances	398	774
Cash equivalents**	908	55
<b>Total assets</b>	<b>368,965</b>	<b>376,945</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(7,312)	(8,121)
Other creditors	(536)	(6,505)
<b>Total liabilities</b>	<b>(7,848)</b>	<b>(14,626)</b>
<b>Net assets attributable to shareholders</b>	<b>361,117</b>	<b>362,319</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>362,319</b>	<b>777,198</b>
Amounts receivable on the issue of shares	81,515	11,066
Amounts payable on the cancellation of shares	(84,037)	(85,543)
	(2,522)	(74,477)
Dilution adjustment	50	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(92)	(11,636)
Retained distribution on accumulation shares	1,362	–
<b>Closing net assets attributable to shareholders</b>	<b>361,117</b>	<b>691,085</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

### DISTRIBUTION TABLE

for the accounting period 1 May 2019 to 31 October 2019

Dividend distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 01/05/19 to 31/10/19	1.5568	–	1.5568	1.4367
<b>Group 2</b> 01/05/19 to 31/10/19	0.9030	0.6538	1.5568	1.4367
<b>Total distributions in the period</b>			<b>1.5568</b>	<b>1.4367</b>

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 01/05/19 to 31/10/19	1.6911	–	1.6911	1.5330
<b>Group 2</b> 01/05/19 to 31/10/19	1.1068	0.5843	1.6911	1.5330
<b>Total distributions in the period</b>			<b>1.6911</b>	<b>1.5330</b>

\*\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

## Threadneedle UK Equity Alpha Income Fund

### DISTRIBUTION TABLE

(continued)

#### Class X – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 01/05/19 to 31/10/19	2.6480	–	2.6480	2.3121
<b>Group 2</b> 01/05/19 to 31/10/19	2.6480	–	2.6480	2.3121
<b>Total distributions in the period</b>			<b>2.6480</b>	<b>2.3121</b>

#### Class X – Gross accumulation shares\*

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2019
<b>Group 1</b> 01/05/19 to 31/10/19	2.3099	–	2.3099
<b>Group 2</b> 01/05/19 to 31/10/19	2.3099	–	2.3099
<b>Total distributions in the period</b>			<b>2.3099</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 01/05/19 to 31/10/19	3.3260	–	3.3260	2.9799
<b>Group 2</b> 01/05/19 to 31/10/19	1.9643	1.3617	3.3260	2.9799
<b>Total distributions in the period</b>			<b>3.3260</b>	<b>2.9799</b>

Group 2: shares purchased during a distribution period.

\*For launch dates, refer to the footnotes after the comparative tables.

## Threadneedle UK Equity Alpha Income Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 2 – Income shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	64.02	65.70	68.31	68.39	69.83	72.24
Return before operating charges (p)	1.81	2.23	1.28	1.93	2.39	1.36
Operating charges (p)	(0.52)	(1.07)	(1.10)	(0.36)	(0.75)	(0.76)
Return after operating charges (p)*	1.29	1.16	0.18	1.57	1.64	0.60
Distributions (p)	(1.56)	(2.84)	(2.79)	(1.69)	(3.08)	(3.01)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	63.75	64.02	65.70	68.27	68.39	69.83
*after direct transaction costs of (p)	0.01	0.02	0.06	0.01	0.03	0.06
<b>Performance</b>						
Return after charges (%)	2.01	1.77	0.26	2.30	2.35	0.83
<b>Other information</b>						
Closing net asset value (£000)	60,701	66,736	83,269	79,373	127,561	483,456
Closing number of shares	95,215,618	104,243,800	126,739,101	116,256,910	186,530,931	692,353,946
Operating charges (%)**	1.63 <sup>†</sup>	1.63	1.63	1.06 <sup>†</sup>	1.05	1.06
Direct transaction costs (%)***	0.02	0.03	0.08	0.02	0.03	0.08
<b>Prices</b>						
Highest share price (p)	66.24	70.41	72.20	70.86	74.95	76.39
Lowest share price (p)	59.84	59.42	61.52	63.95	63.39	65.39

  

	Class X – Income shares			Class X – Gross accumulation shares
	31/10/2019	30/04/2019	30/04/2018	31/10/2019 <sup>†</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	106.51	107.65	110.25	100.00
Return before operating charges (p)	3.03	3.67	2.06	5.92
Operating charges (p)	(0.01)	(0.02)	(0.02)	(0.03)
Return after operating charges (p)*	3.02	3.65	2.04	5.89
Distributions (p)	(2.65)	(4.79)	(4.64)	(2.31)
Retained distributions on accumulation shares (p)	–	–	–	2.31
Closing net asset value per share (p)	106.88	106.51	107.65	105.89
*after direct transaction costs of (p)	0.01	0.04	0.09	0.01
<b>Performance</b>				
Return after charges (%)	2.84	3.39	1.85	5.89
<b>Other information</b>				
Closing net asset value (£000)	3	3	3	62,427
Closing number of shares	3,000	3,000	3,000	58,952,746
Operating charges (%)**	0.02 <sup>†</sup>	0.02	0.02	0.06 <sup>†</sup>
Direct transaction costs (%)***	0.02	0.03	0.08	0.02
<b>Prices</b>				
Highest share price (p)	110.68	115.88	116.69	107.02
Lowest share price (p)	99.70	98.45	100.74	96.40

## Threadneedle UK Equity Alpha Income Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares		
	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	136.59	139.15	143.58
Return before operating charges (p)	3.88	4.71	2.70
Operating charges (p)	(0.60)	(1.23)	(1.25)
Return after operating charges (p)*	3.28	3.48	1.45
Distributions (p)	(3.33)	(6.04)	(5.88)
Retained distributions on accumulation shares (p)	–	–	–
Closing net asset value per share (p)	136.54	136.59	139.15
*after direct transaction costs of (p)	0.01	0.05	0.12
<b>Performance</b>			
Return after charges (%)	2.40	2.50	1.01
<b>Other information</b>			
Closing net asset value (£000)	158,613	168,019	210,470
Closing number of shares	116,165,473	123,009,135	151,257,373
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.88
Direct transaction costs (%)***	0.02	0.03	0.08
<b>Prices</b>			
Highest share price (p)	141.59	149.43	151.86
Lowest share price (p)	127.75	126.53	130.23

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>†</sup>Commenced 9 May 2019.

<sup>†</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

# Threadneedle UK Equity Alpha Income Fund

## Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

#### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Income shares</b>	
Opening shares	104,243,800
Shares issued	495,213
Shares redeemed	(6,252,726)
Net conversions	(3,270,669)
Closing shares	<u>95,215,618</u>
<b>Class 2 – Income shares</b>	
Opening shares	186,530,931
Shares issued	27,293,061
Shares redeemed	(97,567,082)
Net conversions	–
Closing shares	<u>116,256,910</u>
<b>Class X – Income shares</b>	
Opening shares	3,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>3,000</u>
<b>Class X – Gross accumulation shares*</b>	
Opening shares	–
Shares issued	61,653,041
Shares redeemed	(2,700,295)
Net conversions	–
Closing shares	<u>58,952,746</u>
<b>Class Z – Income shares</b>	
Opening shares	123,009,135
Shares issued	1,619,118
Shares redeemed	(9,993,344)
Net conversions	1,530,564
Closing shares	<u>116,165,473</u>

\*For launch dates, refer to the footnotes after the comparative tables.

## Threadneedle UK Absolute Alpha Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve a higher rate of return than the ICE BofAML British Pound 3-month Deposit Offered Rate Constant Maturity Index over rolling 3-year periods, after the deduction of charges. The Fund also seeks to deliver a positive return (net of charges) over a 12-month period, irrespective of market conditions. However, there is a risk to capital, and there is no guarantee that such a return will be achieved within 12 months, or any other timescale.

The Fund is actively managed, and seeks to gain at least 70% of its investment exposure to shares of companies domiciled in the UK, or which have significant UK business operations.

This exposure to company shares is achieved by taking both long and short equity positions. Long positions can be taken by investing in company shares directly, as well as indirectly using derivatives, and collective investment schemes (including funds managed by Columbia Threadneedle companies) when considered appropriate. Short positions are taken using derivatives only. Typically, the combination of these positions provides exposure to fewer than 30 companies.

The Fund's long and short positions will be obtained, at least in part, by investing in a single total return swap, with a counterparty. This swap, which is a type of derivative instrument, provides a return linked to the performance of mainly equity-related securities, exchange traded funds and equity index positions, selected by the fund manager.

The Fund may also invest in other securities (including fixed interest securities), as well as money market instruments, deposits, cash and near cash. These holdings may be substantial where necessary to provide cover for the exposure created using derivatives, or when considered appropriate towards achieving the Fund's investment objective.

In addition to using derivatives with the aim of achieving investment gains, derivatives may also be used with the aim of reducing risk or managing the Fund more efficiently.

The ICE BofAML British Pound 3-month Deposit Offered Rate Constant Maturity Index is considered a suitable cash benchmark against which the Fund performance can be measured and evaluated over time.

#### Performance of Class 1 – Accumulation shares\*

Over the six months to 31 October 2019, the published share price of Class 1 – Accumulation shares in the Threadneedle UK Absolute Alpha Fund has risen from 130.70p to 132.18p.

For comparison, using noon prices, the performance of the Class 1 share class was +1.13% and +1.43% for the Class 2 share class compared to a return of +1.43% for the Morningstar UK Unit Trusts/OEICs – Morningstar Category Alt – Long/Short Equity – UK Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, the ICE BofAML British Pound 3 Month Deposit Offered Rate Constant Maturity returned +0.39%.

#### Market Overview and Portfolio Activity

The FTSE All-Share posted a slight gain over the review period. Sentiment was buoyed by expectations that the Federal Reserve and European Central Bank would ease policy, which indeed materialised, and as several overseas takeover bids were launched for UK firms. That said, equities were periodically buffeted by worries around Brexit, the US-China trade war and the global economic outlook.

For much of the period, UK equities also contended with heightened political uncertainty, as Prime Minister Theresa May was forced to step down and was replaced by Boris Johnson. In August, Mr Johnson announced plans to suspend Parliament ahead of the extended Article 50 deadline of 31 October 2019, apparently to frustrate attempts to legislate against a no-deal Brexit. These developments weighed on sterling and stocks of UK domestically oriented firms, though the currency's fall buoyed sentiment towards shares of international earners.

However, sterling and domestically oriented stocks rebounded in September and October as fears of a no-deal Brexit receded. MPs managed to legislate against such a scenario in September before Parliament was suspended, and in October, Mr Johnson negotiated a revised withdrawal deal with the EU. The UK Parliament forced him to seek a further extension (until 31 January 2020). MPs subsequently finally agreed to his demands for an early general election, set for 12 December.

The UK economy contracted in second quarter, as business investment declined and the stockpiling which had bolstered activity in the previous quarter was wound down. More encouragingly, consumption data held up reasonably well, supported by low unemployment rates and improvements in inflation-adjusted wages.

New additions to the long portfolio included Vodafone, SSP, Persimmon, ITV and Restaurant Group.

Having successfully shorted Vodafone over the last couple of years, we decided to switch to a long position. We feel that the dividend yield is attractive, and that the company's separation of its mobile-masts division should create shareholder value.

SSP is a global operator of catering and concession services in airports and railway stations. We believe that start-up costs are masking the underlying future profitability of the business.

For housebuilder Persimmon, our purchase was premised on valuation grounds. We felt that the 12% dividend yield is sustainable given the length of the land bank and the company's underlying cashflow.

We felt that ITV's valuation has been unduly pressured by Brexit-related concerns; we believe that the stock is of higher quality and that the company is less vulnerable to disruption than suggested by the bearish sentiment.

Restaurant Group operates branded restaurants, airport concessions and pubs. The shares have recently been pressured by news of the company's acquisition of restaurant chain Wagamama. We feel that the new CEO can execute a successful turnaround strategy by closing loss-making sites along with converting existing sites to the Wagamama format.

We also received shares in M&G following its demerger from Prudential. We subsequently scaled up the position in M&G meaningfully, due to the extremely attractive valuation proposition.

We sold Sherborne, Domino's Pizza and Associated British Foods, as their stop-losses were reached. We also took some profits in defensive stocks which we felt were trading at expensive valuations.

In the short book, we initially increased position sizes in our pool of 'expensive quality' shorts, as we felt that the valuation of these equities had become too stretched, and that these shorts offered a useful hedge against our defensive growth holdings in the long book. Over the period, we repositioned the short book towards stock-specific shorts and away from the FTSE 100 index futures position, which has been an imperfect hedge for our long exposure.

New additions to the short book over the period included a global diversified mining firm as commodity prices continue to decline, a speciality chemicals business suffering from challenging trading, and a pharmaceutical company focused on the veterinary market which trades on an eye-watering valuation. We profitably covered a number of positions, chiefly in a cyber-security firm and in a high-profile litigation funding company. The latter was the subject of a 'bear raid' from a well-regarded US hedge fund, and its shares lost 70% of their value in two trading sessions. Hence, we felt it was prudent to close this position at a very good price.

Despite the depressed allocations and sentiment towards the UK market, we are more constructive about the outlook for UK equities. We retain conviction in the strong prospects of select UK domestics and non-commodity-based overseas earners. This environment creates opportunities for active managers, and should continue to entice inbound corporate mergers and acquisitions and activist investment to the UK.

In a broader context, the recent flight to quality witnessed across global markets has resulted in a sharp undervaluation of value stocks relative to their growth counterparts.

Recently, we have modestly increased the economic sensitivity of the portfolio by marginally increasing the net exposure of the fund. This has been partly achieved by closing short positions in cyclical assets that had fallen on recent profit warnings. However, given that very few of the genuine long-term issues that we are facing are likely to be swiftly resolved, the portfolio will remain reasonably cautiously constructed, albeit slightly less so than over the difficult summer months.

Overall, we will focus on company fundamentals and use market volatility to top up and buy favoured stocks. We see numerous opportunities to generate returns in the long book, while the travails and challenges in global markets should give us decent opportunities to monetise the downside via the short book.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019	2018
	£000	£000
Income		
Net capital gains/(losses)	3,323	(19,363)
Revenue	3,572	6,484
Expenses	(801)	(2,624)
Interest payable and similar charges	(1,239)	(3,135)
Net revenue before taxation	1,532	725
Taxation	–	–
Net revenue after taxation	1,532	725
<b>Total return before equalisation</b>	<b>4,855</b>	<b>(18,638)</b>
Equalisation	34	(57)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>4,889</b>	<b>(18,695)</b>

### BALANCE SHEET

as at 31 October 2019

	2019	April 2019
	£000	£000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	199,933	240,852
<b>Current assets:</b>		
Debtors	878	2,921
Cash and bank balances	38,298	33,309
Cash equivalents**	23,131	28,038
<b>Total assets</b>	<b>262,240</b>	<b>305,120</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	<b>(217)</b>	<b>(3,218)</b>
<b>Creditors:</b>		
Distribution payable	–	(96)
Other creditors	(822)	(2,105)
<b>Total liabilities</b>	<b>(1,039)</b>	<b>(5,419)</b>
<b>Net assets attributable to shareholders</b>	<b>261,201</b>	<b>299,701</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019	2018
	£000	£000
<b>Opening net assets attributable to shareholders</b>	<b>299,701</b>	<b>636,362</b>
Amounts receivable on the issue of shares	87,840	30,101
Amounts payable on the cancellation of shares	(131,229)	(106,829)
	(43,389)	(76,728)
Dilution adjustment	–	15
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	4,889	(18,695)
<b>Closing net assets attributable to shareholders</b>	<b>261,201</b>	<b>540,954</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

\*\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

## Threadneedle UK Absolute Alpha Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 1 EUR – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	25/01/2019 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	130.60	134.21	135.67	135.77		
Return before operating charges (p)	2.59	(1.46)	0.74	(6.81)		
Operating charges (p)	(1.08)	(2.15)	(2.20)	(1.51)		
Return after operating charges (p)*	1.51	(3.61)	(1.46)	(8.32)		
Distributions (p)	–	–	–	–		
Retained distributions on accumulation shares (p)	–	–	–	–		
Closing net asset value per share (p)	132.11	130.60	134.21	127.45		
*after direct transaction costs of (p)	0.15	0.24	0.31	0.18		
<b>Performance</b>						
Return after charges (%)	1.16	(2.69)	(1.08)	(6.13)		
<b>Other information</b>						
Closing net asset value (£000)	3,550	4,205	14,547	–		
Closing number of shares	2,687,188	3,219,274	10,839,143	–		
Operating charges (%)**	1.63 <sup>†</sup>	1.63	1.63	–		
Direct transaction costs (%)***	0.22	0.19	0.23	–		
<b>Prices</b>						
Highest share price (p)	133.23	136.25	137.03	135.01		
Lowest share price (p)	130.61	126.86	131.56	126.86		
	Class 1 EUR Hedged – Accumulation shares			Class 2 – Income shares		
	25/01/2019 <sup>2</sup>	30/04/2018	30/04/2017	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	121.88	119.37	110.91	103.63	106.02	106.56
Return before operating charges (p)	(7.67)	4.53	10.34	2.05	(1.14)	0.56
Operating charges (p)	(1.45)	(2.02)	(1.88)	(0.55)	(1.06)	(1.10)
Return after operating charges (p)*	(9.12)	2.51	8.46	1.50	(2.20)	(0.54)
Distributions (p)	–	–	–	–	(0.19)	–
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	112.76	121.88	119.37	105.13	103.63	106.02
*after direct transaction costs of (p)	0.17	0.28	0.34	0.12	0.19	0.24
<b>Performance</b>						
Return after charges (%)	(7.48)	2.10	7.63	1.45	(2.08)	(0.51)
<b>Other information</b>						
Closing net asset value (£000)	–	11,433	16,262	3	3	3
Closing number of shares	–	9,380,087	13,623,761	3,000	3,000	3,000
Operating charges (%)**	–	1.63	1.62	1.04 <sup>†</sup>	1.02	1.03
Direct transaction costs (%)***	–	0.23	0.29	0.22	0.19	0.23
<b>Prices</b>						
Highest share price (p)	125.54	129.93	125.12	106.01	107.67	107.69
Lowest share price (p)	112.76	118.33	108.49	103.54	100.60	103.89

## Threadneedle UK Absolute Alpha Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Accumulation shares			Class 2 EUR – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	25/01/2019 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	135.85	138.80	139.50	140.51		
Return before operating charges (p)	2.71	(1.51)	0.78	(7.13)		
Operating charges (p)	(0.74)	(1.44)	(1.48)	(1.02)		
Return after operating charges (p)*	1.97	(2.95)	(0.70)	(8.15)		
Distributions (p)	–	(0.18)	–	–		
Retained distributions on accumulation shares (p)	–	0.18	–	–		
Closing net asset value per share (p)	137.82	135.85	138.80	132.36		
*after direct transaction costs of (p)	0.15	0.24	0.32	0.18		
<b>Performance</b>						
Return after charges (%)	1.45	(2.13)	(0.50)	(5.80)		
<b>Other information</b>						
Closing net asset value (£000)	3,588	90,331	94,473	–		
Closing number of shares	2,603,441	66,495,255	68,065,164	–		
Operating charges (%)**	1.08 <sup>†</sup>	1.06	1.06	–		
Direct transaction costs (%)***	0.22	0.19	0.23	–		
<b>Prices</b>						
Highest share price (p)	138.96	140.96	140.97	139.78		
Lowest share price (p)	135.88	131.67	136.00	131.67		
	Class 2 EUR Hedged – Accumulation shares			Class X – Accumulation shares		
	25/01/2019 <sup>2</sup>	30/04/2018	30/04/2017	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	133.58	130.09	120.15	100.66	101.83	101.50
Return before operating charges (p)	(8.46)	4.92	11.28	2.00	(1.11)	0.39
Operating charges (p)	(1.04)	(1.43)	(1.34)	(0.03)	(0.06)	(0.06)
Return after operating charges (p)*	(9.50)	3.49	9.94	1.97	(1.17)	0.33
Distributions (p)	–	–	–	–	(1.14)	(0.66)
Retained distributions on accumulation shares (p)	–	–	–	–	1.14	0.66
Closing net asset value per share (p)	124.08	133.58	130.09	102.63	100.66	101.83
*after direct transaction costs of (p)	0.19	0.31	0.37	0.11	0.18	0.23
<b>Performance</b>						
Return after charges (%)	(7.11)	2.68	8.27	1.96	(1.15)	0.33
<b>Other information</b>						
Closing net asset value (£000)	–	48,999	135,089	137,115	48,949	52,573
Closing number of shares	–	36,682,370	103,842,844	133,598,119	48,626,848	51,630,949
Operating charges (%)**	–	1.06	1.06	0.06 <sup>†</sup>	0.06	0.06
Performance fee (%)	–	–	–	–	–	0.18
Direct transaction costs (%)***	–	0.23	0.29	0.22	0.19	0.23
<b>Prices</b>						
Highest share price (p)	137.84	141.86	135.88	103.47	103.37	102.89
Lowest share price (p)	124.08	129.66	117.62	100.72	97.20	99.70

## Threadneedle UK Absolute Alpha Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	103.25	105.63	105.98	121.39	123.81	124.22
Return before operating charges (p)	2.05	(1.14)	0.58	2.41	(1.35)	0.68
Operating charges (p)	(0.46)	(0.92)	(0.93)	(0.54)	(1.07)	(1.09)
Return after operating charges (p)*	1.59	(2.06)	(0.35)	1.87	(2.42)	(0.41)
Distributions (p)	–	(0.32)	–	–	(0.37)	–
Retained distributions on accumulation shares (p)	–	–	–	–	0.37	–
Closing net asset value per share (p)	104.84	103.25	105.63	123.26	121.39	123.81
*after direct transaction costs of (p)	0.12	0.19	0.24	0.14	0.22	0.28
<b>Performance</b>						
Return after charges (%)	1.54	(1.95)	(0.33)	1.54	(1.95)	(0.33)
<b>Other information</b>						
Closing net asset value (£000)	25,827	31,114	70,650	91,046	124,981	266,720
Closing number of shares	24,633,578	30,134,843	66,882,172	73,865,524	102,956,502	215,425,163
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.88	0.88 <sup>†</sup>	0.88	0.88
Direct transaction costs (%)***	0.22	0.19	0.23	0.22	0.19	0.23
<b>Prices</b>						
Highest share price (p)	105.72	107.29	107.12	124.28	125.75	125.55
Lowest share price (p)	103.17	100.32	103.49	121.43	117.58	121.30
	Class Z CHF Hedged – Accumulation shares			Class Z EUR Hedged – Accumulation shares		
	25/01/2019 <sup>2</sup>	30/04/2018	30/04/2017	25/01/2019 <sup>2</sup>	30/04/2018	30/04/2017
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	106.93	115.41	105.81	118.83	115.49	106.45
Return before operating charges (p)	(1.22)	(7.47)	10.87	(7.56)	4.40	10.03
Operating charges (p)	(0.77)	(1.01)	(1.27)	(0.72)	(1.06)	(0.99)
Return after operating charges (p)*	(1.99)	(8.48)	9.60	(8.28)	3.34	9.04
Distributions (p)	(0.08)	–	–	(0.08)	–	–
Retained distributions on accumulation shares (p)	0.08	–	–	0.08	–	–
Closing net asset value per share (p)	104.94	106.93	115.41	110.55	118.83	115.49
*after direct transaction costs of (p)	0.17	0.26	0.42	0.15	0.27	0.33
<b>Performance</b>						
Return after charges (%)	(1.86)	(7.35)	9.07	(6.97)	2.89	8.49
<b>Other information</b>						
Closing net asset value (£000)	–	185	396	–	76,578	12,585
Closing number of shares	–	172,625	342,397	–	64,442,114	10,896,822
Operating charges (%)**	–	0.88	0.87	–	0.88	0.88
Direct transaction costs (%)***	–	0.23	0.29	–	0.23	0.29
<b>Prices</b>						
Highest share price (p)	115.79	121.03	119.74	122.68	126.04	120.50
Lowest share price (p)	104.94	104.42	102.82	110.55	115.13	104.24

## Threadneedle UK Absolute Alpha Fund

### Comparative Table Disclosure

(continued)

	Class Z USD Hedged – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	120.68	114.92	120.87
Return before operating charges (p)	3.96	6.81	(4.91)
Operating charges (p)	(0.56)	(1.05)	(1.04)
Return after operating charges (p)*	3.40	5.76	(5.95)
Distributions (p)	–	(0.36)	–
Retained distributions on accumulation shares (p)	–	0.36	–
Closing net asset value per share (p)	124.08	120.68	114.92
*after direct transaction costs of (p)	0.14	0.21	0.27
<b>Performance</b>			
Return after charges (%)	2.82	5.01	(4.92)
<b>Other information</b>			
Closing net asset value (£000)	72	118	201
Closing number of shares	57,649	97,959	174,518
Operating charges (%)**	0.88 <sup>1</sup>	0.88	0.88
Performance fee (%)	–	–	0.05
Direct transaction costs (%)***	0.22	0.19	0.23
<b>Prices</b>			
Highest share price (p)	132.94	124.77	124.67
Lowest share price (p)	120.35	115.36	108.84

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup>Commenced 15 June 2018 and closed 25 January 2019.

<sup>2</sup>Closed 25 January 2019.

<sup>3</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period.

# Threadneedle UK Absolute Alpha Fund

## Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

#### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Accumulation shares</b>	
Opening shares	3,219,274
Shares issued	40,656
Shares redeemed	(541,184)
Net conversions	(31,558)
Closing shares	<u>2,687,188</u>
<b>Class 2 – Income shares</b>	
Opening shares	3,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>3,000</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	66,495,255
Shares issued	44
Shares redeemed	(63,891,858)
Net conversions	–
Closing shares	<u>2,603,441</u>
<b>Class X – Accumulation shares</b>	
Opening shares	48,626,848
Shares issued	85,657,819
Shares redeemed	(686,548)
Net conversions	–
Closing shares	<u>133,598,119</u>
<b>Class Z – Income shares</b>	
Opening shares	30,134,843
Shares issued	10,066
Shares redeemed	(5,530,050)
Net conversions	18,719
Closing shares	<u>24,633,578</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	102,956,502
Shares issued	272,373
Shares redeemed	(29,381,278)
Net conversions	17,927
Closing shares	<u>73,865,524</u>
<b>Class Z USD Hedged – Accumulation shares</b>	
Opening shares	97,959
Shares issued	9,560
Shares redeemed	(49,870)
Net conversions	–
Closing shares	<u>57,649</u>

# Threadneedle Sterling Medium and Long-Dated Corporate Bond Fund

## Investment Report

### Investment Objective and Policy

The Fund aims to provide income with the prospect of some capital growth over the long term. It looks to outperform the iBoxx GBP Non-Gilts 5+ Years Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least two-thirds of its assets in investment grade corporate bonds with a remaining maturity of 5 years or more. The Fund may also invest in other bonds (including below investment grade corporate bonds, and government bonds) when considered appropriate to achieve its investment objective.

The bonds selected are denominated in sterling (or hedged back to sterling, if a different currency) and issued by companies anywhere in the world.

The Fund may also invest in other securities, as well as collective investment schemes (including funds managed by Columbia Threadneedle companies), and hold money market instruments, deposits, cash and near cash.

The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently. The Fund may commence using derivatives with the aim of achieving an investment gain, providing at least 60 days' notice is given to shareholders.

The iBoxx GBP Non-Gilts 5+ Years Index is regarded as a appropriate performance measure of sterling-denominated investment grade bonds with a remaining maturity of 5 years or longer issued worldwide, but excluding bonds issued by the UK government (gilts). It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

### Performance of Class 2 – Gross income shares\*

Over the six months to 31 October 2019, the published share price of Class 2 - Gross Income shares in the Threadneedle Sterling Medium and Long-Dated Corporate Bond Fund has risen from 133.46p to 141.76p.

For comparison, using noon prices, the performance of the Class 2 share class was +7.52%.

For information purposes, using global close prices, the total return of the iBoxx GBP Non-Gilts 5+ Years was +7.40%.

## Market Overview and Portfolio Activity

The six months in review constituted another volatile period for sterling investment-grade corporate bonds, which nevertheless managed to deliver a strong positive return. This gain was due to falling underlying gilt yields, as credit spreads – the yield premiums offered by corporate bonds over “risk-free” government bonds of the same maturity – finished the period unchanged from where they began.

Developments both international and domestic combined to drive yields lower. In the former camp were three broadly overlapping factors: the ongoing US-China trade dispute, signs of deterioration in the global economy, particularly in manufacturing, and looser monetary policy from key central banks. The Federal Reserve lowered US interest rates three times during the period; the European Central Bank cut rates only once – moving further into negative territory – but it also unveiled an open-ended programme of bond purchases, beginning in November.

In the UK, the Bank of England appeared almost hawkish in comparison, with policymakers continuing to insist that the next move in rates could be up or down. While this relative hawkishness was a headwind for gilts, they did benefit from Brexit-related uncertainty and worries about its impact on the UK economy. Brexit fears increased when Boris Johnson took over from Theresa May as prime minister, having based his leadership campaign around a pledge to take the UK out of the EU on the 31 October deadline “no matter what”. Despite his controversial attempts to frustrate them, however, MPs effectively legislated in September against a no-deal exit. Sterling rose in response.

The pound rallied even more strongly in October, as the new prime minister managed to renegotiate his predecessor's withdrawal agreement with the EU. Parliament backed the deal in principle but refused to rush it through in time for Halloween deadline. Mr Johnson was therefore forced to ask for another Article 50 extension, which was granted by the EU. With an imminent no-deal Brexit off the table, MPs finally agreed to his demands for an early general election, set for 12 December.

UK GDP was shown to have shrunk in the second quarter (Q2) as companies ran down stockpiles they had accumulated before the original (31 March) Brexit deadline, though a similar inventory build-up ahead of 31 October was expected to have prevented a further contraction in Q3. Figures released in November,

outside the scope of this review, have indeed borne this view out, with the economy growing slightly again. However, the stockpiling was unable to lift manufacturing purchasing managers' indices (PMI) back into positive territory. The IHS Markit PMI fell below 50 (which separates growth and contraction) in May, where it stayed for the rest of the period. More positively, the UK labour market remained strong, with unemployment hovering close to 45-year lows, and wage growth easily exceeding inflation.

It was a busy period in the primary market, and our activity was focused on new issues that provided attractive relative value opportunities. The largest additions to the portfolio included new deals from Fidelity National Information Services, Banque Fédérale du Crédit Mutuel, Total, Unilever, Verizon Communications, Citigroup, Berkshire Hathaway, MetLife, Motability and Fiserv. We were also active in the secondary market, for example increasing exposure to Cooperative Rabobank, Welltower, Tesco Property, BT, and Vodafone. On the sales side, we reduced exposure to some issuers, including BNP Paribas, South Eastern Power Networks, Bank of America, Glencore and Prologis, while exiting others completely, such as ING, Meadowhall, Connect Plus (M25), Wales & West Utilities and G4S.

More broadly, the fund remains overweight in defensive sectors, such as regulated utilities and infrastructure; we feel these areas of the market should be more resilient given the late stage of the credit cycle and the level of credit spreads.

The UK corporate bond market is supported by very low interest rates in the UK and little likelihood that these circumstances will change in the coming months. The outlook for the UK economy remains clouded by Brexit uncertainty. Consequently, we expect to see low but positive economic growth and inflation in the coming months.

Corporate earnings have been reasonably strong recently, though most of the benefits have accrued to shareholders rather than improving credit metrics. In terms of market valuations, gilt yields are historically low, both in nominal and inflation-adjusted terms. However, UK credit spreads are reasonable and close to their long-term average. Meanwhile, demand for income with some degree of safety is expected to be supportive for this area of the bond market.

All things considered, market returns are expected to be muted in the months ahead, and we do not think this is a period in which to be particularly aggressive with overall portfolio credit risk.

## STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	18,729	(2,951)
Revenue	4,526	3,376
Expenses	(100)	(85)
Interest payable and similar charges	(1)	(2)
Net revenue before taxation	4,425	3,289
Taxation	–	–
Net revenue after taxation	4,425	3,289
Total return before distributions	23,154	338
Distributions	(4,425)	(3,289)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>18,729</b>	<b>(2,951)</b>

## BALANCE SHEET

as at 31 October 2019

	2019 £000	2019 £000	April 2019 £000
<b>Assets:</b>			
<b>Fixed assets:</b>			
Investments	306,805	292,967	
<b>Current assets:</b>			
Debtors	4,076	5,910	
Cash and bank balances	3,947	7,350	
Cash equivalents**	2,000	–	
Total assets	316,828	306,227	
<b>Liabilities:</b>			
<b>Investment liabilities</b>			
<b>Creditors:</b>			
Bank overdrafts	(712)	(53)	
Distribution payable	(4)	(12)	
Other creditors	(390)	(1,794)	
Total liabilities	(1,106)	(2,016)	
<b>Net assets attributable to shareholders</b>	<b>315,722</b>	<b>304,211</b>	

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>304,211</b>	<b>224,516</b>
Amounts receivable on the issue of shares	10,240	4,033
Amounts payable on the cancellation of shares	(21,823)	(7,165)
	(11,583)	(3,132)
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	18,729	(2,951)
Retained distribution on accumulation shares	4,365	3,190
<b>Closing net assets attributable to shareholders</b>	<b>315,722</b>	<b>221,623</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

## DISTRIBUTION TABLE

for the accounting period 1 May 2019 to 31 October 2019

Interest distribution in pence per share					
Class 2 – Gross income shares					
Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018	
<b>Group 1</b>					
01/05/19 to 31/05/19	0.2840	–	0.2840	0.2753	
01/06/19 to 30/06/19	0.2767	–	0.2767	0.2746	
01/07/19 to 31/07/19	0.2816	–	0.2816	0.2763	
01/08/19 to 31/08/19	0.2938	–	0.2938	0.2785	
01/09/19 to 30/09/19	0.2810	–	0.2810	0.2717	
01/10/19 to 31/10/19	0.2694	–	0.2694	0.2761	
<b>Group 2</b>					
01/05/19 to 31/05/19	0.1828	0.1012	0.2840	0.2753	
01/06/19 to 30/06/19	0.0469	0.2298	0.2767	0.2746	
01/07/19 to 31/07/19	0.1214	0.1602	0.2816	0.2763	
01/08/19 to 31/08/19	0.1122	0.1816	0.2938	0.2785	
01/09/19 to 30/09/19	0.1973	0.0837	0.2810	0.2717	
01/10/19 to 31/10/19	0.1024	0.1670	0.2694	0.2761	
<b>Total distributions in the period</b>			<b>1.6865</b>	<b>1.6525</b>	

\*\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

## Threadneedle Sterling Medium and Long-Dated Corporate Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/05/19	0.2541	–	0.2541	0.2395
01/06/19 to 30/06/19	0.2486	–	0.2486	0.2384
01/07/19 to 31/07/19	0.2548	–	0.2548	0.2415
01/08/19 to 31/08/19	0.2644	–	0.2644	0.2437
01/09/19 to 30/09/19	0.2563	–	0.2563	0.2378
01/10/19 to 31/10/19	0.2476	–	0.2476	0.2424
<b>Group 2</b>				
01/05/19 to 31/05/19	0.1858	0.0683	0.2541	0.2395
01/06/19 to 30/06/19	0.1486	0.1000	0.2486	0.2384
01/07/19 to 31/07/19	0.0862	0.1686	0.2548	0.2415
01/08/19 to 31/08/19	0.1059	0.1585	0.2644	0.2437
01/09/19 to 30/09/19	0.1731	0.0832	0.2563	0.2378
01/10/19 to 31/10/19	0.1129	0.1347	0.2476	0.2424
<b>Total distributions in the period</b>			<b>1.5258</b>	<b>1.4433</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Sterling Medium and Long-Dated Corporate Bond Fund

### Comparative Table Disclosure

	Class 2 – Gross income shares <sup>§</sup>			Class X – Gross accumulation shares <sup>§</sup>		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018 <sup>†</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	132.69	130.46	132.51	102.33	97.72	100.00
Return before operating charges (p)	10.26	6.14	1.87	7.94	4.68	(2.27)
Operating charges (p)	(0.32)	(0.61)	(0.63)	(0.03)	(0.07)	(0.01)
Return after operating charges (p)*	9.94	5.53	1.24	7.91	4.61	(2.28)
Distributions (p)	(1.69)	(3.30)	(3.29)	(1.53)	(2.90)	(0.86)
Retained distributions on accumulation shares (p)	–	–	–	1.53	2.90	0.86
Closing net asset value per share (p)	140.94	132.69	130.46	110.24	102.33	97.72
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	7.49	4.24	0.94	7.73	4.72	(2.28)
<b>Other information</b>						
Closing net asset value (£000)	2,323	5,844	7,700	313,399	298,367	216,816
Closing number of shares	1,648,058	4,404,481	5,902,305	284,294,692	291,568,801	221,883,949
Operating charges (%)**	0.46 <sup>‡</sup>	0.47	0.47	0.06 <sup>‡</sup>	0.07	0.07 <sup>‡</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	144.31	134.37	136.34	112.36	103.17	100.00
Lowest share price (p)	133.21	126.18	129.21	102.74	96.14	96.11

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>§</sup>Only available to eligible investors.

<sup>†</sup>Commenced 9 January 2018.

<sup>‡</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

## Threadneedle Sterling Medium and Long-Dated Corporate Bond Fund

### Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

##### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

#### 2 RECONCILIATION OF SHARES

	2019
<b>Class 2 – Gross income shares</b>	
Opening shares	4,404,481
Shares issued	39,255
Shares redeemed	(2,795,678)
Net conversions	–
Closing shares	<u>1,648,058</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	291,568,801
Shares issued	9,455,535
Shares redeemed	(16,729,644)
Net conversions	–
Closing shares	<u>284,294,692</u>

## Threadneedle Sterling Short-Dated Corporate Bond Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income with the prospect of some capital growth over the long term. It looks to outperform the iBoxx GBP Non-Gilts 1-5 Years Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least two-thirds of its assets in investment grade corporate bonds with an effective maturity of 5 years or less. The Fund may also invest in other bonds (including below investment grade corporate bonds, and government bonds) when considered appropriate to achieve its investment objective.

The bonds selected are denominated in sterling (or hedged back to sterling, if a different currency) and issued by companies anywhere in the world.

The Fund may also invest in other securities, as well as collective investment schemes (including funds managed by Columbia Threadneedle companies), and hold money market instruments, deposits, cash and near cash.

The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently. The Fund may commence using derivatives with the aim of achieving an investment gain, providing at least 60 days' notice is given to shareholders.

The iBoxx GBP Non-Gilts 1-5 Years Index is regarded as an appropriate performance measure of sterling-denominated investment grade bonds (including corporate, government and government agencies) with a maturity of between 1-5 years, issued worldwide, but excluding gilts i.e. UK government bonds. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

#### Performance of Class 2 – Income Shares\*

Over the six months to 31 October 2019, the published share price of Class 2 - Income shares in the Threadneedle Sterling Short-Dated Corporate Bond Fund risen from 106.70p to 107.83p.

For comparison, using noon prices, the performance of the Class 2 share class was +2.05%.

For information purposes, using global close prices, the total return of the iBoxx GBP Non-Gilt (1-5 Y) was +1.83%.

#### Market Overview and Portfolio Activity

The six months in review constituted another volatile period for sterling investment-grade corporate bonds, which nevertheless managed to deliver a strong positive return. This gain was due to falling underlying gilt yields, as credit spreads – the yield premiums offered by corporate bonds over “risk-free” government bonds of the same maturity – finished the period unchanged from where they began.

Developments both international and domestic combined to drive yields lower. In the former camp were three broadly overlapping factors: the ongoing US-China trade dispute, signs of deterioration in the global economy, particularly in manufacturing, and looser monetary policy from key central banks. The Federal Reserve lowered US interest rates three times during the period; the European Central Bank cut rates only once – moving further into negative territory – but it also unveiled an open-ended programme of bond purchases, beginning in November.

In the UK, the Bank of England appeared almost hawkish in comparison, with policymakers continuing to insist that the next move in rates could be up or down. While this relative hawkishness was a headwind for gilts, they did benefit from Brexit-related uncertainty and worries about its impact on the UK economy.

Brexit fears increased when Boris Johnson took over from Theresa May as prime minister, having based his leadership campaign around a pledge to take the UK out of the EU on the 31 October deadline “no matter what”. Despite his controversial attempts to frustrate them, however, MPs effectively legislated in September against a no-deal exit. Sterling rose in response.

The pound rallied even more strongly in October, as the new prime minister managed to renegotiate his predecessor's withdrawal agreement with the EU. Parliament backed the deal in principle but refused to rush it through in time for Halloween deadline. Mr Johnson was therefore forced to ask for another Article 50 extension, which was granted by the EU. With an imminent no-deal Brexit off the table, MPs finally agreed to his demands for an early general election, set for 12 December.

UK GDP was shown to have shrunk in the second quarter (Q2) as companies ran down stockpiles they had accumulated before the original (31 March) Brexit deadline, though a similar inventory build-up ahead of 31 October was expected to have prevented a further contraction in Q3. Figures released in November,

outside the scope of this review, have indeed borne this view out, with the economy growing slightly again. However, the stockpiling was unable to lift manufacturing purchasing managers' indices (PMI) back into positive territory. The IHS Markit PMI fell below 50 (which separates growth and contraction) in May, where it stayed for the rest of the period. More positively, the UK labour market remained strong, with unemployment hovering close to 45-year lows, and wage growth easily exceeding inflation.

It was a busy period for new issuance, and we took part in a wide range of new deals. The largest of these in terms of additions to the portfolio included deals from Crédit Agricole, Medtronic, Lloyds Bank, Fidelity National Information Services, Toyota, Santander, FCA Bank, Imperial Brands and BP. We were also active in the secondary market, for example, starting new holdings in APT Pipelines, Center Parcs and Kraft Heinz Foods, as well as increasing exposure to DS Smith, Unite Group, Plains All American, HSBC and TSB. On the sales side, we reduced exposure to some issuers, including FMS Wertmanagement, G4S, Cadent, Bayer and JPMorgan Chase, while exiting others completely, such as Scentre Management, Vodafone, Bank of America, Standard Chartered and National Grid.

More broadly, the fund remains overweight in defensive sectors, such as regulated utilities and infrastructure; we feel these areas of the market should be more resilient given the late stage of the credit cycle and the level of credit spreads.

The short-dated UK corporate bond market is supported by very low interest rates in the UK and little likelihood that these circumstances will change in the coming months. The outlook for the UK economy remains clouded by Brexit uncertainty. Consequently, we expect to see low but positive economic growth and inflation in the coming months.

Corporate earnings have been reasonably strong recently, though most of the benefits have accrued to shareholders rather than improving credit metrics. In terms of market valuations, short-dated gilt yields are historically low, both in nominal and inflation-adjusted terms. However, short-dated UK credit spreads are reasonable and close to their long-term average. Meanwhile, demand for income with some degree of safety is expected to be supportive for this area of the bond market.

All things considered, market returns are expected to be muted in the months ahead, and we do not think this is a period in which to be particularly aggressive with overall portfolio credit risk.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	15,357	(6,796)
Revenue	16,750	14,640
Expenses	(1,092)	(1,082)
Interest payable and similar charges	(6)	(181)
Net revenue before taxation	15,652	13,377
Taxation	—	—
Net revenue after taxation	15,652	13,377
<b>Total return before distributions</b>	<b>31,009</b>	<b>6,581</b>
Distributions	(15,652)	(13,376)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>15,357</b>	<b>(6,795)</b>

### BALANCE SHEET

as at 31 October 2019

	2019 £000	April 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	1,265,384	1,360,449
<b>Current assets:</b>		
Debtors	17,960	20,271
Cash and bank balances	12,242	29,467
Cash equivalents**	5,031	101
<b>Total assets</b>	<b>1,300,617</b>	<b>1,410,288</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	<b>(863)</b>	<b>(1,942)</b>
<b>Creditors:</b>		
Bank overdrafts	(4,525)	(1,268)
Distribution payable	(1,339)	(1,368)
Other creditors	(2,185)	(3,690)
<b>Total liabilities</b>	<b>(8,912)</b>	<b>(8,268)</b>
<b>Net assets attributable to shareholders</b>	<b>1,291,705</b>	<b>1,402,020</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>1,402,020</b>	<b>1,142,734</b>
Amounts receivable on the issue of shares	104,113	224,317
Amounts payable on the cancellation of shares	(236,869)	(48,755)
	(132,756)	175,562
Dilution adjustment	193	44
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	15,357	(6,795)
Retained distribution on accumulation shares	6,891	6,126
<b>Closing net assets attributable to shareholders</b>	<b>1,291,705</b>	<b>1,317,671</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

### DISTRIBUTION TABLE

for the accounting period 1 May 2019 to 31 October 2019

Interest distribution in pence per share

#### Class 1 – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/05/19	0.1679	—	0.1679	0.1474
01/06/19 to 30/06/19	0.1655	—	0.1655	0.1507
01/07/19 to 31/07/19	0.1634	—	0.1634	0.1477
01/08/19 to 31/08/19	0.1550	—	0.1550	0.1576
01/09/19 to 30/09/19	0.1608	—	0.1608	0.1517
01/10/19 to 31/10/19	0.1444	—	0.1444	0.1443
<b>Group 2</b>				
01/05/19 to 31/05/19	0.1217	0.0462	0.1679	0.1474
01/06/19 to 30/06/19	0.1240	0.0415	0.1655	0.1507
01/07/19 to 31/07/19	0.1056	0.0578	0.1634	0.1477
01/08/19 to 31/08/19	0.0891	0.0659	0.1550	0.1576
01/09/19 to 30/09/19	0.1157	0.0451	0.1608	0.1517
01/10/19 to 31/10/19	0.0763	0.0681	0.1444	0.1443
<b>Total distributions in the period</b>			<b>0.9570</b>	<b>0.8994</b>

\*\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

# Threadneedle Sterling Short-Dated Corporate Bond Fund

## DISTRIBUTION TABLE

(continued)

### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/05/19	0.1715	–	0.1715	0.1506
01/06/19 to 30/06/19	0.1691	–	0.1691	0.1538
01/07/19 to 31/07/19	0.1670	–	0.1670	0.1510
01/08/19 to 31/08/19	0.1583	–	0.1583	0.1610
01/09/19 to 30/09/19	0.1643	–	0.1643	0.1550
01/10/19 to 31/10/19	0.1475	–	0.1475	0.1474
<b>Group 2</b>				
01/05/19 to 31/05/19	0.1715	–	0.1715	0.1506
01/06/19 to 30/06/19	0.1691	–	0.1691	0.1538
01/07/19 to 31/07/19	0.1670	–	0.1670	0.1510
01/08/19 to 31/08/19	0.1183	0.0400	0.1583	0.1610
01/09/19 to 30/09/19	0.1643	–	0.1643	0.1550
01/10/19 to 31/10/19	0.1475	–	0.1475	0.1474
<b>Total distributions in the period</b>			<b>0.9777</b>	<b>0.9188</b>

### Class 1 EUR Hedged – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/05/19	0.1593	–	0.1593	0.1434
01/06/19 to 30/06/19	0.1607	–	0.1607	0.1464
01/07/19 to 31/07/19	0.1597	–	0.1597	0.1459
01/08/19 to 31/08/19	0.1548	–	0.1548	0.1559
01/09/19 to 30/09/19	0.1557	–	0.1557	0.1498
01/10/19 to 31/10/19	0.1378	–	0.1378	0.1405
<b>Group 2</b>				
01/05/19 to 31/05/19	0.1593	–	0.1593	0.1434
01/06/19 to 30/06/19	0.1607	–	0.1607	0.1464
01/07/19 to 31/07/19	0.1597	–	0.1597	0.1459
01/08/19 to 31/08/19	0.1548	–	0.1548	0.1559
01/09/19 to 30/09/19	0.1557	–	0.1557	0.1498
01/10/19 to 31/10/19	0.1378	–	0.1378	0.1405
<b>Total distributions in the period</b>			<b>0.9280</b>	<b>0.8819</b>

### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/05/19	0.1813	–	0.1813	0.1633
01/06/19 to 30/06/19	0.1784	–	0.1784	0.1660
01/07/19 to 31/07/19	0.1765	–	0.1765	0.1632
01/08/19 to 31/08/19	0.1673	–	0.1673	0.1731
01/09/19 to 30/09/19	0.1734	–	0.1734	0.1664
01/10/19 to 31/10/19	0.1566	–	0.1566	0.1590
<b>Group 2</b>				
01/05/19 to 31/05/19	0.0859	0.0954	0.1813	0.1633
01/06/19 to 30/06/19	0.1070	0.0714	0.1784	0.1660
01/07/19 to 31/07/19	0.0954	0.0811	0.1765	0.1632
01/08/19 to 31/08/19	0.0294	0.1379	0.1673	0.1731
01/09/19 to 30/09/19	0.1061	0.0673	0.1734	0.1664
01/10/19 to 31/10/19	0.0657	0.0909	0.1566	0.1590
<b>Total distributions in the period</b>			<b>1.0335</b>	<b>0.9910</b>

### Class 2 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/05/19	0.1819	–	0.1819	0.1639
01/06/19 to 30/06/19	0.1790	–	0.1790	0.1666
01/07/19 to 31/07/19	0.1771	–	0.1771	0.1637
01/08/19 to 31/08/19	0.1679	–	0.1679	0.1736
01/09/19 to 30/09/19	0.1739	–	0.1739	0.1670
01/10/19 to 31/10/19	0.1572	–	0.1572	0.1595
<b>Group 2</b>				
01/05/19 to 31/05/19	0.1039	0.0780	0.1819	0.1639
01/06/19 to 30/06/19	0.1037	0.0753	0.1790	0.1666
01/07/19 to 31/07/19	0.0749	0.1022	0.1771	0.1637
01/08/19 to 31/08/19	0.1119	0.0560	0.1679	0.1736
01/09/19 to 30/09/19	0.0932	0.0807	0.1739	0.1670
01/10/19 to 31/10/19	0.1140	0.0432	0.1572	0.1595
<b>Total distributions in the period</b>			<b>1.0370</b>	<b>0.9943</b>

### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/05/19	0.1749	–	0.1749	0.1545
01/06/19 to 30/06/19	0.1724	–	0.1724	0.1574
01/07/19 to 31/07/19	0.1707	–	0.1707	0.1549
01/08/19 to 31/08/19	0.1622	–	0.1622	0.1646
01/09/19 to 30/09/19	0.1683	–	0.1683	0.1585
01/10/19 to 31/10/19	0.1523	–	0.1523	0.1516
<b>Group 2</b>				
01/05/19 to 31/05/19	0.0916	0.0833	0.1749	0.1545
01/06/19 to 30/06/19	0.0746	0.0978	0.1724	0.1574
01/07/19 to 31/07/19	0.0905	0.0802	0.1707	0.1549
01/08/19 to 31/08/19	0.0755	0.0867	0.1622	0.1646
01/09/19 to 30/09/19	0.0778	0.0905	0.1683	0.1585
01/10/19 to 31/10/19	0.0934	0.0589	0.1523	0.1516
<b>Total distributions in the period</b>			<b>1.0088</b>	<b>0.9415</b>

### Class 2 EUR Hedged – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/05/19	0.1737	–	0.1737	0.1582
01/06/19 to 30/06/19	0.1749	–	0.1749	0.1607
01/07/19 to 31/07/19	0.1749	–	0.1749	0.1602
01/08/19 to 31/08/19	0.1690	–	0.1690	0.1712
01/09/19 to 30/09/19	0.1709	–	0.1709	0.1633
01/10/19 to 31/10/19	0.1514	–	0.1514	0.1540
<b>Group 2</b>				
01/05/19 to 31/05/19	0.1537	0.0200	0.1737	0.1582
01/06/19 to 30/06/19	0.1749	–	0.1749	0.1607
01/07/19 to 31/07/19	0.1749	–	0.1749	0.1602
01/08/19 to 31/08/19	0.1690	–	0.1690	0.1712
01/09/19 to 30/09/19	0.1709	–	0.1709	0.1633
01/10/19 to 31/10/19	0.1514	–	0.1514	0.1540
<b>Total distributions in the period</b>			<b>1.0148</b>	<b>0.9676</b>

### Class X – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/05/19	0.2067	–	0.2067	0.1896
01/06/19 to 30/06/19	0.2030	–	0.2030	0.1910
01/07/19 to 31/07/19	0.2024	–	0.2024	0.1894
01/08/19 to 31/08/19	0.1927	–	0.1927	0.1988
01/09/19 to 30/09/19	0.1995	–	0.1995	0.1914
01/10/19 to 31/10/19	0.1836	–	0.1836	0.1853
<b>Group 2</b>				
01/05/19 to 31/05/19	0.0781	0.1286	0.2067	0.1896
01/06/19 to 30/06/19	0.0771	0.1259	0.2030	0.1910
01/07/19 to 31/07/19	0.0195	0.1829	0.2024	0.1894
01/08/19 to 31/08/19	0.1647	0.0280	0.1927	0.1988
01/09/19 to 30/09/19	0.1108	0.0887	0.1995	0.1914
01/10/19 to 31/10/19	0.0948	0.0888	0.1836	0.1853
<b>Total distributions in the period</b>			<b>1.1879</b>	<b>1.1455</b>

### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/05/19	0.2232	–	0.2232	0.2001
01/06/19 to 30/06/19	0.2197	–	0.2197	0.2019
01/07/19 to 31/07/19	0.2194	–	0.2194	0.2007
01/08/19 to 31/08/19	0.2094	–	0.2094	0.2110
01/09/19 to 30/09/19	0.2171	–	0.2171	0.2035
01/10/19 to 31/10/19	0.2002	–	0.2002	0.1974
<b>Group 2</b>				
01/05/19 to 31/05/19	0.0732	0.1500	0.2232	0.2001
01/06/19 to 30/06/19	0.1093	0.1104	0.2197	0.2019
01/07/19 to 31/07/19	0.0720	0.1474	0.2194	0.2007
01/08/19 to 31/08/19	0.1148	0.0946	0.2094	0.2110
01/09/19 to 30/09/19	0.0881	0.1290	0.2171	0.2035
01/10/19 to 31/10/19	0.1024	0.0978	0.2002	0.1974
<b>Total distributions in the period</b>			<b>1.2890</b>	<b>1.2146</b>

## Threadneedle Sterling Short-Dated Corporate Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class Y – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/05/19	0.1822	–	0.1822	0.1649
01/06/19 to 30/06/19	0.1791	–	0.1791	0.1676
01/07/19 to 31/07/19	0.1777	–	0.1777	0.1651
01/08/19 to 31/08/19	0.1688	–	0.1688	0.1745
01/09/19 to 30/09/19	0.1748	–	0.1748	0.1678
01/10/19 to 31/10/19	0.1592	–	0.1592	0.1612
<b>Group 2</b>				
01/05/19 to 31/05/19	0.0833	0.0989	0.1822	0.1649
01/06/19 to 30/06/19	0.1226	0.0565	0.1791	0.1676
01/07/19 to 31/07/19	0.1097	0.0680	0.1777	0.1651
01/08/19 to 31/08/19	0.0632	0.1056	0.1688	0.1745
01/09/19 to 30/09/19	0.1323	0.0425	0.1748	0.1678
01/10/19 to 31/10/19	0.1112	0.0480	0.1592	0.1612
<b>Total distributions in the period</b>			<b>1.0418</b>	<b>1.0011</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Sterling Short-Dated Corporate Bond Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 1 – Gross accumulation shares <sup>5</sup>		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	104.98	102.91	102.45	107.26	105.15	104.68
Return before operating charges (p)	2.42	2.67	1.28	2.47	2.72	1.31
Operating charges (p)	(0.31)	(0.60)	(0.82)	(0.32)	(0.61)	(0.84)
Return after operating charges (p)*	2.11	2.07	0.46	2.15	2.11	0.47
Distributions (p)	(0.96)	(1.84)	(1.41)	(0.98)	(1.88)	(1.44)
Retained distributions on accumulation shares (p)	0.96	1.84	1.41	0.98	1.88	1.44
Closing net asset value per share (p)	107.09	104.98	102.91	109.41	107.26	105.15
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.01	2.01	0.45	2.00	2.01	0.45
<b>Other information</b>						
Closing net asset value (£000)	7,407	7,549	5,247	214	270	197
Closing number of shares	6,916,802	7,191,000	5,098,206	195,542	251,892	187,903
Operating charges (%)**	0.58 <sup>†</sup>	0.58	0.80	0.58 <sup>†</sup>	0.58	0.80
Direct transaction costs (%)***	0.00	–	–	0.00	–	–
<b>Prices</b>						
Highest share price (p)	107.29	105.20	103.48	109.62	107.48	105.72
Lowest share price (p)	105.13	102.65	102.49	107.41	104.87	104.72
	Class 1 EUR Hedged – Gross accumulation shares <sup>5</sup>			Class 2 – Income shares		
	31/10/2019	30/04/2019	30/04/2018 <sup>1</sup>	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	98.27	99.77	100.00	106.35	106.13	107.11
Return before operating charges (p)	1.44	(0.93)	0.38	2.45	2.73	1.35
Operating charges (p)	(0.29)	(0.57)	(0.61)	(0.25)	(0.49)	(0.49)
Return after operating charges (p)*	1.15	(1.50)	(0.23)	2.20	2.24	0.86
Distributions (p)	(0.93)	(1.79)	(1.24)	(1.03)	(2.02)	(1.84)
Retained distributions on accumulation shares (p)	0.93	1.79	1.24	–	–	–
Closing net asset value per share (p)	99.42	98.27	99.77	107.52	106.35	106.13
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	1.17	(1.50)	(0.23)	2.07	2.11	0.80
<b>Other information</b>						
Closing net asset value (£000)	10	10	10	213,172	218,577	208,705
Closing number of shares	10,001	10,001	10,001	198,271,645	205,518,255	196,649,685
Operating charges (%)**	0.57 <sup>†</sup>	0.57	0.79 <sup>†</sup>	0.46 <sup>†</sup>	0.46	0.46
Direct transaction costs (%)***	0.00	–	–	0.00	–	–
<b>Prices</b>						
Highest share price (p)	107.47	102.91	106.43	108.09	106.74	107.75
Lowest share price (p)	97.72	96.91	97.57	106.51	104.69	106.00

## Threadneedle Sterling Short-Dated Corporate Bond Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Gross income shares <sup>5</sup>			Class 2 – Gross accumulation shares <sup>5</sup>		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018 <sup>2</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	106.71	106.49	107.47	102.58	100.43	100.00
Return before operating charges (p)	2.46	2.73	1.36	2.36	2.61	0.86
Operating charges (p)	(0.25)	(0.49)	(0.49)	(0.24)	(0.46)	(0.43)
Return after operating charges (p)*	2.21	2.24	0.87	2.12	2.15	0.43
Distributions (p)	(1.04)	(2.02)	(1.85)	(1.00)	(1.93)	(1.66)
Retained distributions on accumulation shares (p)	–	–	–	1.00	1.93	1.66
Closing net asset value per share (p)	107.88	106.71	106.49	104.70	102.58	100.43
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.07	2.10	0.81	2.07	2.14	0.43
<b>Other information</b>						
Closing net asset value (£000)	83,539	98,360	122,717	9,034	7,677	8,123
Closing number of shares	77,439,792	92,174,744	115,241,314	8,628,371	7,483,840	8,088,402
Operating charges (%)**	0.46 <sup>†</sup>	0.46	0.46	0.46 <sup>†</sup>	0.46	0.47 <sup>†</sup>
Direct transaction costs (%)***	0.00	–	–	0.00	–	–
<b>Prices</b>						
Highest share price (p)	108.45	107.10	108.11	104.89	102.78	100.92
Lowest share price (p)	106.87	105.04	106.36	102.73	100.24	99.87
	Class 2 EUR Hedged – Gross accumulation shares <sup>5</sup>			Class X – Gross income shares <sup>5</sup>		
	31/10/2019	30/04/2019	30/04/2018 <sup>2</sup>	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	100.99	102.39	100.00	101.09	100.88	101.81
Return before operating charges (p)	1.49	(0.93)	2.83	2.32	2.59	1.29
Operating charges (p)	(0.24)	(0.47)	(0.44)	(0.03)	(0.06)	(0.06)
Return after operating charges (p)*	1.25	(1.40)	2.39	2.29	2.53	1.23
Distributions (p)	(1.01)	(1.96)	(1.72)	(1.19)	(2.32)	(2.16)
Retained distributions on accumulation shares (p)	1.01	1.96	1.72	–	–	–
Closing net asset value per share (p)	102.24	100.99	102.39	102.19	101.09	100.88
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	1.24	(1.37)	2.39	2.27	2.51	1.21
<b>Other information</b>						
Closing net asset value (£000)	81	71	10	460,112	414,599	311,778
Closing number of shares	78,654	70,780	10,000	450,231,462	410,127,179	309,062,267
Operating charges (%)**	0.46 <sup>†</sup>	0.46	0.46 <sup>†</sup>	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	0.00	–	–	0.00	–	–
<b>Prices</b>						
Highest share price (p)	110.49	105.68	109.00	102.77	101.49	102.45
Lowest share price (p)	100.43	99.58	99.83	101.25	99.52	100.78

## Threadneedle Sterling Short-Dated Corporate Bond Fund

### Comparative Table Disclosure

(continued)

	Class X – Gross accumulation shares <sup>§</sup>			Class Y – Gross income shares <sup>§</sup>		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	109.17	106.46	105.18	99.40	99.20	100.12
Return before operating charges (p)	2.51	2.77	1.34	2.29	2.54	1.31
Operating charges (p)	(0.03)	(0.06)	(0.06)	(0.16)	(0.31)	(0.32)
Return after operating charges (p)*	2.48	2.71	1.28	2.13	2.23	0.99
Distributions (p)	(1.29)	(2.48)	(2.25)	(1.04)	(2.03)	(1.91)
Retained distributions on accumulation shares (p)	1.29	2.48	2.25	–	–	–
Closing net asset value per share (p)	111.65	109.17	106.46	100.49	99.40	99.20
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.27	2.55	1.22	2.14	2.25	0.99
<b>Other information</b>						
Closing net asset value (£000)	467,663	611,786	483,878	50,473	43,121	2,069
Closing number of shares	418,868,774	560,409,345	454,536,245	50,226,922	43,379,079	2,085,832
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.31 <sup>†</sup>	0.31	0.32
Direct transaction costs (%)***	0.00	–	–	0.00	–	–
<b>Prices</b>						
Highest share price (p)	111.82	109.39	106.85	101.04	99.78	100.73
Lowest share price (p)	109.34	106.46	105.38	99.55	97.85	99.09

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>§</sup>Only available to eligible investors.

<sup>†</sup>Commenced 15 June 2017.

<sup>‡</sup>Commenced 17 May 2017.

<sup>†</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

# Threadneedle Sterling Short-Dated Corporate Bond Fund

## Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

#### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Accumulation shares</b>	
Opening shares	7,191,000
Shares issued	231,206
Shares redeemed	(505,404)
Net conversions	–
Closing shares	<u>6,916,802</u>
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	251,892
Shares issued	4,113
Shares redeemed	(60,463)
Net conversions	–
Closing shares	<u>195,542</u>
<b>Class 1 EUR Hedged – Gross accumulation shares</b>	
Opening shares	10,001
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,001</u>
<b>Class 2 – Income shares</b>	
Opening shares	205,518,255
Shares issued	12,446,040
Shares redeemed	(18,012,824)
Net conversions	(1,679,826)
Closing shares	<u>198,271,645</u>
<b>Class 2 – Gross income shares</b>	
Opening shares	92,174,744
Shares issued	3,597,902
Shares redeemed	(19,292,325)
Net conversions	959,471
Closing shares	<u>77,439,792</u>
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	7,483,840
Shares issued	1,519,429
Shares redeemed	(374,898)
Net conversions	–
Closing shares	<u>8,628,371</u>
<b>Class 2 EUR Hedged – Gross accumulation shares</b>	
Opening shares	70,780
Shares issued	7,874
Shares redeemed	–
Net conversions	–
Closing shares	<u>78,654</u>
<b>Class X – Gross income shares</b>	
Opening shares	410,127,179
Shares issued	66,548,178
Shares redeemed	(26,443,895)
Net conversions	–
Closing shares	<u>450,231,462</u>

	2019
<b>Class X – Gross accumulation shares</b>	
Opening shares	560,409,345
Shares issued	8,794,234
Shares redeemed	(150,334,805)
Net conversions	–
Closing shares	<u>418,868,774</u>
<b>Class Y – Gross income shares</b>	
Opening shares	43,379,079
Shares issued	7,477,284
Shares redeemed	(1,396,670)
Net conversions	767,229
Closing shares	<u>50,226,922</u>

## Threadneedle UK Fixed Interest Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income with the prospect of some capital growth over the long term. It looks to outperform the FTSE Actuaries UK Conventional Gilts All Stocks Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and will invest at least 80% of its assets in UK government bonds (gilts).

The Fund may also invest in other bonds, including index linked UK government bonds (index-linked gilts), as well as bonds issued by governments (or government agencies) of other developed countries, international organisations, or companies. The bonds selected are usually investment grade and denominated in sterling (or hedged back to sterling, if a different currency).

The Fund may also invest in other securities, as well as collective investment schemes (including funds managed by Columbia Threadneedle companies), and hold money market instruments, deposits, cash and near cash.

The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently. However, the Fund may commence using derivatives with the aim of achieving an investment gain, providing at least 60 days' notice is given to shareholders.

The FTSE Actuaries UK Conventional Gilts All Stocks Index is regarded as an appropriate good performance measure of sterling-denominated government bonds, issued by the UK government. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

#### Performance of Class Z – Accumulation shares\*

Over the six months to 31 October 2019, the published share price of Class Z – Accumulation shares in the Threadneedle UK Fixed Interest Fund risen from 173.34p to 185.43p.

For comparison, using noon prices, the performance of the Class Z share class was +6.97% compared to a return of +7.05% for the Morningstar UK Unit Trusts/DEICS – IA UK Gilts Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the FTSE Actuaries UK Conventional Gilts All Stocks Index was +7.27%.

### Market Overview and Portfolio Activity

The six months under review were a strong period for gilts, with prices rising and yields falling. The ten-year gilt yield fell from 1.19% to 0.63% over the six months.

Developments both international and domestic combined to drive yields lower. In the former camp were three broadly overlapping factors: the ongoing US-China trade dispute, signs of deterioration in the global economy, particularly in manufacturing, and looser monetary policy from key central banks. The Federal Reserve lowered US interest rates three times during the period; the European Central Bank cut rates only once – moving further into negative territory – but it also unveiled an open-ended programme of bond purchases, beginning in November.

In the UK, the Bank of England (BoE) appeared almost hawkish by comparison, with policymakers continuing to insist that the next move in rates could be up or down. While this relative hawkishness was a headwind for gilts, they did benefit from Brexit-related uncertainty and worries about its impact on the UK economy.

Brexit fears increased when Boris Johnson took over from Theresa May as prime minister, having based his leadership campaign around a pledge to take the UK out of the EU on the 31 October deadline "no matter what". Despite his controversial attempts to frustrate them, however, MPs effectively legislated in September against a no-deal exit. Sterling rose in response.

The pound rallied even more strongly in October, as the new prime minister managed to renegotiate his predecessor's withdrawal agreement with the EU. Parliament backed the deal in principle, but refused to rush it through in time for the Halloween deadline. Mr Johnson was therefore forced to ask for another Article 50 extension, which was granted by the EU. With an imminent no-deal Brexit off the table, MPs finally agreed to his demands for an early general election, set for 12 December.

UK GDP was shown to have shrunk in the second quarter (Q2) as companies ran down stockpiles they had accumulated before the original (31 March) Brexit deadline, though a similar inventory build-up ahead of 31 October was expected to have prevented a further contraction in Q3. Figures released in November, outside the scope of this review, have indeed borne this view out, with the economy growing slightly again. Stockpiling was unable to lift manufacturing purchasing managers' indices (PMI) back into positive territory. The IHS Markit PMI fell below 50 (which separates growth and contraction) in May, where it stayed for the rest of the period. More positively, the UK labour market remained strong, with unemployment hovering close to 45-year lows, and wage growth easily exceeding inflation.

The portfolio started the review period with a relative duration of -0.25 years short of the index.

In terms of activity, on 13 May we sold some duration in ultra-long gilts into 25–35 years. Later in the month, we sold some duration from 15–25 years into ultra-longs. On 23 May, we reduced duration as the 10-year yield dropped to our 1% target but reversed this as yields fell further to our stop target of 0.95%, driven by poor European election results for the Conservatives and further global trade tensions. Gilts were range-bound in June. Mid-month we increased duration in the 25–35 year segment. In early July, following a sell off, we increased duration, bringing the 15–25 year segment to flat. On 10 July we sold 10-year gilts into 2071s, which brought the ultra-long segment to flat. Shortly afterwards, we further increased duration, as yields climbed back to the month's opening levels. Later, we sold 3-year gilts into 18-month and 5-year gilts for a pick-up in yield, taking advantage of an inversion of the yield curve at the shorter-dated end.

Position changes were kept to a minimum during August as the fund's strategies played out. Mid-month, we sold 2034 gilts into 2071s, shifting some duration further along the curve following a steepening through late July. On 19 August, we sold 2047s ahead of new 30-year supply, switching into 5- and 10-year gilts. In September, notable trades included increasing duration in 10- and 30-year gilts as yields peaked on 16 September, and adding further to duration in 10-year gilts on 23 September. Towards month-end, we reduced the flattening bias by shifting duration from 30-year and ultra-long gilts into 5- and 10-year gilts, following unexpectedly dovish comments from the Monetary Policy Committee's most hawkish member. In early October we sold 2065 gilts into 2054s, for the highest pick-up in yield since the latter were issued. Mid-way through the month we further reduced the portfolio's flattening bias by selling 2044s into 2025, in a duration-neutral trade. On 18 October, ahead of parliament's vote on the Brexit deal, we moved relative duration to flat across the curve. Over the remainder of the month, we made some relative value switches. These were all duration-neutral.

The portfolio ended the review period flat against the benchmark in all maturity buckets.

Looking ahead, the main risk to the UK economy is Britain crashing out of the EU without securing a free trade deal. This now looks unlikely but remains a possibility even if Mr Johnson succeeds in getting his deal through parliament, given that the agreed transition period ends in little over a year. An early election will take place on 12 December, but the result is even harder to predict than usual.

The BoE retains a hiking bias, which is driven by well-anchored inflation expectations, inflation at target and policymakers' perception of a limited amount of spare capacity. However, the trajectory of the economy suggests that the window for hiking this year is gone, and our expectation for rising political uncertainty will constrain the bank's ability to act later this year.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains	35,601	1,183
Revenue	2,708	3,336
Expenses	(840)	(927)
Net revenue before taxation	1,868	2,409
Taxation	–	–
Net revenue after taxation	1,868	2,409
<b>Total return before distributions</b>	<b>37,469</b>	<b>3,592</b>
Distributions	(1,868)	(2,409)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>35,601</b>	<b>1,183</b>

### BALANCE SHEET

as at 31 October 2019

	2019 £000	2019 £000	April 2019 £000
<b>Assets:</b>			
<b>Fixed assets:</b>			
Investments	318,841	479,425	
<b>Current assets:</b>			
Debtors	4,097	2,420	
Cash and bank balances	2,885	14,921	
Cash equivalents**	1,052	–	
<b>Total assets</b>	<b>326,875</b>	<b>496,766</b>	
<b>Liabilities:</b>			
<b>Creditors:</b>			
Distribution payable	(30)	(31)	
Other creditors	(1,447)	(200)	
<b>Total liabilities</b>	<b>(1,477)</b>	<b>(231)</b>	
<b>Net assets attributable to shareholders</b>	<b>325,398</b>	<b>496,535</b>	

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>496,535</b>	<b>479,735</b>
Amounts receivable on the issue of shares	44,002	50,513
Amounts payable on the cancellation of shares	(252,066)	(23,796)
	(208,064)	26,717
Dilution adjustment	62	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	35,601	1,183
Retained distribution on accumulation shares	1,264	2,498
<b>Closing net assets attributable to shareholders</b>	<b>325,398</b>	<b>510,133</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

### DISTRIBUTION TABLE

for the accounting period 1 May 2019 to 31 October 2019

Interest distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/10/19	0.4559	–	0.4559	0.5659
<b>Group 2</b>				
01/05/19 to 31/10/19	0.1706	0.2853	0.4559	0.5659
<b>Total distributions in the period</b>			<b>0.4559</b>	<b>0.5659</b>

#### Class 1 – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/10/19	0.5651	–	0.5651	0.6955
<b>Group 2</b>				
01/05/19 to 31/10/19	0.5551	0.0100	0.5651	0.6955
<b>Total distributions in the period</b>			<b>0.5651</b>	<b>0.6955</b>

\*\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

## Threadneedle UK Fixed Interest Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 01/05/19 to 31/10/19	0.4517	–	0.4517	0.5300
<b>Group 2</b> 01/05/19 to 31/10/19	0.3104	0.1413	0.4517	0.5300
<b>Total distributions in the period</b>			<b>0.4517</b>	<b>0.5300</b>

#### Class 2 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 01/05/19 to 31/10/19	0.5705	–	0.5705	0.6705
<b>Group 2</b> 01/05/19 to 31/10/19	0.4150	0.1555	0.5705	0.6705
<b>Total distributions in the period</b>			<b>0.5705</b>	<b>0.6705</b>

#### Class X – Gross accumulation shares\*

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019
<b>Group 1</b> 01/05/19 to 31/10/19	0.5487	–	0.5487
<b>Group 2</b> 01/05/19 to 31/10/19	–	0.5487	0.5487
<b>Total distributions in the period</b>			<b>0.5487</b>

#### Class Z – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 01/05/19 to 31/10/19	0.7146	–	0.7146	0.8373
<b>Group 2</b> 01/05/19 to 31/10/19	0.1996	0.5150	0.7146	0.8373
<b>Total distributions in the period</b>			<b>0.7146</b>	<b>0.8373</b>

Group 2: shares purchased during a distribution period.

\*For launch dates, refer to the footnotes after the comparative tables.

## Threadneedle UK Fixed Interest Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	136.97	134.07	136.45	169.56	164.62	166.35
Return before operating charges (p)	9.82	4.73	(0.69)	12.15	5.82	(0.85)
Operating charges (p)	(0.38)	(0.72)	(0.72)	(0.47)	(0.88)	(0.88)
Return after operating charges (p)*	9.44	4.01	(1.41)	11.68	4.94	(1.73)
Distributions (p)	(0.46)	(1.11)	(0.97)	(0.57)	(1.36)	(1.19)
Retained distributions on accumulation shares (p)	–	–	–	0.57	1.36	1.19
Closing net asset value per share (p)	145.95	136.97	134.07	181.24	169.56	164.62
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	6.89	2.99	(1.03)	6.89	3.00	(1.04)
<b>Other information</b>						
Closing net asset value (£000)	523	508	572	62	59	73
Closing number of shares	358,720	371,149	426,890	34,354	34,906	44,225
Operating charges (%)**	0.53 <sup>†</sup>	0.53	0.53	0.53 <sup>†</sup>	0.53	0.53
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	151.15	140.27	138.69	187.12	172.96	169.07
Lowest share price (p)	136.86	130.99	130.97	169.42	160.84	160.20
	Class 2 – Income shares			Class 2 – Gross income shares <sup>§</sup>		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	106.08	103.84	105.69	134.05	131.21	133.53
Return before operating charges (p)	7.61	3.65	(0.54)	9.61	4.63	(0.69)
Operating charges (p)	(0.20)	(0.37)	(0.37)	(0.25)	(0.48)	(0.45)
Return after operating charges (p)*	7.41	3.28	(0.91)	9.36	4.15	(1.14)
Distributions (p)	(0.45)	(1.04)	(0.94)	(0.57)	(1.31)	(1.18)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	113.04	106.08	103.84	142.84	134.05	131.21
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	6.99	3.16	(0.86)	6.98	3.16	(0.85)
<b>Other information</b>						
Closing net asset value (£000)	730	24	23	6,447	6,120	4,927
Closing number of shares	645,751	22,335	21,832	4,513,171	4,565,819	3,755,314
Operating charges (%)**	0.36 <sup>†</sup>	0.35	0.35	0.36 <sup>†</sup>	0.36	0.34
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	117.14	108.71	107.49	148.02	137.37	135.81
Lowest share price (p)	106.00	101.53	101.49	133.94	128.29	128.24

## Threadneedle UK Fixed Interest Fund

### Comparative Table Disclosure

(continued)

	Class X – Gross accumulation shares <sup>§</sup>	Class Z – Accumulation shares		
	31/10/2019 <sup>†</sup>	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	100.00	173.29	168.00	169.50
Return before operating charges (p)	6.61	12.43	5.94	(0.85)
Operating charges (p)	(0.03)	(0.35)	(0.65)	(0.65)
Return after operating charges (p)*	6.58	12.08	5.29	(1.50)
Distributions (p)	(0.55)	(0.71)	(1.65)	(1.47)
Retained distributions on accumulation shares (p)	0.55	0.71	1.65	1.47
Closing net asset value per share (p)	106.58	185.37	173.29	168.00
*after direct transaction costs of (p)	–	–	–	–
<b>Performance</b>				
Return after charges (%)	6.58	6.97	3.15	(0.88)
<b>Other information</b>				
Closing net asset value (£000)	30,349	287,287	489,824	474,140
Closing number of shares	28,474,403	154,976,830	282,654,571	282,234,163
Operating charges (%)**	0.06 <sup>‡</sup>	0.38 <sup>‡</sup>	0.38	0.39
Direct transaction costs (%)***	–	–	–	–
<b>Prices</b>				
Highest share price (p)	109.95	191.34	176.74	172.37
Lowest share price (p)	99.99	173.15	164.25	163.43

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>§</sup>Only available to eligible investors.

<sup>†</sup>Commenced 9 May 2019.

<sup>‡</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

## Threadneedle UK Fixed Interest Fund

### Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

##### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

#### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Income shares</b>	
Opening shares	371,149
Shares issued	7,433
Shares redeemed	(19,862)
Net conversions	–
Closing shares	<u>358,720</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	34,906
Shares issued	3,604
Shares redeemed	(4,156)
Net conversions	–
Closing shares	<u>34,354</u>
<b>Class 2 – Income shares</b>	
Opening shares	22,335
Shares issued	4,184,599
Shares redeemed	(3,561,183)
Net conversions	–
Closing shares	<u>645,751</u>
<b>Class 2 – Gross income shares</b>	
Opening shares	4,565,819
Shares issued	241,776
Shares redeemed	(294,424)
Net conversions	–
Closing shares	<u>4,513,171</u>
<b>Class X – Gross accumulation shares*</b>	
Opening shares	–
Shares issued	28,474,403
Shares redeemed	–
Net conversions	–
Closing shares	<u>28,474,403</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	282,654,571
Shares issued	5,272,869
Shares redeemed	(132,950,610)
Net conversions	–
Closing shares	<u>154,976,830</u>

\*For launch dates, refer to the footnotes after the comparative tables.

## Threadneedle UK Index Linked Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income with the prospect of some capital growth over the long term. It looks to outperform the FTSE Actuaries UK Index-Linked Gilts All Stocks Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least 80% of its assets in index-linked bonds issued by the UK government (index-linked gilts).

The Fund may also invest in conventional UK government bonds (gilts), as well as other sterling denominated index-linked bonds. In addition, the Fund may invest in bonds issued by governments (or government agencies) of other developed countries, international organisations, or companies. The bonds selected are usually investment grade and denominated in sterling (or hedged back to sterling, if a different currency).

The Fund may also invest in other securities, as well as collective investment schemes (including funds managed by Columbia Threadneedle companies), and hold money market instruments, deposits, cash and near cash.

The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of managing the Fund more efficiently. The Fund may commence using derivatives with the aim of achieving an investment gain, providing at least 60 days' notice is given to shareholders.

The FTSE Actuaries UK Index-Linked Gilts All Stocks Index is regarded as an appropriate performance measure of sterling-denominated index-linked bonds, issued by the UK government. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

#### Performance of Class 2 – Accumulation shares\*

Over the six months to 31 October 2019, the published share price of Class 2 – Accumulation shares in Threadneedle UK Index Linked Fund risen from 211.72p to 220.05p.

For comparison, using noon prices, the performance of the Class 2 share class was +3.93% compared to a return of +4.66% for the Morningstar UK Unit Trusts/OEICs – IA UK Index Linked Gilts Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the FTSE Actuaries UK Index Linked Gilts All Stocks was +5.43%.

#### Market Overview and Portfolio Activity

The six months under review were a strong period for UK government bonds, with prices rising and yields falling. While delivering robust returns, index-

linked gilts underperformed their conventional counterparts; the ten-year conventional gilt yield fell from 1.19% to 0.63% over the six months.

Developments both international and domestic combined to drive yields lower. In the former camp were three broadly overlapping factors: the ongoing US-China trade dispute, signs of deterioration in the global economy, particularly in manufacturing, and looser monetary policy from key central banks. The Federal Reserve lowered US interest rates three times during the period, the European Central Bank cut rates only once – moving further into negative territory – but it also unveiled an open-ended programme of bond purchases, beginning in November.

In the UK, the Bank of England (BoE) appeared almost hawkish by comparison, with policymakers continuing to insist that the next move in rates could be up or down. While this relative hawkishness was a headwind for gilts, they did benefit from Brexit-related uncertainty and worries about its impact on the UK economy.

Brexit fears increased when Boris Johnson took over from Theresa May as prime minister, having based his leadership campaign around a pledge to take the UK out of the EU on the 31 October deadline “no matter what”. Despite his controversial attempts to frustrate them, however, MPs effectively legislated in September against a no-deal exit. Sterling rose in response.

The pound rallied even more strongly in October, as the new prime minister managed to renegotiate his predecessor's withdrawal agreement with the EU. Parliament backed the deal in principle but refused to rush it through in time for the Halloween deadline. Mr Johnson was therefore forced to ask for another Article 50 extension, which was granted by the EU. With an imminent no-deal Brexit off the table, MPs finally agreed to his demands for an early general election, set for 12 December.

UK GDP was shown to have shrunk in the second quarter (Q2) as companies ran down stockpiles they had accumulated before the original (31 March) Brexit deadline, though a similar inventory build-up ahead of 31 October was expected to have prevented a further contraction in Q3. Figures released in November, outside the scope of this review, have indeed borne this view out, with the economy growing slightly again. Stockpiling was unable to lift manufacturing purchasing managers' indices (PMI) back into positive territory. The IHS Markit PMI fell below 50 (which separates growth and contraction) in May, where it stayed for the rest of the period. More positively, the UK labour market remained strong, with unemployment hovering close to 45-year lows, and wage growth easily exceeding inflation.

By contrast, inflation undershot forecasts, stalling at its three-year low of 1.7% in September. Demand for index-linked gilts fell, as investors

considered the low consumer price index reading and the seemingly diminishing risk of a no-deal Brexit (as a no-deal scenario would see inflation ‘imported’ via a weaker pound).

The portfolio started the review period with a relative duration of -0.15 years short of the index.

In terms of activity, we sold +0.3 CTD (contribution to duration) in index-linked 25–35s into conventionals on 1 May, as inflation expectations looked extended. On 24 May we undertook rebalancing trades across the maturity buckets, including reducing duration to -0.3 CTD in 7–15 years, increasing duration in 25–35s to +0.3 CTD and taking duration in ultra-longs to flat. On 10 June we sold conventional 2057s into index-linked 2048s, closing our 1 May trade. Two days later, we sold index-linked 2029s into 2048s, in a duration-weighted trade. In early July we added +0.2 CTD via a purchase of 2032s and 2040s. We then moved to a long relative duration position via a purchase of 2029s following a sell-off. After the 2041 syndication, we undertook rebalancing trades across the maturity buckets. Position changes were minimal in August as the portfolio's strategies played out.

On 22 August, we sold 2052s into 2062s following a steepening in the yield curve. In September, index-linked gilts fell in response to the chancellor's letter about future changes to the pricing of index-linked securities. Subsequently, we reduced duration by -0.6 CTD via sales of 2020s, 2039s and ultra-longs. We then reduced our short in the 10-year segment, after a sell-off. Later, we added duration into the 20- and 30-year areas as core yields peaked. On 26 September, we sold 10-years into 5- and 15-years, in a duration-neutral trade. On 18 October, ahead of parliament's vote on the Brexit deal, we moved relative duration to flat across the curve. At the end of the October we added duration via 2048s, following a sell-off into month-end. The portfolio ended the review period 0.15 years long of the index in terms of relative duration: flat in 0–3s, 3–7s, 7–15s and 15–25 years; +0.15 CTD in 25–35s; and flat in ultra-longs.

Looking ahead, the main risk to the UK economy is Britain crashing out of the EU without securing a free trade deal. This now looks unlikely but remains a possibility even if Mr Johnson succeeds in getting his deal through parliament, given that the agreed transition period ends in little over a year. An early election will take place on 12 December, but the result is even harder to predict than usual.

The BoE retains a hiking bias, which is driven by well-anchored inflation expectations, inflation at target and policymakers' perception of a limited amount of spare capacity. However, the trajectory of the economy suggests that the window for hiking this year is gone, and our expectation for rising political uncertainty will constrain the bank's ability to act later this year.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains	2,304	2,938
Revenue	482	411
Expenses	(58)	(55)
Net revenue before taxation	424	356
Taxation	–	–
Net revenue after taxation	424	356
Total return before distributions	2,728	3,294
Distributions	(424)	(356)
Change in net assets attributable to shareholders from investment activities	2,304	2,938

### BALANCE SHEET

as at 31 October 2019

	2019 £000	2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	71,411	68,835
<b>Current assets:</b>		
Debtors	67	60
Cash and bank balances	630	168
Total assets	72,108	69,063
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(3)	(3)
Other creditors	(33)	(27)
Total liabilities	(36)	(30)
Net assets attributable to shareholders	72,072	69,033

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Opening net assets attributable to shareholders	69,033	65,170
Amounts receivable on the issue of shares	1,432	1,037
Amounts payable on the cancellation of shares	(1,120)	(1,380)
	312	(343)
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	2,304	2,938
Retained distribution on accumulation shares	423	354
Closing net assets attributable to shareholders	72,072	68,119

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

### DISTRIBUTION TABLE

for the accounting period 1 May 2019 to 31 October 2019

Interest distribution in pence per share

Class 1 – Income shares	Distribution Period	Gross Revenue	Equalisation	Distribution	
				Paid/Payable 2019	Paid 2018
<b>Group 1</b>	01/05/19 to 31/10/19	0.6742	–	0.6742	0.5402
<b>Group 2</b>	01/05/19 to 31/10/19	0.3720	0.3022	0.6742	0.5402
	<b>Total distributions in the period</b>			<b>0.6742</b>	<b>0.5402</b>
Class 1 – Gross accumulation shares					
Distribution Period	Gross Revenue	Equalisation	Gross Revenue		
			Accumulated 2019	Accumulated 2018	
<b>Group 1</b>	01/05/19 to 31/10/19	0.4681	–	0.4681	0.3719
<b>Group 2</b>	01/05/19 to 31/10/19	0.4681	–	0.4681	0.3719
	<b>Total distributions in the period</b>			<b>0.4681</b>	<b>0.3719</b>

## Threadneedle UK Index Linked Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 01/05/19 to 31/10/19	0.5682	–	0.5682	0.4669
<b>Group 2</b> 01/05/19 to 31/10/19	0.3882	0.1800	0.5682	0.4669
<b>Total distributions in the period</b>			<b>0.5682</b>	<b>0.4669</b>

#### Class 2 – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 01/05/19 to 31/10/19	0.9903	–	0.9903	0.8069
<b>Group 2</b> 01/05/19 to 31/10/19	0.4714	0.5189	0.9903	0.8069
<b>Total distributions in the period</b>			<b>0.9903</b>	<b>0.8069</b>

#### Class 2 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 01/05/19 to 31/10/19	0.7548	–	0.7548	0.6206
<b>Group 2</b> 01/05/19 to 31/10/19	0.6129	0.1419	0.7548	0.6206
<b>Total distributions in the period</b>			<b>0.7548</b>	<b>0.6206</b>

#### Class D – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 01/05/19 to 31/10/19	0.7546	–	0.7546	0.6052
<b>Group 2</b> 01/05/19 to 31/10/19	0.7546	–	0.7546	0.6052
<b>Total distributions in the period</b>			<b>0.7546</b>	<b>0.6052</b>

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b> 01/05/19 to 31/10/19	0.7127	–	0.7127	0.5953
<b>Group 2</b> 01/05/19 to 31/10/19	0.7127	–	0.7127	0.5953
<b>Total distributions in the period</b>			<b>0.7127</b>	<b>0.5953</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Index Linked Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross accumulation shares <sup>§</sup>		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	180.20	169.55	178.36	125.11	116.87	122.94
Return before operating charges (p)	7.35	13.00	(7.34)	5.11	8.98	(5.08)
Operating charges (p)	(0.59)	(1.07)	(1.46)	(0.41)	(0.74)	(0.99)
Return after operating charges (p)*	6.76	11.93	(8.80)	4.70	8.24	(6.07)
Distributions (p)	(0.67)	(1.28)	(0.01)	(0.47)	(0.89)	(0.01)
Retained distributions on accumulation shares (p)	–	–	–	0.47	0.89	0.01
Closing net asset value per share (p)	186.29	180.20	169.55	129.81	125.11	116.87
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	3.75	7.04	(4.93)	3.76	7.05	(4.94)
<b>Other information</b>						
Closing net asset value (£000)	413	413	421	75	72	74
Closing number of shares	221,556	229,407	248,111	57,466	57,859	63,224
Operating charges (%)**	0.61 <sup>†</sup>	0.61	0.84	0.61 <sup>†</sup>	0.61	0.83
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	205.45	190.69	181.66	142.64	131.85	125.21
Lowest share price (p)	179.62	168.27	166.20	124.71	115.99	114.57
	Class 2 – Income shares			Class 2 – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	121.29	114.12	120.04	211.66	197.38	206.80
Return before operating charges (p)	4.95	8.76	(4.95)	8.65	15.18	(8.53)
Operating charges (p)	(0.28)	(0.52)	(0.51)	(0.50)	(0.90)	(0.89)
Return after operating charges (p)*	4.67	8.24	(5.46)	8.15	14.28	(9.42)
Distributions (p)	(0.57)	(1.07)	(0.46)	(0.99)	(1.86)	(0.80)
Retained distributions on accumulation shares (p)	–	–	–	0.99	1.86	0.80
Closing net asset value per share (p)	125.39	121.29	114.12	219.81	211.66	197.38
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	3.85	7.22	(4.55)	3.85	7.23	(4.56)
<b>Other information</b>						
Closing net asset value (£000)	81	79	71	14,973	14,077	13,734
Closing number of shares	64,506	64,996	62,043	6,811,825	6,650,841	6,957,792
Operating charges (%)**	0.43 <sup>†</sup>	0.44	0.44	0.44 <sup>†</sup>	0.44	0.44
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	138.38	128.45	122.47	241.48	223.04	210.99
Lowest share price (p)	120.91	113.27	112.00	210.99	195.92	193.07

## Threadneedle UK Index Linked Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Gross income shares <sup>5</sup>			Class D – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	161.25	151.72	159.56	205.94	192.40	201.93
Return before operating charges (p)	6.59	11.64	(6.60)	8.40	14.75	(8.34)
Operating charges (p)	(0.38)	(0.69)	(0.64)	(0.67)	(1.21)	(1.19)
Return after operating charges (p)*	6.21	10.95	(7.24)	7.73	13.54	(9.53)
Distributions (p)	(0.75)	(1.42)	(0.60)	(0.75)	(1.45)	(0.43)
Retained distributions on accumulation shares (p)	–	–	–	0.75	1.45	0.43
Closing net asset value per share (p)	166.71	161.25	151.72	213.67	205.94	192.40
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	3.85	7.22	(4.54)	3.75	7.04	(4.72)
<b>Other information</b>						
Closing net asset value (£000)	148	172	151	15	15	36
Closing number of shares	88,874	106,599	99,637	7,008	7,008	18,957
Operating charges (%)**	0.44 <sup>†</sup>	0.44	0.41	0.61 <sup>†</sup>	0.61	0.60
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	183.97	170.77	162.81	234.80	217.05	205.89
Lowest share price (p)	160.74	150.59	148.89	205.28	190.95	188.45
<b>Class X – Gross accumulation shares<sup>5</sup></b>						
	31/10/2019	30/04/2019	30/04/2018			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	108.70	101.01	105.46			
Return before operating charges (p)	4.43	7.78	(4.36)			
Operating charges (p)	(0.05)	(0.09)	(0.09)			
Return after operating charges (p)*	4.38	7.69	(4.45)			
Distributions (p)	(0.71)	(1.32)	(0.77)			
Retained distributions on accumulation shares (p)	0.71	1.32	0.77			
Closing net asset value per share (p)	113.08	108.70	101.01			
*after direct transaction costs of (p)	–	–	–			
<b>Performance</b>						
Return after charges (%)	4.03	7.61	(4.22)			
<b>Other information</b>						
Closing net asset value (£000)	56,367	54,205	50,683			
Closing number of shares	49,847,894	49,868,396	50,175,770			
Operating charges (%)**	0.09 <sup>†</sup>	0.09	0.09			
Direct transaction costs (%)***	–	–	–			
<b>Prices</b>						
Highest share price (p)	124.16	114.50	107.73			
Lowest share price (p)	108.36	100.28	98.53			

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>5</sup>Only available to eligible investors.

<sup>†</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period.

## Threadneedle UK Index Linked Fund

### Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

##### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

#### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Income shares</b>	
Opening shares	229,407
Shares issued	7,255
Shares redeemed	(15,106)
Net conversions	–
Closing shares	<u>221,556</u>
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	57,859
Shares issued	–
Shares redeemed	(393)
Net conversions	–
Closing shares	<u>57,466</u>
<b>Class 2 – Income shares</b>	
Opening shares	64,996
Shares issued	292
Shares redeemed	(782)
Net conversions	–
Closing shares	<u>64,506</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	6,650,841
Shares issued	622,575
Shares redeemed	(461,591)
Net conversions	–
Closing shares	<u>6,811,825</u>
<b>Class 2 – Gross income shares</b>	
Opening shares	106,599
Shares issued	5,842
Shares redeemed	(23,567)
Net conversions	–
Closing shares	<u>88,874</u>
<b>Class D – Accumulation shares</b>	
Opening shares	7,008
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>7,008</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	49,868,396
Shares issued	–
Shares redeemed	(20,502)
Net conversions	–
Closing shares	<u>49,847,894</u>

## Threadneedle Pan European Focus Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve above average capital growth over the long term. It looks to outperform the MSCI Europe Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least 75% of its assets in a concentrated portfolio of shares of companies domiciled in Europe (including the UK), or which have significant business operations there.

The Fund selects companies in which the fund manager has a high conviction that the current share price does not reflect the prospects for that business. These companies may be chosen from any industry or economic sector, with significant sector and share weightings taken at the fund manager's discretion. There is no restriction on company size, however, investment tends to focus on larger companies, such as those included in the MSCI Europe Index.

The MSCI Europe Index is regarded as providing an appropriate representation of the share performance of large and medium-sized companies within developed market countries across Europe (including the UK), currently with over 400 companies included. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

The Fund typically invests in fewer than 50 companies, which may include shares of some companies not within the Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

The Fund may also hold money market instruments, deposits, cash and near cash.

The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

#### Performance of Class 1 – Accumulation shares\*

Over the six months to 31 October 2019, the published share price of Class 1 - Accumulation shares in the Threadneedle Pan European

Focus Fund has risen from 285.29p to 309.48p in sterling terms and from 3.3105 to 3.5973 Euros.

For comparison, using noon prices, the sterling performance of the Class 1 share class was +8.48% and +8.79% for the Class 2 share class compared to a return of +2.60% for the Morningstar UK Unit Trusts/OEICs - IA Europe Including UK Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the MSCI Europe Index was +3.34%.

#### Market Overview and Portfolio Activity

Pan European markets delivered gains during the review period, despite bouts of volatility.

Signs of a global economic slowdown multiplied. In the US, second-quarter GDP data showed that a fall in business investment was steeper than prior estimates. UK statistics indicated that the economy was faltering amid Brexit-related uncertainty; GDP dipped by 0.2% in the second quarter. The German economy also shrank, and business confidence slumped. The US and China stepped up their trade war, although they later exempted some products from tariffs and agreed to hold another round of high-level talks. President Donald Trump now faces an impeachment inquiry.

In September, the European Central Bank (ECB) announced stimulus measures to spur growth. These included lowering interest rates further into negative territory, restarting its bond-purchase programme, and outlining more generous terms for long-term cheap financing for banks. The ECB president also emphasised the need for fiscal stimulus. In the US, the Federal Reserve cut rates for the third time this year.

The UK had to contend with political uncertainty following Prime Minister Theresa May's resignation and Boris Johnson's succession to the role. The deadline for Brexit was postponed until October, following an impasse with the EU, and was later postponed again, this time until 31 January 2020. A general election is to be held beforehand. Italian shares bounced after the Democratic Party and the Five Star Movement reached an agreement to form a new coalition government, avoiding a snap election.

New positions included NXP Semiconductors and DSV. NXP Semiconductors is a leading supplier in the auto and industrial internet-of-things end markets, with over half of its sales attributable to these faster growing sectors. The company also has room to improve its margins as it rationalises costs, and is taking steps to increase its cash return to shareholders in the form of buybacks and dividends. The fading of inventory reductions in NXP's sector could act as a nearer-term performance catalyst. DSV has an excellent management team, and a successful acquisition policy based on a strong IT platform. The transport and logistics firm is beating competitors on margins and growth owing to acquisitions, a greater focus on air and sea, and a fragmented client base.

Following a period of strong returns, we sold several holdings including London Stock Exchange, Diageo and Cellnex Telecom.

Loose monetary policy aims to stimulate economic growth and, if effective, this should revive corporate profitability. The evidence of a weaker economy in Europe comes mainly from the manufacturing sector; the consumer sector remains reasonably buoyant.

The outcome of Brexit remains unclear, although political developments in Italy have reached some stability, and the new government is likely to reduce friction with Brussels over the budget and other issues. Tensions with Iran and over global trade are unhelpful but any positive resolution is likely to boost market sentiment. While global growth has been downgraded, fiscal stimulus in China is expected to help, and the US is likely to ensure recession is avoided in the run up to the 2020 elections.

Our main focus in managing this portfolio is on stock selection, informed by macro-economic and thematic views. We favour high-quality companies with the pricing power to sustain strong returns, and we also target re-rating opportunities.

#### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	6,792	(1,144)
Revenue	740	645
Expenses	(361)	(448)
Interest payable and similar charges	(1)	–
Net revenue before taxation	378	197
Taxation	(12)	(23)
Net revenue after taxation	366	174
<b>Total return before equalisation</b>	<b>7,158</b>	<b>(970)</b>
Equalisation	40	(14)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>7,198</b>	<b>(984)</b>

#### BALANCE SHEET

as at 31 October 2019

	2019 £000	April 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	84,909	80,627
<b>Current assets:</b>		
Debtors	1,900	203
Cash and bank balances	687	693
Total assets	87,496	81,523
<b>Liabilities:</b>		
<b>Creditors:</b>		
Other creditors	(1,855)	(644)
Total liabilities	(1,855)	(644)
<b>Net assets attributable to shareholders</b>	<b>85,641</b>	<b>80,879</b>

#### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>80,879</b>	<b>74,146</b>
Amounts receivable on the issue of shares	40,585	518
Amounts payable on the cancellation of shares	(43,023)	(5,106)
	(2,438)	(4,588)
Dilution adjustment	2	2
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	7,198	(984)
<b>Closing net assets attributable to shareholders</b>	<b>85,641</b>	<b>68,576</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

## Threadneedle Pan European Focus Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	131.59	117.03	110.55	285.21	253.74	238.14
Return before operating charges (p)	12.35	16.51	9.20	26.75	35.82	19.84
Operating charges (p)	(1.16)	(1.95)	(1.92)	(2.54)	(4.35)	(4.24)
Return after operating charges (p)*	11.19	14.56	7.28	24.21	31.47	15.60
Distributions (p)	–	–	(0.80)	–	–	(1.66)
Retained distributions on accumulation shares (p)	–	–	–	–	–	1.66
Closing net asset value per share (p)	142.78	131.59	117.03	309.42	285.21	253.74
*after direct transaction costs of (p)	0.61	0.45	0.35	1.32	0.98	0.76
<b>Performance</b>						
Return after charges (%)	8.50	12.44	6.59	8.49	12.40	6.55
<b>Other information</b>						
Closing net asset value (£000)	4	4	3	10,798	21,615	22,035
Closing number of shares	3,000	3,000	3,000	3,489,780	7,578,621	8,683,917
Operating charges (%)**	1.62 <sup>†</sup>	1.62	1.62	1.66 <sup>†</sup>	1.66	1.66
Direct transaction costs (%)***	0.86	0.38	0.30	0.86	0.38	0.30
<b>Prices</b>						
Highest share price (p)	149.66	131.86	124.14	324.34	285.79	267.37
Lowest share price (p)	130.33	109.29	110.93	282.47	236.92	238.98
	Class 2 – Accumulation shares			Class X – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	307.77	272.24	254.04	136.36	119.42	110.32
Return before operating charges (p)	28.89	38.60	21.18	12.80	17.05	9.21
Operating charges (p)	(1.81)	(3.07)	(2.98)	(0.06)	(0.11)	(0.11)
Return after operating charges (p)*	27.08	35.53	18.20	12.74	16.94	9.10
Distributions (p)	–	(1.47)	(3.33)	–	(1.89)	(2.65)
Retained distributions on accumulation shares (p)	–	1.47	3.33	–	1.89	2.65
Closing net asset value per share (p)	334.85	307.77	272.24	149.10	136.36	119.42
*after direct transaction costs of (p)	1.43	1.05	0.82	0.65	0.46	0.36
<b>Performance</b>						
Return after charges (%)	8.80	13.05	7.16	9.34	14.19	8.25
<b>Other information</b>						
Closing net asset value (£000)	32,739	51,600	44,514	38,085	5,766	5,604
Closing number of shares	9,777,344	16,765,820	16,350,734	25,543,273	4,229,068	4,693,111
Operating charges (%)**	1.09 <sup>†</sup>	1.09	1.09	0.08 <sup>†</sup>	0.09	0.09
Direct transaction costs (%)***	0.86	0.38	0.30	0.86	0.38	0.30
<b>Prices</b>						
Highest share price (p)	350.68	308.36	286.06	155.90	136.60	125.10
Lowest share price (p)	304.82	255.15	254.94	135.06	112.65	110.72

## Threadneedle Pan European Focus Fund

### Comparative Table Disclosure

(continued)

	Class Z – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	208.99	184.54	171.91
Return before operating charges (p)	19.62	26.19	14.31
Operating charges (p)	(1.03)	(1.74)	(1.68)
Return after operating charges (p)*	18.59	24.45	12.63
Distributions (p)	–	(1.33)	(2.58)
Retained distributions on accumulation shares (p)	–	1.33	2.58
Closing net asset value per share (p)	227.58	208.99	184.54
*after direct transaction costs of (p)	0.98	0.71	0.55
<b>Performance</b>			
Return after charges (%)	8.90	13.25	7.35
<b>Other information</b>			
Closing net asset value (£000)	4,015	1,894	1,990
Closing number of shares	1,764,042	906,329	1,078,174
Operating charges (%)**	0.90 <sup>†</sup>	0.91	0.91
Direct transaction costs (%)***	0.86	0.38	0.30
<b>Prices</b>			
Highest share price (p)	238.27	209.39	193.75
Lowest share price (p)	206.99	173.15	172.52

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>†</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period.

# Threadneedle Pan European Focus Fund

## Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

#### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Income shares</b>	
Opening shares	3,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>3,000</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	7,578,621
Shares issued	708,732
Shares redeemed	(4,797,573)
Net conversions	–
Closing shares	<u>3,489,780</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	16,765,820
Shares issued	451,743
Shares redeemed	(7,440,219)
Net conversions	–
Closing shares	<u>9,777,344</u>
<b>Class X – Accumulation shares</b>	
Opening shares	4,229,068
Shares issued	22,609,083
Shares redeemed	(1,294,878)
Net conversions	–
Closing shares	<u>25,543,273</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	906,329
Shares issued	1,427,393
Shares redeemed	(569,680)
Net conversions	–
Closing shares	<u>1,764,042</u>

## Threadneedle American Extended Alpha Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve above average capital growth over the long term. It looks to outperform the S&P 500 Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and seeks to gain at least 75% of its investment exposure to shares of companies domiciled in the United States of America (US), or which have significant US business operations.

This exposure to company shares is achieved by taking both long and short equity positions. Long positions are taken by investing in company shares directly, as well as indirectly using derivatives, and collective investment schemes (including funds managed by Columbia Threadneedle companies) when considered appropriate. Short positions are taken using derivatives only. Typically, the combination of these positions provides exposure to fewer than 110 companies.

The Fund follows an "equity extension strategy", which allows proceeds from short positions to be used to extend long positions within the portfolio, to include more of the fund manager's strongest investment ideas. However, the Fund does not usually short more than 30% of its value, and long positions don't normally exceed 130% of the value of the Fund.

The Fund's extended long and short positions are usually, at least in part, obtained by investing in a single total return swap, with a counterparty. This swap, which is a type of derivative instrument, provides a return linked to the performance of a basket of mainly equity-related securities, exchange traded funds and equity index positions, selected by the fund manager.

The Fund may also hold other securities (including fixed interest securities), money market instruments, deposits, cash and near cash. These holdings may be substantial where necessary to provide cover for the exposure created using derivatives, or when considered appropriate towards achieving the Fund's investment objective. In addition to using derivatives for investment purposes, derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

The S&P 500 Index is a US stock market index the constituents of which represent around 500 of the largest companies listed on the New York Stock Exchange or NASDAQ. It is representative of the type of company in

which the Fund invests and provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

#### Performance of Class 1 – Accumulation shares\*

Over the six months to 31 October 2019, the published share price of Class 1 – Accumulation shares in the Threadneedle American Extended Alpha Fund has risen from 439.23p to 449.06p.

For comparison, on a total return basis using noon prices, the performance of the Class 1 share class was +2.24% and +3.62% for the Class 2 share class compared to a return of +3.45% for the Morningstar UK Unit Trusts/DEICS – IA North America Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the S&P 500 Composite Index was +4.93%.

#### Market Overview and Portfolio Activity

US equities rose over the six months to 31 October, supported by anticipation of looser monetary policy, broadly positive economic data and robust corporate earnings. The Federal Reserve (Fed) met expectations with three interest-rate cuts of 25 basis points (bps) each. However, equities were periodically buffeted by bouts of concern about trade relations with China and the resulting impact on the global economy.

The Fed lowered rates to shield the US economy from the impact of the trade conflict, but officials refrained from characterising the moves as the start of a prolonged cycle of easing. Indeed, after the third cut, the central bank indicated that further reductions were unlikely unless the economy worsened significantly. Growth remained steady during the period, helped by a strong labour market. GDP expanded at annualised rates of 2.0% in the second quarter and 1.9% in the third, and nonfarm payrolls rose at a steady clip, aside from a subdued gain in May. However, data indicated continued weakness in manufacturing as the trade war and a slowdown elsewhere in the world impacted exports.

Concern about the trade conflict waxed and waned throughout the review term, featuring notably in May and August, when equities recorded monthly declines as both Washington and Beijing imposed tariffs on imports from each other. Towards the end of the review period, risk appetite was bolstered by an easing of tensions between the two countries, as the US postponed a tariff hike on \$250 billion of Chinese goods and China agreed to a significant increase in agricultural imports

from the US. Hopes rose that a trade deal may be signed shortly.

In the autumn, political uncertainty within the US increased too, as Democrats in the House of Representatives opened an impeachment inquiry against President Trump. However, US stocks ended the review period on a positive note, as investors focused on continued strength in corporate earnings and the S&P 500 index rose to record highs in late October.

In terms of activity, within the long book, we initiated positions in transport business Uber and VMware. The latter is a leading provider of enterprise virtualisation software. Despite the headwinds facing the infrastructure IT market, VMware's revenues have been holding up well. Two recent acquisitions and the partnership with Amazon Web Services to create a jointly developed cloud offering should support the stock.

We also added to existing holdings, such as Nutanix and the Walt Disney Company, while sales included Broadcom and eBay.

In the short book, we initiated positions in a semiconductor manufacturer and a technology firm. We covered our shorts in the likes of an online travel booking firm, a provider of cloud-computing and content delivery services, and a fast food company.

We have a moderately positive outlook, as we believe that global purchasing managers' indices (PMIs) are close to bottoming out. We should also see the beneficial effects of synchronised global monetary easing. There has been a complete turnaround in monetary policy from the tightening stance at the end of 2018 to easing this year. The fact that this comes at a time when the yield curve is no longer inverted should support sentiment.

However, political risk remains elevated, especially with the initiation of an impeachment inquiry by the House of Representatives against President Trump. In addition, Elizabeth Warren is now considered among the front-runners for the Democratic primary, which could have implications for businesses and the stock market. But with a year to go until the election, there are no guarantees that she will win the Democratic nomination, let alone the presidency.

None of this changes our view that the US economy is on track for above-trend growth this year, with a reversion to trend growth (1.5-2%) in 2020. We should also see a resumption of mid-single-digit earnings growth (in line with long-term historic averages) after flat to negative earnings for 2018.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains	1,991	9,351
Revenue	377	1,079
Expenses	117	(797)
Interest payable and similar charges	(118)	(328)
Net revenue/(expense) before taxation	376	(46)
Taxation	(46)	(128)
Net revenue/(expense) after taxation	330	(174)
<b>Total return before equalisation</b>	<b>2,321</b>	<b>9,177</b>
Equalisation	–	1
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>2,321</b>	<b>9,178</b>

### BALANCE SHEET

as at 31 October 2019

	2019 £000	April 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
<b>Investments</b>	65,020	70,821
<b>Current assets:</b>		
Debtors	1,040	455
Cash and bank balances	1,452	1,548
Cash equivalents**	3,105	3,463
<b>Total assets</b>	<b>70,617</b>	<b>76,287</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(33)	(1)
<b>Creditors:</b>		
Bank overdrafts	(242)	(131)
Other creditors	(1,368)	(3,577)
<b>Total liabilities</b>	<b>(1,643)</b>	<b>(3,709)</b>
<b>Net assets attributable to shareholders</b>	<b>68,974</b>	<b>72,578</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>72,578</b>	<b>169,830</b>
Amounts receivable on the issue of shares	29,147	142,571
Amounts payable on the cancellation of shares	(35,082)	(142,991)
	(5,935)	(420)
Dilution adjustment	10	5
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	2,321	9,178
<b>Closing net assets attributable to shareholders</b>	<b>68,974</b>	<b>178,593</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

\*\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

## Threadneedle American Extended Alpha Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 1 EUR – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	25/01/2019 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	439.13	366.49	329.82	393.81		
Return before operating charges (p)	13.55	79.09	42.44	4.23		
Operating charges (p)	(3.68)	(6.45)	(5.77)	(4.61)		
Return after operating charges (p)*	9.87	72.64	36.67	(0.38)		
Distributions (p)	–	–	–	–		
Retained distributions on accumulation shares (p)	–	–	–	–		
Closing net asset value per share (p)	449.00	439.13	366.49	393.43		
*after direct transaction costs of (p)	0.04	0.18	0.22	0.11		
<b>Performance</b>						
Return after charges (%)	2.25	19.82	11.12	(0.10)		
<b>Other information</b>						
Closing net asset value (£000)	7,946	15,548	73,981	–		
Closing number of shares	1,769,607	3,540,678	20,186,206	–		
Operating charges (%)**	1.67 <sup>1</sup>	1.64	1.64	–		
Direct transaction costs (%)***	0.02	0.04	0.06	–		
<b>Prices</b>						
Highest share price (p)	467.02	440.53	380.52	427.87		
Lowest share price (p)	405.54	353.61	325.03	353.61		
	Class 1 USD – Accumulation shares			Class 1 EUR Hedged – Accumulation shares		
	25/01/2019 <sup>1</sup>			25/01/2019 <sup>2</sup>	30/04/2018	30/04/2017
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	393.81			318.33	266.31	207.27
Return before operating charges (p)	4.23			(0.88)	57.07	63.01
Operating charges (p)	(4.61)			(3.96)	(5.05)	(3.97)
Return after operating charges (p)*	(0.38)			(4.84)	52.02	59.04
Distributions (p)	–			–	–	–
Retained distributions on accumulation shares (p)	–			–	–	–
Closing net asset value per share (p)	393.43			313.49	318.33	266.31
*after direct transaction costs of (p)	0.11			0.10	0.19	0.40
<b>Performance</b>						
Return after charges (%)	(0.10)			(1.52)	19.53	28.48
<b>Other information</b>						
Closing net asset value (£000)	–			–	2,352	2,007
Closing number of shares	–			–	739,017	753,580
Operating charges (%)**	–			–	1.64	1.64
Direct transaction costs (%)***	–			–	0.06	0.16
<b>Prices</b>						
Highest share price (p)	427.87			352.69	338.25	273.65
Lowest share price (p)	353.61			283.85	266.56	201.79

## Threadneedle American Extended Alpha Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Accumulation shares			Class 2 EUR – Accumulation shares
	31/10/2019	30/04/2019	30/04/2018	25/01/2019 <sup>1</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	470.48	394.75	353.41	424.83
Return before operating charges (p)	19.10	79.26	44.44	2.51
Operating charges (p)	(2.03)	(3.53)	(3.10)	(2.50)
Return after operating charges (p)*	17.07	75.73	41.34	0.01
Distributions (p)	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–
Closing net asset value per share (p)	487.55	470.48	394.75	424.84
*after direct transaction costs of (p)	0.05	0.20	0.23	0.12
<b>Performance</b>				
Return after charges (%)	3.63	19.18	11.70	0.00
<b>Other information</b>				
Closing net asset value (£000)	58,752	54,710	86,589	–
Closing number of shares	12,050,583	11,628,437	21,934,983	–
Operating charges (%)**	0.84 <sup>1</sup>	0.82	0.82	–
Performance fee (%)	–	1.11	0.33	–
Direct transaction costs (%)***	0.02	0.04	0.06	–
<b>Prices</b>				
Highest share price (p)	509.08	472.59	408.46	461.24
Lowest share price (p)	441.92	384.08	348.42	382.73
	Class 2 USD – Accumulation shares		Class 2 EUR Hedged – Gross income shares	
	25/01/2019 <sup>1</sup>		25/01/2019 <sup>3</sup>	
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	424.83		100.00	
Return before operating charges (p)	(0.09)		(2.22)	
Operating charges (p)	(2.50)		(0.57)	
Return after operating charges (p)*	(2.59)		(2.79)	
Distributions (p)	–		–	
Retained distributions on accumulation shares (p)	–		–	
Closing net asset value per share (p)	422.24		97.21	
*after direct transaction costs of (p)	0.12		0.03	
<b>Performance</b>				
Return after charges (%)	(0.61)		(2.79)	
<b>Other information</b>				
Closing net asset value (£000)	–		–	
Closing number of shares	–		–	
Operating charges (%)**	–		–	
Direct transaction costs (%)***	–		–	
<b>Prices</b>				
Highest share price (p)	460.99		108.28	
Lowest share price (p)	383.96		94.52	

## Threadneedle American Extended Alpha Fund

### Comparative Table Disclosure

(continued)

	Class X – Gross accumulation shares	Class Z – Accumulation shares		
	31/10/2019 <sup>1</sup>	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	100.00	244.00	201.13	180.24
Return before operating charges (p)	7.28	8.55	44.84	22.61
Operating charges (p)	(0.01)	(1.13)	(1.97)	(1.72)
Return after operating charges (p)*	7.27	7.42	42.87	20.89
Distributions (p)	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–
Closing net asset value per share (p)	107.27	251.42	244.00	201.13
*after direct transaction costs of (p)	0.01	0.02	0.10	0.12
<b>Performance</b>				
Return after charges (%)	7.27	3.04	21.31	11.59
<b>Other information</b>				
Closing net asset value (£000)	1	2,275	2,320	6,908
Closing number of shares	1,000	904,733	950,897	3,434,576
Operating charges (%)**	0.01 <sup>†</sup>	0.91 <sup>†</sup>	0.89	0.89
Performance fee (%)	–	–	–	0.36
Direct transaction costs (%)***	0.02	0.02	0.04	0.06
<b>Prices</b>				
Highest share price (p)	111.08	261.42	244.90	208.24
Lowest share price (p)	96.21	226.74	197.97	177.69
	Class Z USD – Accumulation shares	Class Z EUR Hedged – Gross accumulation shares		
	25/01/2019 <sup>1</sup>	25/01/2019 <sup>3</sup>		
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	218.01	100.00		
Return before operating charges (p)	1.02	(1.87)		
Operating charges (p)	(1.45)	(0.58)		
Return after operating charges (p)*	(0.43)	(2.45)		
Distributions (p)	–	–		
Retained distributions on accumulation shares (p)	–	–		
Closing net asset value per share (p)	217.58	97.55		
*after direct transaction costs of (p)	0.06	0.03		
<b>Performance</b>				
Return after charges (%)	(0.20)	(2.45)		
<b>Other information</b>				
Closing net asset value (£000)	–	–		
Closing number of shares	–	–		
Operating charges (%)**	–	–		
Performance fee (%)	–	–		
Direct transaction costs (%)***	–	–		
<b>Prices</b>				
Highest share price (p)	236.64	108.27		
Lowest share price (p)	196.98	94.51		

## Threadneedle American Extended Alpha Fund

### Comparative Table Disclosure

(continued)

	Class Z CHF Hedged – Gross accumulation shares 25/01/2019 <sup>3</sup>
<b>Change in net assets per share</b>	
Opening net asset value per share (p)	100.00
Return before operating charges (p)	(1.94)
Operating charges (p)	(0.59)
Return after operating charges (p)*	(2.53)
Distributions (p)	–
Retained distributions on accumulation shares (p)	–
Closing net asset value per share (p)	97.47
*after direct transaction costs of (p)	0.03
<b>Performance</b>	
Return after charges (%)	(2.53)
<b>Other information</b>	
Closing net asset value (£000)	–
Closing number of shares	–
Operating charges (%)**	–
Performance fee (%)	–
Direct transaction costs (%)***	–
<b>Prices</b>	
Highest share price (p)	110.34
Lowest share price (p)	95.31

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup>Commenced 15 June 2018 and closed 25 January 2019.

<sup>2</sup>Closed 25 January 2019.

<sup>3</sup>Commenced 5 June 2018 and closed 25 January 2019.

<sup>4</sup>Commenced 9 May 2019.

<sup>5</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

## Threadneedle American Extended Alpha Fund

### Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

##### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

#### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Accumulation shares</b>	
Opening shares	3,540,678
Shares issued	5,534,627
Shares redeemed	(7,283,511)
Net conversions	(22,187)
Closing shares	<u>1,769,607</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	11,628,437
Shares issued	972,442
Shares redeemed	(564,258)
Net conversions	13,962
Closing shares	<u>12,050,583</u>
<b>Class X – Gross accumulation shares*</b>	
Opening shares	–
Shares issued	1,000
Shares redeemed	–
Net conversions	–
Closing shares	<u>1,000</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	950,897
Shares issued	104,009
Shares redeemed	(162,683)
Net conversions	12,510
Closing shares	<u>904,733</u>

\*For launch dates, refer to the footnotes after the comparative tables.

## Threadneedle US Equity Income Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income combined with prospects for capital growth over the long term. It looks to provide an income yield higher than the S&P 500 Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least 75% of its assets in the shares of companies domiciled in the United States of America (US), or which have significant US business operations.

The Fund selects companies that exhibit above average income generation potential, as well as those considered to offer opportunities more by way of share price or dividend growth. These companies may be chosen from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on larger companies, such as those included in the S&P 500 Index.

The S&P 500 Index is a US stock market index, the constituents of which represent around 500 of the largest companies listed on the New York Stock Exchange or NASDAQ. The income yield of this index provides a suitable target benchmark against which the level of income generated by the Fund will be measured and evaluated over time.

The Fund typically invests in fewer than 70 companies, which may include shares of some companies not within the Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

The Fund may also hold money market instruments, deposits, cash and near cash.

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently. In addition, the Fund may commence using derivatives with the aim of achieving an investment gain, providing 60 days' notice is given to shareholders.

#### Performance of Class 1 – Income shares\*

Over the six months to 31 October 2019, the published share price of Class 1 – Income shares in the Threadneedle US Equity Income Fund has risen from 143.41p to 150.22p.

For comparison, on a total return basis using noon prices, the performance of the Class 1 share class was +6.04% and +6.36% for the Class 2 share class compared to a return of +3.45% for the Morningstar UK Unit Trusts/OEICs – IA North America (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the S&P 500 Composite Index was +4.93%.

### Market Overview and Portfolio Activity

US equities rose over the six months through 31 October, supported by anticipation of looser monetary policy, broadly positive economic data and robust corporate earnings. The Federal Reserve (Fed) met expectations with three interest-rate cuts of 25 basis points (bps) each. However, equities were periodically buffeted by bouts of concern about trade relations with China and the resulting impact on the global economy.

The Fed lowered rates to shield the US economy from the impact of the trade conflict, but officials refrained from characterising the moves as the start of a prolonged cycle of easing. Indeed, after the third cut, the central bank indicated that further reductions were unlikely unless the economy worsened significantly. Growth remained steady during the period, helped by a strong labour market. GDP expanded at annualised rates of 2.0% in the second quarter and 1.9% in the third, and nonfarm payrolls rose at a steady clip, aside from a subdued gain in May. However, data indicated continued weakness in manufacturing as the trade war and a slowdown elsewhere in the world impacted exports.

Concern about the trade conflict waxed and waned throughout the review term, featuring notably in May and August, when equities recorded monthly declines as both Washington and Beijing imposed tariffs on imports from each other. Towards the end of the review period, risk appetite was bolstered by an easing of the tensions between the two countries, as the US postponed a tariff hike on \$250 billion of Chinese goods and China agreed to a significant increase in agricultural imports from the US. Hopes rose that a trade deal may be signed shortly.

In the autumn, political uncertainty within the US increased too, as Democrats in the House of Representatives opened an impeachment inquiry against President Trump. However, US stocks ended the review period on a positive note, as investors focused on continued strength in corporate earnings and the S&P 500 index rose to record highs in late October.

In terms of activity, we initiated a position in Caterpillar. As a global leader in the manufacture and development of construction equipment and machinery, the company is well positioned to benefit from the burgeoning recovery in the mining industry, with analysts predicting that 2019 will be a peak earnings year. Given Caterpillar's healthy free cashflow conversion, we believe that the dividend yield of 3.4% has room to rise, and while our earnings expectations are more modest than those of the market, we expect profits to remain robust in the near term.

We added to a variety of existing holdings, notably PepsiCo, American Electric Power, Apple and Bristol-Myers Squibb.

PepsiCo is a quality stock. The management team of the growing consumer staples firm is successfully de-emphasising the carbonated drinks business in favour of the snack-foods market, as the former is more challenged compared to the latter; the global snacking market has been growing at a faster pace of 3-5% a year. PepsiCo is a high-returns business, with a return on invested capital of around 20%, and the company has been adept at making several small,

accretive mergers and acquisitions deals in recent years. The business has good momentum, and earnings should continue to rise at a high-single-digit pace. The stock's 3% yield is attractive, and its valuation is in line with the broader peer group based on historic averages. Together, these should compound to produce a solid total shareholder return in the years ahead.

American Electric Power provides electric generation, transmission and distribution services. The firm's diversified asset base produces stable cashflows and helps to mitigate exposure to adverse trends in regulation or customer usage. American Electric also retains a solid financial profile with a track record of controlling operating costs, and is well positioned to meet pending environmental standards.

Apple's shares recently rose to record highs as the market is increasingly expecting that the launch of the 5G iPhone in 2020 will help the company resume top-line growth. In addition, Apple has a very strong balance sheet with c. \$100bn of net cash on hand, with a large chunk to be returned to shareholders via buybacks.

Pharmaceutical company Bristol-Myers Squibb is focused on developing innovative medicines in areas such as oncology, cardiovascular, immunoscience and fibrosis. The stock had been under pressure due to its controversial acquisition of Celgene and the political overhang concerning the issue of drug pricing which has been impacting the whole sector. However, we felt that the acquisition had strategic and financial merits by providing significant synergies and earnings accretion from year one. Other positive catalysts for the stock include a potential turning point in sales of a cancer treatment and results from late-stage clinical trials.

Positions that were sold over the period include Medtronic, Altria, Gilead Sciences, NiSource, Tapestry, PNC Financial Services, American Eagle Outfitters, Schlumberger and PacWest Bancorp.

We have a moderately positive outlook, as we believe that global purchasing managers' indices (PMIs) are close to bottoming out. We should also see the beneficial effects of synchronised global monetary easing. There has been a complete turnaround in monetary policy from the tightening stance at the end of 2018 to easing this year. The fact that this comes at a time when the yield curve is no longer inverted should support sentiment.

However, political risk remains elevated, especially with the initiation of an impeachment inquiry by the House of Representatives against President Trump. In addition, Elizabeth Warren is now considered among the front-runners for the Democratic primary, which could have implications for businesses and the stock market. But with a year to go until the election, there are no guarantees that she will win the Democratic nomination, let alone the presidency.

None of this changes our view that the US economy is on track for above-trend growth this year, with a reversion to trend growth (1.5-2%) in 2020. We should also see a resumption of mid-single-digit earnings growth (in line with long-term historic averages) after flat to negative earnings for 2018.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains	3,619	5,816
Revenue	1,023	1,105
Expenses	(284)	(313)
Net revenue before taxation	739	792
Taxation	(141)	(148)
Net revenue after taxation	598	644
Total return before distributions	4,217	6,460
Distributions	(882)	(957)
Change in net assets attributable to shareholders from investment activities	3,335	5,503

### BALANCE SHEET

as at 31 October 2019

	2019 £000	2019 £000	April 2019 £000
<b>Assets:</b>			
<b>Fixed assets:</b>			
Investments	73,210		67,238
<b>Current assets:</b>			
Debtors	84		2,742
Cash and bank balances	324		170
Total assets	73,618		70,150
<b>Liabilities:</b>			
<b>Creditors:</b>			
Distribution payable	(157)		(137)
Other creditors	(59)		(2,831)
Total liabilities	(216)		(2,968)
<b>Net assets attributable to shareholders</b>	<b>73,402</b>		<b>67,182</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Opening net assets attributable to shareholders	67,182	88,121
Amounts receivable on the issue of shares	6,253	6,448
Amounts payable on the cancellation of shares	(3,965)	(27,810)
	2,288	(21,362)
Dilution adjustment	1	15
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	3,335	5,503
Retained distribution on accumulation shares	596	579
Closing net assets attributable to shareholders	73,402	72,856

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

### DISTRIBUTION TABLE

for the accounting period 1 May 2019 to 31 October 2019

Dividend distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	0.9612	–	0.9612	0.8789
01/08/19 to 31/10/19	0.9195	–	0.9195	0.8817
<b>Group 2</b>				
01/05/19 to 31/07/19	0.2347	0.7265	0.9612	0.8789
01/08/19 to 31/10/19	0.3695	0.5500	0.9195	0.8817
<b>Total distributions in the period</b>			<b>1.8807</b>	<b>1.7606</b>

#### Class 1 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	0.8770	–	0.8770	0.7830
01/08/19 to 31/10/19	0.8447	–	0.8447	0.7892
<b>Group 2</b>				
01/05/19 to 31/07/19	0.0384	0.8386	0.8770	0.7830
01/08/19 to 31/10/19	0.0050	0.8397	0.8447	0.7892
<b>Total distributions in the period</b>			<b>1.7217</b>	<b>1.5722</b>

## Threadneedle US Equity Income Fund

### DISTRIBUTION TABLE

(continued)

#### Class 1 EUR Hedged – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	0.8245	–	0.8245	0.7940
01/08/19 to 31/10/19	0.7758	–	0.7758	0.7842
<b>Group 2</b>				
01/05/19 to 31/07/19	0.8245	–	0.8245	0.7940
01/08/19 to 31/10/19	0.7758	–	0.7758	0.7842
<b>Total distributions in the period</b>			<b>1.6003</b>	<b>1.5782</b>

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	0.9760	–	0.9760	0.8866
01/08/19 to 31/10/19	0.9326	–	0.9326	0.8886
<b>Group 2</b>				
01/05/19 to 31/07/19	0.9760	–	0.9760	0.8866
01/08/19 to 31/10/19	0.9326	–	0.9326	0.8886
<b>Total distributions in the period</b>			<b>1.9086</b>	<b>1.7752</b>

#### Class 2 EUR Hedged – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	0.9098	–	0.9098	0.8946
01/08/19 to 31/10/19	0.8517	–	0.8517	0.8786
<b>Group 2</b>				
01/05/19 to 31/07/19	0.9098	–	0.9098	0.8946
01/08/19 to 31/10/19	0.8517	–	0.8517	0.8786
<b>Total distributions in the period</b>			<b>1.7615</b>	<b>1.7732</b>

#### Class 2 EUR Hedged – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	0.8363	–	0.8363	0.8007
01/08/19 to 31/10/19	0.7883	–	0.7883	0.7921
<b>Group 2</b>				
01/05/19 to 31/07/19	0.8363	–	0.8363	0.8007
01/08/19 to 31/10/19	0.7883	–	0.7883	0.7921
<b>Total distributions in the period</b>			<b>1.6246</b>	<b>1.5928</b>

#### Class L – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	1.6125	–	1.6125	1.4611
01/08/19 to 31/10/19	1.5467	–	1.5467	1.4680
<b>Group 2</b>				
01/05/19 to 31/07/19	0.6322	0.9803	1.6125	1.4611
01/08/19 to 31/10/19	0.1980	1.3467	1.5467	1.4680
<b>Total distributions in the period</b>			<b>3.1592</b>	<b>2.9291</b>

#### Class X – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	1.6878	–	1.6878	1.5188
01/08/19 to 31/10/19	1.6210	–	1.6210	1.5268
<b>Group 2</b>				
01/05/19 to 31/07/19	0.7290	0.9588	1.6878	1.5188
01/08/19 to 31/10/19	1.0696	0.5514	1.6210	1.5268
<b>Total distributions in the period</b>			<b>3.3088</b>	<b>3.0456</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	0.9815	–	0.9815	0.8907
01/08/19 to 31/10/19	0.9408	–	0.9408	0.8947
<b>Group 2</b>				
01/05/19 to 31/07/19	0.3274	0.6541	0.9815	0.8907
01/08/19 to 31/10/19	0.4253	0.5155	0.9408	0.8947
<b>Total distributions in the period</b>			<b>1.9223</b>	<b>1.7854</b>

#### Class Z CHF Hedged – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	0.7580	–	0.7580	0.7166
01/08/19 to 31/10/19	0.7294	–	0.7294	0.7234
<b>Group 2</b>				
01/05/19 to 31/07/19	0.7580	–	0.7580	0.7166
01/08/19 to 31/10/19	0.7294	–	0.7294	0.7234
<b>Total distributions in the period</b>			<b>1.4874</b>	<b>1.4400</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	0.8941	–	0.8941	0.7907
01/08/19 to 31/10/19	0.8623	–	0.8623	0.7995
<b>Group 2</b>				
01/05/19 to 31/07/19	0.0441	0.8500	0.8941	0.7907
01/08/19 to 31/10/19	0.0023	0.8600	0.8623	0.7995
<b>Total distributions in the period</b>			<b>1.7564</b>	<b>1.5902</b>

#### Class Z CHF Hedged – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	0.7172	–	0.7172	0.6606
01/08/19 to 31/10/19	0.6949	–	0.6949	0.6710
<b>Group 2</b>				
01/05/19 to 31/07/19	0.7172	–	0.7172	0.6606
01/08/19 to 31/10/19	0.6949	–	0.6949	0.6710
<b>Total distributions in the period</b>			<b>1.4121</b>	<b>1.3316</b>

#### Class Z EUR Hedged – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	0.8393	–	0.8393	0.8030
01/08/19 to 31/10/19	0.7922	–	0.7922	0.7948
<b>Group 2</b>				
01/05/19 to 31/07/19	0.8393	–	0.8393	0.8030
01/08/19 to 31/10/19	0.7922	–	0.7922	0.7948
<b>Total distributions in the period</b>			<b>1.6315</b>	<b>1.5978</b>

Group 2: shares purchased during a distribution period.

## Threadneedle US Equity Income Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	142.52	126.66	126.67	130.09	112.65	109.71
Return before operating charges (p)	9.90	21.66	5.48	9.01	19.49	4.77
Operating charges (p)	(1.25)	(2.26)	(2.12)	(1.15)	(2.05)	(1.83)
Return after operating charges (p)*	8.65	19.40	3.36	7.86	17.44	2.94
Distributions (p)	(1.88)	(3.54)	(3.37)	(1.72)	(3.18)	(2.93)
Retained distributions on accumulation shares (p)	–	–	–	1.72	3.18	2.93
Closing net asset value per share (p)	149.29	142.52	126.66	137.95	130.09	112.65
*after direct transaction costs of (p)	0.01	0.04	0.07	0.01	0.04	0.06
<b>Performance</b>						
Return after charges (%)	6.07	15.32	2.65	6.04	15.48	2.68
<b>Other information</b>						
Closing net asset value (£000)	266	287	268	19	18	8
Closing number of shares	178,107	201,309	211,486	13,699	13,687	6,781
Operating charges (%)**	1.67 <sup>†</sup>	1.66	1.65	1.67 <sup>†</sup>	1.67	1.63
Direct transaction costs (%)***	0.02	0.03	0.05	0.02	0.03	0.05
<b>Prices</b>						
Highest share price (p)	157.55	145.77	134.72	143.81	130.93	118.27
Lowest share price (p)	138.99	123.77	120.77	126.85	111.50	106.74
	Class 1 EUR Hedged – Accumulation shares			Class 2 – Income shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	122.55	118.09	106.64	144.99	128.04	127.27
Return before operating charges (p)	5.72	6.45	13.35	10.06	21.97	5.47
Operating charges (p)	(1.06)	(1.99)	(1.90)	(0.79)	(1.44)	(1.32)
Return after operating charges (p)*	4.66	4.46	11.45	9.27	20.53	4.15
Distributions (p)	(1.60)	(3.13)	(3.05)	(1.91)	(3.58)	(3.38)
Retained distributions on accumulation shares (p)	1.60	3.13	3.05	–	–	–
Closing net asset value per share (p)	127.21	122.55	118.09	152.35	144.99	128.04
*after direct transaction costs of (p)	0.01	0.03	0.06	0.01	0.04	0.07
<b>Performance</b>						
Return after charges (%)	3.80	3.78	10.74	6.39	16.03	3.26
<b>Other information</b>						
Closing net asset value (£000)	13	12	12	4	4	4
Closing number of shares	10,000	10,000	10,000	3,000	3,000	3,000
Operating charges (%)**	1.66 <sup>†</sup>	1.66	1.63	1.04 <sup>†</sup>	1.04	1.02
Direct transaction costs (%)***	0.02	0.03	0.05	0.02	0.03	0.05
<b>Prices</b>						
Highest share price (p)	133.55	130.07	127.21	160.52	147.68	135.91
Lowest share price (p)	119.07	107.81	105.48	141.42	125.64	122.01

## Threadneedle US Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class 2 EUR Hedged – Income shares			Class 2 EUR Hedged – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	135.21	133.00	122.53	124.29	119.06	106.92
Return before operating charges (p)	6.35	7.17	15.35	5.79	6.54	13.37
Operating charges (p)	(0.77)	(1.46)	(1.40)	(0.71)	(1.31)	(1.23)
Return after operating charges (p)*	5.58	5.71	13.95	5.08	5.23	12.14
Distributions (p)	(1.76)	(3.50)	(3.48)	(1.62)	(3.16)	(3.07)
Retained distributions on accumulation shares (p)	–	–	–	1.62	3.16	3.07
Closing net asset value per share (p)	139.03	135.21	133.00	129.37	124.29	119.06
*after direct transaction costs of (p)	0.01	0.04	0.07	0.01	0.04	0.06
<b>Performance</b>						
Return after charges (%)	4.13	4.29	11.38	4.09	4.39	11.35
<b>Other information</b>						
Closing net asset value (£000)	14	14	13	13	12	12
Closing number of shares	10,000	10,000	10,000	10,000	10,000	10,000
Operating charges (%)**	1.09 <sup>†</sup>	1.09	1.05	1.09 <sup>†</sup>	1.08	1.05
Direct transaction costs (%)***	0.02	0.03	0.05	0.02	0.03	0.05
<b>Prices</b>						
Highest share price (p)	147.56	145.77	144.89	135.63	131.39	128.07
Lowest share price (p)	131.45	120.27	121.20	120.82	109.12	105.77
	Class L – Income shares			Class X – Income shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	238.89	210.24	208.26	249.84	218.62	215.49
Return before operating charges (p)	16.62	36.12	8.98	17.39	37.62	9.31
Operating charges (p)	(0.88)	(1.56)	(1.44)	(0.12)	(0.24)	(0.13)
Return after operating charges (p)*	15.74	34.56	7.54	17.27	37.38	9.18
Distributions (p)	(3.16)	(5.91)	(5.56)	(3.31)	(6.16)	(6.05)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	251.47	238.89	210.24	263.80	249.84	218.62
*after direct transaction costs of (p)	0.02	0.07	0.11	0.02	0.07	0.11
<b>Performance</b>						
Return after charges (%)	6.59	16.44	3.62	6.91	17.10	4.26
<b>Other information</b>						
Closing net asset value (£000)	16,659	16,207	39,302	7,071	4,604	331
Closing number of shares	6,624,621	6,784,256	18,693,598	2,680,310	1,842,894	151,486
Operating charges (%)**	0.70 <sup>†</sup>	0.69	0.68	0.09 <sup>†</sup>	0.10	0.06
Direct transaction costs (%)***	0.02	0.03	0.05	0.02	0.03	0.05
<b>Prices</b>						
Highest share price (p)	264.72	242.76	222.93	277.27	252.98	231.61
Lowest share price (p)	233.05	206.77	200.27	243.78	215.80	208.05

## Threadneedle US Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z CHF Hedged – Income shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	145.43	128.28	127.38	110.57	104.13	106.29
Return before operating charges (p)	10.10	22.00	5.50	9.43	10.30	1.66
Operating charges (p)	(0.70)	(1.24)	(1.17)	(0.54)	(1.00)	(0.96)
Return after operating charges (p)*	9.40	20.76	4.33	8.89	9.30	0.70
Distributions (p)	(1.92)	(3.61)	(3.43)	(1.49)	(2.86)	(2.86)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	152.91	145.43	128.28	117.97	110.57	104.13
*after direct transaction costs of (p)	0.01	0.04	0.07	0.01	0.03	0.06
<b>Performance</b>						
Return after charges (%)	6.46	16.18	3.40	8.04	8.93	0.66
<b>Other information</b>						
Closing net asset value (£000)	1,507	1,249	6,329	12	11	10
Closing number of shares	985,775	858,517	4,933,721	10,000	10,000	10,000
Operating charges (%)**	0.91 <sup>†</sup>	0.90	0.90	0.91 <sup>†</sup>	0.91	0.88
Direct transaction costs (%)***	0.02	0.03	0.05	0.02	0.03	0.05
<b>Prices</b>						
Highest share price (p)	161.06	148.02	136.11	124.90	120.74	117.11
Lowest share price (p)	141.86	125.97	122.22	108.10	99.59	102.35
	Class Z – Accumulation shares			Class Z CHF Hedged – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018 <sup>†</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	132.48	113.87	110.08	104.64	95.99	100.00
Return before operating charges (p)	9.17	19.74	4.86	8.89	9.56	(3.38)
Operating charges (p)	(0.64)	(1.13)	(1.07)	(0.51)	(0.91)	(0.63)
Return after operating charges (p)*	8.53	18.61	3.79	8.38	8.65	(4.01)
Distributions (p)	(1.76)	(3.23)	(2.95)	(1.41)	(2.67)	(2.15)
Retained distributions on accumulation shares (p)	1.76	3.23	2.95	1.41	2.67	2.15
Closing net asset value per share (p)	141.01	132.48	113.87	113.02	104.64	95.99
*after direct transaction costs of (p)	0.01	0.04	0.06	0.01	0.03	0.04
<b>Performance</b>						
Return after charges (%)	6.44	16.34	3.44	8.01	9.01	(4.01)
<b>Other information</b>						
Closing net asset value (£000)	47,800	44,741	41,810	11	10	10
Closing number of shares	33,897,335	33,772,380	36,717,781	10,001	10,001	10,001
Operating charges (%)**	0.91 <sup>†</sup>	0.91	0.94	0.90 <sup>†</sup>	0.89	0.87 <sup>†</sup>
Direct transaction costs (%)***	0.02	0.03	0.05	0.02	0.03	0.05
<b>Prices</b>						
Highest share price (p)	146.72	133.33	119.28	118.21	112.02	106.58
Lowest share price (p)	129.21	113.26	107.45	102.29	93.01	93.73

## Threadneedle US Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class Z EUR Hedged – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	124.80	119.36	107.01
Return before operating charges (p)	5.82	6.55	13.38
Operating charges (p)	(0.60)	(1.11)	(1.03)
Return after operating charges (p)*	5.22	5.44	12.35
Distributions (p)	(1.63)	(3.17)	(3.07)
Retained distributions on accumulation shares (p)	1.63	3.17	3.07
Closing net asset value per share (p)	130.02	124.80	119.36
*after direct transaction costs of (p)	0.01	0.04	0.06
<b>Performance</b>			
Return after charges (%)	4.18	4.56	11.54
<b>Other information</b>			
Closing net asset value (£000)	13	13	12
Closing number of shares	10,000	10,000	10,000
Operating charges (%)**	0.92 <sup>1</sup>	0.91	0.88
Direct transaction costs (%)***	0.02	0.03	0.05
<b>Prices</b>			
Highest share price (p)	136.25	131.79	128.34
Lowest share price (p)	121.34	109.51	105.86

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup>Commenced 22 June 2017.

<sup>1</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

## Threadneedle US Equity Income Fund

### Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

##### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

#### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Income shares</b>	
Opening shares	201,309
Shares issued	5,313
Shares redeemed	(28,515)
Net conversions	–
Closing shares	<u>178,107</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	13,687
Shares issued	12
Shares redeemed	–
Net conversions	–
Closing shares	<u>13,699</u>
<b>Class 1 EUR Hedged – Accumulation shares</b>	
Opening shares	10,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,000</u>
<b>Class 2 – Income shares</b>	
Opening shares	3,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>3,000</u>
<b>Class 2 EUR Hedged – Income shares</b>	
Opening shares	10,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,000</u>
<b>Class 2 EUR Hedged – Accumulation shares</b>	
Opening shares	10,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,000</u>
<b>Class L – Income shares</b>	
Opening shares	6,784,256
Shares issued	1,409,991
Shares redeemed	(1,569,626)
Net conversions	–
Closing shares	<u>6,624,621</u>
<b>Class X – Income shares</b>	
Opening shares	1,842,894
Shares issued	837,416
Shares redeemed	–
Net conversions	–
Closing shares	<u>2,680,310</u>

	2019
<b>Class Z – Income shares</b>	
Opening shares	858,517
Shares issued	189,351
Shares redeemed	(62,093)
Net conversions	–
Closing shares	<u>985,775</u>
<b>Class Z CHF Hedged – Income shares</b>	
Opening shares	10,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,000</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	33,772,380
Shares issued	124,955
Shares redeemed	–
Net conversions	–
Closing shares	<u>33,897,335</u>
<b>Class Z CHF Hedged – Accumulation shares</b>	
Opening shares	10,001
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,001</u>
<b>Class Z EUR Hedged – Accumulation shares</b>	
Opening shares	10,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,000</u>

## Threadneedle China Opportunities Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve capital growth over the long term. It looks to outperform the MSCI China 10/40 Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least 75% of its assets in equities and equity-related securities of companies domiciled in the People's Republic of China, or which have significant business operations there.

The Fund selects companies considered to have good prospects for share price growth, from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on larger companies, such as those included in the MSCI China 10/40 Index.

The MSCI China 10/40 Index is designed to measure the performance of shares across large and medium-sized Chinese companies. The Index currently includes over 450 companies, and is constructed to reflect the regulatory framework applicable to the Fund. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

The Fund typically invests in fewer than 70 companies, which may include shares of some companies not within the Index. The Fund is permitted to invest up to 70% of its value in China A-Shares through the China-Hong Kong Stock Connect Programme. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

The Fund may also hold money market instruments, deposits, cash and near cash. In exceptional circumstances these holdings could become substantial, temporarily.

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently. In addition, the Fund may commence using derivatives with the aim of achieving an investment gain, providing 60 days' notice is given to shareholders.

#### Performance of Class 1 – Accumulation shares\*

Over the six months to 31 October 2019, the published share price of Class 1- Accumulation shares in the Threadneedle China Opportunities Fund has fallen from 358.13p to 344.73p.

For comparison, using noon prices, the performance of the Class 1 share class was -3.74% and -3.46% for the Class 2 share class compared to a return of -2.54% for the Morningstar UK Unit Trusts/OEICs – IA China – Greater China Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the MSCI China 10/40 Index was -5.23%.

#### Market Overview and Portfolio Activity

Chinese equities experienced significant bouts of volatility during the six months under review, although there was a notable improvement in sentiment towards the end of the period. The primary cause of volatility was the course of trade negotiations between the US and China, with each side introducing further tit-for-tat tariffs. The imposition of trade levies by the US, together with slower global growth, has had an adverse effect on economic activity in China. GDP growth has slowed from an annualised rate of 6.4% in the first quarter of 2019, to 6.2% in the second, and 6.0% in the third.

On a positive note, investors have been cheered by selective stimulus measures from Chinese policymakers to support the economy, including interest rate reforms and policies to boost consumption. In September, the People's Bank of China again cut the RRR (reserve requirement ratio) for

commercial banks, releasing additional funds for bank lending. Moreover, towards the end of the reporting period, risk appetite was bolstered by an easing of US-China trade tensions, as the US postponed a tariff hike on \$250 billion of Chinese goods and China agreed to a significant increase in agricultural imports from the US. Hopes have risen that a trade deal may be signed shortly. Investor sentiment has also been buoyed by cuts in US interest rates by the Federal Reserve to aid economic activity.

During the review period, the fund established several new positions, including China Tower Corporation and WuXi AppTec, as the growth and revenue sources for both companies are more domestically driven. The fund also initiated new holdings in Zhongsheng Group, an automotive retail and services firm, and Meituan Dianping, an online food delivery business. Meituan Dianping is estimated to hold a record 65% of China's \$84bn food delivery market and moved into profit in the second quarter, helped by some exclusive restaurant contracts, shorter delivery times and reductions in operating costs. China Gas was another new purchase, as the company should benefit from the growth of gas usage in China.

To fund these purchases, we reduced several positions such as train rolling stock manufacturer CRRC Corporation.

The rate of real GDP growth in China has been slowing gradually in 2019 under the influence of US trade tariffs and weaker domestic demand. However, growth stability remains a policy priority for the Chinese authorities, who have started to pull some of the levers at their disposal to support growth.

At the corporate level, we should continue to see the implementation of capital expenditure discipline, leading to cashflow improvement and balance sheet deleveraging. The fund currently favours domestically oriented stocks in China, particularly those in the services and consumption spaces that can tap into the structural growth of China's middle class, and those that stand to benefit from demand and supply rebalancing.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital losses	(3,933)	(22,427)
Revenue	1,528	2,420
Expenses	(456)	(722)
Net revenue before taxation	1,072	1,698
Taxation	(121)	(177)
Net revenue after taxation	951	1,521
<b>Total return before equalisation</b>	<b>(2,982)</b>	<b>(20,906)</b>
Equalisation	(232)	(219)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>(3,214)</b>	<b>(21,125)</b>

### BALANCE SHEET

as at 31 October 2019

	2019 £000	April 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
<b>Investments</b>	56,327	80,946
<b>Current assets:</b>		
Debtors	604	769
Cash and bank balances	509	1,281
<b>Total assets</b>	<b>57,440</b>	<b>82,996</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Other creditors	(455)	(812)
<b>Total liabilities</b>	<b>(455)</b>	<b>(812)</b>
<b>Net assets attributable to shareholders</b>	<b>56,985</b>	<b>82,184</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	82,184	119,645
Amounts receivable on the issue of shares	25,994	51,290
Amounts payable on the cancellation of shares	(48,064)	(57,980)
	(22,070)	(6,690)
Dilution adjustment	85	84
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(3,214)	(21,125)
<b>Closing net assets attributable to shareholders</b>	<b>56,985</b>	<b>91,914</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

## Threadneedle China Opportunities Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	357.91	366.75	287.12	383.23	390.45	303.92
Return before operating charges (p)	(10.54)	(3.13)	85.40	(11.28)	(3.17)	90.53
Operating charges (p)	(2.96)	(5.71)	(5.77)	(2.10)	(4.05)	(4.00)
Return after operating charges (p)*	(13.50)	(8.84)	79.63	(13.38)	(7.22)	86.53
Distributions (p)	–	(1.03)	(0.98)	–	(3.20)	(3.14)
Retained distributions on accumulation shares (p)	–	1.03	0.98	–	3.20	3.14
Closing net asset value per share (p)	344.41	357.91	366.75	369.85	383.23	390.45
*after direct transaction costs of (p)	0.36	0.84	0.65	0.38	0.91	0.69
<b>Performance</b>						
Return after charges (%)	(3.77)	(2.41)	27.73	(3.49)	(1.85)	28.47
<b>Other information</b>						
Closing net asset value (£000)	20,092	36,298	29,655	15,960	21,816	51,050
Closing number of shares	5,833,702	10,141,625	8,085,987	4,315,310	5,692,771	13,074,890
Operating charges (%)**	1.69 <sup>†</sup>	1.66	1.66	1.12 <sup>†</sup>	1.09	1.09
Direct transaction costs (%)***	0.20	0.25	0.18	0.20	0.25	0.18
<b>Prices</b>						
Highest share price (p)	370.86	399.92	391.25	397.67	426.05	415.88
Lowest share price (p)	328.44	300.64	282.93	351.87	321.32	299.50
	Class X – Gross accumulation shares		Class Z – Accumulation shares			
	31/10/2019 <sup>†</sup>		31/10/2019	30/04/2019	30/04/2018	
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	100.00		246.10	250.28	194.47	
Return before operating charges (p)	2.35		(7.24)	(2.02)	57.99	
Operating charges (p)	(0.01)		(1.14)	(2.16)	(2.18)	
Return after operating charges (p)*	2.34		(8.38)	(4.18)	55.81	
Distributions (p)	–		–	(2.47)	(2.42)	
Retained distributions on accumulation shares (p)	–		–	2.47	2.42	
Closing net asset value per share (p)	102.34		237.72	246.10	250.28	
*after direct transaction costs of (p)	0.11		0.25	0.58	0.45	
<b>Performance</b>						
Return after charges (%)	2.34		(3.41)	(1.67)	28.70	
<b>Other information</b>						
Closing net asset value (£000)	1		20,932	24,070	38,940	
Closing number of shares	1,000		8,805,489	9,780,611	15,558,132	
Operating charges (%)**	0.02 <sup>†</sup>		0.94 <sup>†</sup>	0.91	0.91	
Direct transaction costs (%)***	0.20		0.20	0.25	0.18	
<b>Prices</b>						
Highest share price (p)	109.73		255.48	273.16	266.46	
Lowest share price (p)	96.94		226.00	206.22	191.65	

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>†</sup>Commenced 9 May 2019.

<sup>†</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

# Threadneedle China Opportunities Fund

## Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

#### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Accumulation shares</b>	
Opening shares	10,141,625
Shares issued	6,465,734
Shares redeemed	(10,753,228)
Net conversions	(20,429)
Closing shares	<u>5,833,702</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	5,692,771
Shares issued	765,410
Shares redeemed	(2,142,871)
Net conversions	–
Closing shares	<u>4,315,310</u>
<b>Class X – Gross accumulation shares*</b>	
Opening shares	–
Shares issued	1,000
Shares redeemed	–
Net conversions	–
Closing shares	<u>1,000</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	9,780,611
Shares issued	322,166
Shares redeemed	(1,326,944)
Net conversions	29,656
Closing shares	<u>8,805,489</u>

\*For launch dates, refer to the footnotes after the comparative tables.

## Threadneedle Global Emerging Markets Equity Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve capital growth over the long term. It looks to outperform the MSCI Emerging Markets Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least 75% of its assets in equities and equity-related securities of Emerging Market companies.

The Fund considers Emerging Market companies to be those domiciled in Emerging Market countries, or which have significant business operations in such countries. Emerging Market countries are those characterised as developing or emerging by the World Bank, the United Nations, or the MSCI Emerging Markets Index.

The Fund selects companies considered to have good prospects for share price growth, from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on larger companies, such as those included in the MSCI Emerging Markets Index.

The MSCI Emerging Markets Index is designed to capture the share performance of large and medium-sized companies across Emerging Markets worldwide, and is currently comprised of more than 1,000 companies. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

The Fund typically invests in fewer than 100 companies, which may include the shares of some companies not within the Index. The Fund may invest up to 30% of its value in China A-Shares through the China-Hong Kong Stock Connect Programme. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

The Fund may also hold money market instruments, deposits, cash and near cash.

The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk, or managing the Fund more efficiently.

#### Performance of Class 1 – Accumulation shares\*

Over the six months to 31 October 2019, the published share price of Class 1 - Accumulation shares in the Threadneedle Global Emerging Markets Equity Fund has risen from 113.53p to 117.11p.

For comparison, using noon prices, the performance of the Class 1 share class was +3.15% and +3.39% for the Class 2 share class compared to a return of -0.17% for the Morningstar UK Unit Trusts/OEICs – IA Global Emerging Markets Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the MSCI EM (Emerging Markets) Index was -0.67%.

#### Market Overview and Portfolio Activity

Emerging-market (EM) equities fell over the six months under review. Sentiment was impacted by concerns over the US-China trade relations and the outlook for global growth. However, markets were supported by the US Federal Reserve (Fed)'s dovish monetary policy stance, selective stimulus by Chinese policymakers and policy easing from other central banks.

In Asia, Chinese equities experienced significant bouts of volatility driven by the course of trade negotiations with the US. The imposition of trade levies by Washington, together with slower global growth, has had an adverse effect on economic activity in China. However, sentiment towards China improved later in the review period as the People's Bank of China cut the RRR (reserve requirement ratio) for commercial banks, releasing additional funds for bank lending. Chinese equities recovered further towards the end of the period as the US suspended scheduled tariff hikes and China agreed to ease its stance on agricultural imports.

Korean and Taiwanese equities were also impacted by the trade concerns, given the high exposure of both indices to technology – an area which is particularly sensitive to trade. Both markets were subsequently boosted by a rebound in the technology sector. India's market experienced volatility amid some weaker economic data and political uncertainty in the run-up to the general election, which returned the ruling party to power. To help the economy, the Indian central bank has lowered official interest rates and the government has introduced policies to boost economic growth, such as corporate-tax cuts.

In Latin America, the Brazilian market benefited from positive sentiment as the Senate approved the government's key pension reform, boosting hopes for the nation's economic recovery and the passage of further reforms. Meanwhile, Argentinian equities traded with volatility on political uncertainty ahead of the presidential elections.

In EMEA, political risk impacted sentiment periodically, particularly surrounding the elections in Turkey and South Africa, whilst Russia's market was driven by fluctuating energy prices.

Over the review period, we initiated several new positions, such as Macau-based casino operator Galaxy Entertainment Group and OTP Bank, Hungary's leading financial-services provider. Galaxy Entertainment offers an attractive growth outlook, with the planned openings of two new resorts. OTP Bank holds more than a 30% share of the domestic deposit market, and we believe that it will continue to reap the benefits of solid loan growth, further helped by the benign asset quality environment.

New holdings in India included Asian Paints, a market leader in the industry, where we believe the company has an unparalleled distribution reach and brand awareness in a secular growth segment. The fund also purchased Maruti Suzuki, the country's largest car maker. We are optimistic around the trajectory for margin improvement, the Toyota tie-up and the impact of the firm's phasing out of diesel cars. We also feel that Maruti's competitive position should be enhanced, given the expansion of the company's service networks across India in recent months.

The fund exited Sasol, on concerns over cost overruns related to a petrochemical project. We also sold Cafe24, amid worries over its earnings outlook, and Adani Ports, because of its now unfavourable risk/reward profile.

A key risk over the coming months relates to the progression of a US-China trade deal, with extended negotiations likely to cause uncertainty in markets. We anticipate both positive and negative surprises, given factors such as deficit reduction, market access, intellectual property and industrial policy, as well as the surfacing of long-term, simmering issues, particularly around technology and national security.

The Fed's dovish stance is supportive and is likely to limit further US dollar strength.

In China, the focus on deleveraging has shifted with the government beginning to implement stimulus measures to stabilise the economy. The government has taken a more controlled approach, which should enable further support if required.

Reforms in EMs can be transformational in unlocking growth potential, with key proposals already underway in Brazil, Indonesia, India and China. The policy agenda across the region emphasises domestic demand as a growth driver.

The valuation case remains compelling, with metrics below their respective historical means.

#### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	6,739	(49,405)
Revenue	3,136	3,713
Expenses	(759)	(1,345)
Interest payable and similar charges	(10)	(5)
Net revenue before taxation	2,367	2,363
Taxation	(299)	(382)
Net revenue after taxation	2,068	1,981
<b>Total return before equalisation</b>	<b>8,807</b>	<b>(47,424)</b>
Equalisation	536	(49)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>9,343</b>	<b>(47,473)</b>

#### BALANCE SHEET

as at 31 October 2019

	2019 £000	2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	325,334	270,945
<b>Current assets:</b>		
Debtors	186	1,096
Cash and bank balances	2,718	3,642
Cash equivalents**	4,680	3,936
<b>Total assets</b>	<b>332,918</b>	<b>279,619</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	–	(1)
<b>Creditors:</b>		
Bank overdrafts	(1,995)	–
Other creditors	(1,412)	(2,683)
<b>Total liabilities</b>	<b>(3,407)</b>	<b>(2,684)</b>
<b>Net assets attributable to shareholders</b>	<b>329,511</b>	<b>276,935</b>

#### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>276,935</b>	<b>328,984</b>
Amounts receivable on the issue of shares	196,685	93,300
Amounts payable on the cancellation of shares	(153,669)	(101,781)
	43,016	(8,481)
Dilution adjustment	217	53
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	9,343	(47,473)
<b>Closing net assets attributable to shareholders</b>	<b>329,511</b>	<b>273,083</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

\*\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

## Threadneedle Global Emerging Markets Equity Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 1 EUR – Accumulation shares	
	31/10/2019	30/04/2019	30/04/2018	23/11/2018 <sup>1</sup>	
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	113.43	113.76	105.03	115.00	
Return before operating charges (p)	4.49	1.46	10.63	(15.59)	
Operating charges (p)	(0.95)	(1.79)	(1.90)	(0.88)	
Return after operating charges (p)*	3.54	(0.33)	8.73	(16.47)	
Distributions (p)	–	–	(0.33)	(0.16)	
Retained distributions on accumulation shares (p)	–	–	0.33	0.16	
Closing net asset value per share (p)	116.97	113.43	113.76	98.53	
*after direct transaction costs of (p)	0.11	0.25	0.37	0.12	
<b>Performance</b>					
Return after charges (%)	3.12	(0.29)	8.31	(14.32)	
<b>Other information</b>					
Closing net asset value (£000)	2,891	56,074	81,432	–	
Closing number of shares	2,471,542	49,434,505	71,581,656	–	
Operating charges (%)**	1.69 <sup>†</sup>	1.67	1.67	–	
Direct transaction costs (%)***	0.20	0.23	0.32	–	
<b>Prices</b>					
Highest share price (p)	123.21	117.44	121.08	114.32	
Lowest share price (p)	106.80	94.05	105.14	94.05	
	Class 1 USD – Accumulation shares		Class 2 – Accumulation shares		
	23/11/2018 <sup>1</sup>		31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	115.00		122.59	122.25	112.22
Return before operating charges (p)	(15.58)		4.82	1.61	11.37
Operating charges (p)	(0.89)		(0.68)	(1.27)	(1.34)
Return after operating charges (p)*	(16.47)		4.14	0.34	10.03
Distributions (p)	(0.17)		–	(0.65)	(1.05)
Retained distributions on accumulation shares (p)	0.17		–	0.65	1.05
Closing net asset value per share (p)	98.53		126.73	122.59	122.25
*after direct transaction costs of (p)	0.12		0.12	0.26	0.39
<b>Performance</b>					
Return after charges (%)	(14.32)		3.38	0.28	8.94
<b>Other information</b>					
Closing net asset value (£000)	–		82,780	84,341	101,039
Closing number of shares	–		65,319,681	68,800,040	82,652,196
Operating charges (%)**	–		1.09 <sup>†</sup>	1.10	1.10
Direct transaction costs (%)***	–		0.20	0.23	0.32
<b>Prices</b>					
Highest share price (p)	114.32		133.19	126.27	129.92
Lowest share price (p)	94.05		115.44	101.36	112.34

## Threadneedle Global Emerging Markets Equity Fund

### Comparative Table Disclosure

(continued)

	Class 2 EUR – Accumulation shares			Class 2 USD – Accumulation shares		
	23/11/2018 <sup>1</sup>			23/11/2018 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	123.67			123.67		
Return before operating charges (p)	(16.82)			(16.79)		
Operating charges (p)	(0.63)			(0.65)		
Return after operating charges (p)*	(17.45)			(17.44)		
Distributions (p)	(0.56)			(0.58)		
Retained distributions on accumulation shares (p)	0.56			0.58		
Closing net asset value per share (p)	106.22			106.23		
*after direct transaction costs of (p)	0.12			0.12		
<b>Performance</b>						
Return after charges (%)	(14.11)			(14.10)		
<b>Other information</b>						
Closing net asset value (£000)	–			–		
Closing number of shares	–			–		
Operating charges (%)**	–			–		
Direct transaction costs (%)***	–			–		
<b>Prices</b>						
Highest share price (p)	122.94			122.94		
Lowest share price (p)	101.36			101.37		
	Class X – Income shares			Class X – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	124.72	124.94	115.68	110.02	108.67	98.77
Return before operating charges (p)	4.89	1.66	11.73	4.33	1.45	10.01
Operating charges (p)	(0.02)	(0.06)	(0.08)	(0.05)	(0.10)	(0.11)
Return after operating charges (p)*	4.87	1.60	11.65	4.28	1.35	9.90
Distributions (p)	–	(1.82)	(2.39)	–	(1.55)	(2.00)
Retained distributions on accumulation shares (p)	–	–	–	–	1.55	2.00
Closing net asset value per share (p)	129.59	124.72	124.94	114.30	110.02	108.67
*after direct transaction costs of (p)	0.13	0.27	0.41	0.11	0.24	0.35
<b>Performance</b>						
Return after charges (%)	3.90	1.28	10.07	3.89	1.24	10.02
<b>Other information</b>						
Closing net asset value (£000)	4	4	4	226,996	117,798	115,966
Closing number of shares	3,000	3,000	3,000	198,600,745	107,070,910	106,715,868
Operating charges (%)**	0.03 <sup>†</sup>	0.05	0.06	0.08 <sup>†</sup>	0.10	0.10
Direct transaction costs (%)***	0.20	0.23	0.32	0.20	0.23	0.32
<b>Prices</b>						
Highest share price (p)	135.84	129.18	135.13	119.81	112.35	115.33
Lowest share price (p)	117.49	104.12	115.82	103.64	90.54	98.89

## Threadneedle Global Emerging Markets Equity Fund

### Comparative Table Disclosure

(continued)

	Class Z – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	145.69	145.03	132.91
Return before operating charges (p)	5.73	1.92	13.45
Operating charges (p)	(0.68)	(1.26)	(1.33)
Return after operating charges (p)*	5.05	0.66	12.12
Distributions (p)	–	(0.99)	(1.50)
Retained distributions on accumulation shares (p)	–	0.99	1.50
Closing net asset value per share (p)	150.74	145.69	145.03
*after direct transaction costs of (p)	0.15	0.31	0.46
<b>Performance</b>			
Return after charges (%)	3.47	0.46	9.12
<b>Other information</b>			
Closing net asset value (£000)	16,840	18,718	30,543
Closing number of shares	11,171,938	12,847,884	21,059,232
Operating charges (%)**	0.91 <sup>1</sup>	0.92	0.92
Direct transaction costs (%)***	0.20	0.23	0.32
<b>Prices</b>			
Highest share price (p)	158.35	149.83	154.10
Lowest share price (p)	137.20	120.35	133.06

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup>Commenced 15 June 2018 and closed 23 November 2018.

<sup>1</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period.

# Threadneedle Global Emerging Markets Equity Fund

## Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

#### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Accumulation shares</b>	
Opening shares	49,434,505
Shares issued	35,617,839
Shares redeemed	(82,543,390)
Net conversions	(37,412)
Closing shares	<u>2,471,542</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	68,800,040
Shares issued	25,287,740
Shares redeemed	(28,768,099)
Net conversions	–
Closing shares	<u>65,319,681</u>
<b>Class X – Income shares</b>	
Opening shares	3,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>3,000</u>
<b>Class X – Accumulation shares</b>	
Opening shares	107,070,910
Shares issued	109,827,521
Shares redeemed	(18,297,686)
Net conversions	–
Closing shares	<u>198,600,745</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	12,847,884
Shares issued	444,292
Shares redeemed	(2,149,338)
Net conversions	29,100
Closing shares	<u>11,171,938</u>

## Threadneedle Emerging Market Local Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income with the prospect of some capital growth over the long term. It looks to outperform the J.P. Morgan Government Bond Index – Emerging Markets (GBI-EM) Global Diversified over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and seeks to gain at least two-thirds of its investment exposure to emerging market local currencies and local currency denominated debt securities issued either by governments of Emerging Market countries, or companies which are domiciled or have significant business operations in such countries.

The Fund considers Emerging Markets countries to mean those characterised as developing or emerging by the MSCI Emerging Markets Index or those not listed in the OECD country list.

The Fund may also gain exposure to non-emerging market currencies and debt securities, as well as emerging market debt denominated in non-local currencies, if considered appropriate to achieve its investment objectives.

The Fund may invest in government and corporate bonds of any credit quality (including those rated below investment grade, or unrated), as well as treasury bills, and securitised notes. The Fund may also obtain investment exposure indirectly using derivatives, including foreign exchange forward transactions and swaps (such as cross currency interest rate and credit default swaps). Derivatives may be used to allow the Fund to profit from the fall in the price of an asset (shorting), as well as extending market exposure beyond the value of its assets (leverage). In addition, derivatives may be used with the aim of reducing risk, or managing the Fund more efficiently.

The Fund may also invest in other securities, as well as collective investment schemes (including funds managed by Columbia Threadneedle companies), and hold money market instruments, deposits, cash and near cash.

The GBI-EM Global Diversified Index is regarded as an appropriate performance measure of local currency bonds issued by emerging market governments. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

#### Performance of Class 1 – Income shares\*

Over the six months to 31 October 2019, the published share price of Class 1 – Income shares in the Threadneedle Emerging Market Local Fund has risen from 80.93p to 83.84p.

For comparison, using noon prices, the performance of the Class 1 share class was +7.60%. The performance of the Class 1 gross accumulation share class was +7.67% and +8.06% for the Class 2 gross accumulation share class compared to a return of +7.97% for the Morningstar UK Unit Trusts/OEICs – Morningstar Category Global Emerging Markets Bond – Local Currency Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the JPM GBI-EM Global Diversified Composite was +8.83%.

#### Market Overview and Portfolio Activity

Emerging-market (EM) bonds delivered a strong positive return during the six months under review, aided by a global shift towards looser monetary policy, benign EM inflation and investors' continuing search for yield. These supportive factors helped the asset class to overcome headwinds from a stronger dollar and bouts of concern about the US-China trade war. The latter periodically weighed on prices of oil and industrial metals, which hurt sentiment towards exporters of these commodities.

Anticipation of interest-rate cuts in developed markets was a theme early in the review term, and the Federal Reserve (Fed) and the European Central Bank (ECB) did not disappoint. The Fed lowered rates three times during the period, starting in July, and the ECB followed in September with a reduction of its own. EM central banks subsequently took advantage of this newly provided scope to ease their own monetary policies: about 25 EM countries from China to Jamaica lowered borrowing costs in August and September, according to reports, providing support for EM bonds.

EM debt also drew support from bullish expectations for economic growth, even against a backdrop of concern that the US-China trade war was sapping the global economy. The International Monetary Fund's most recent World Economic Outlook showed estimates for expansion of 3.9% this year and 4.6% in 2020 in EM and developing economies, compared

with just 1.7% in both years in advanced economies. This helped EM bonds to shrug off concerns about a stronger dollar – the US currency strengthened to its highest level of 2019 at the start of October, before weakening over the rest of the month and ending the overall period little changed.

Political risk impacted sentiment periodically, particularly surrounding the elections in Turkey, South Africa and Argentina. In Brazil, the Senate approved the government's key pension reform, boosting hopes for the nation's economic recovery and the passage of further reforms.

In terms of activity in sovereign bonds, we initiated positions in Thailand and Israel, and increased the allocations to the Dominican Republic, Egypt, Mexico and Russia. We reduced the exposures to Indonesia, Peru, Serbia, South Africa and Turkey. We exited Croatia, Hungary and Philippines.

Within corporate issues, we initiated a position in Petroleos Mexicanos (Pemex), but exited the allocations to Inalum and Ukrainian Railway.

Within agency and quasi-sovereign debt, we initiated a new exposure to the Thailand Ministry of Finance. We exited the position in Province of Buenos Aires (Argentina).

The recently benign path of inflation across many emerging economies, combined with active monetary policy, has left real rates at attractive levels, and we envisage positive returns for the asset class over the course of the year. The Fed's willingness to provide pre-emptive accommodative policy has created favourable conditions for risk assets in general, and EM local fixed-income in particular, and we expect this to continue.

However, the performance of EM local assets is vulnerable to escalations in the intensity of the US-China trade dispute, which may shake risk sentiment globally. Additionally, while it isn't our base case, a change in perceptions of the degree of US monetary policy stimulus next year may strengthen the dollar at the expense of EM currencies and constrain the ability of EM central banks to ease rates to the extent that they might otherwise choose to. In view of these risks, we continue to run modest overall risk and remain selective in our exposures.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	3,629	(7,171)
Revenue	2,954	2,778
Expenses	(129)	(323)
Interest payable and similar charges	(1)	(56)
Net revenue before taxation	2,824	2,399
Taxation	(15)	–
Net revenue after taxation	2,809	2,399
<b>Total return before distributions</b>	<b>6,438</b>	<b>(4,772)</b>
Distributions	(2,895)	(2,663)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>3,543</b>	<b>(7,435)</b>

### BALANCE SHEET

as at 31 October 2019

	2019 £000	2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	110,711	66,307
<b>Current assets:</b>		
Debtors	4,361	3,703
Cash and bank balances	3,698	6,310
Cash equivalents**	19	3,845
Total assets	118,789	80,165
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(36,691)	(492)
<b>Creditors:</b>		
Distribution payable	(170)	(169)
Other creditors	(283)	(1,451)
Total liabilities	(37,144)	(2,112)
<b>Net assets attributable to shareholders</b>	<b>81,645</b>	<b>78,053</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>78,053</b>	<b>87,990</b>
Amounts receivable on the issue of shares	48,245	5,320
Amounts payable on the cancellation of shares	(50,812)	(15,670)
	(2,567)	(10,350)
Dilution adjustment	10	16
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	3,543	(7,435)
Retained distribution on accumulation shares	2,606	2,236
<b>Closing net assets attributable to shareholders</b>	<b>81,645</b>	<b>72,457</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

### DISTRIBUTION TABLE

for the accounting period 1 May 2019 to 31 October 2019

Interest distribution in pence per share					
Class 1 – Income shares					
Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018	
<b>Group 1</b>					
01/05/19 to 31/10/19	2.8174	–	2.8174	2.5775	
<b>Group 2</b>					
01/05/19 to 31/10/19	1.3512	1.4662	2.8174	2.5775	
<b>Total distributions in the period</b>			<b>2.8174</b>	<b>2.5775</b>	
Class 1 – Gross accumulation shares					
Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018	
<b>Group 1</b>					
01/05/19 to 31/10/19	5.3812	–	5.3812	4.5561	
<b>Group 2</b>					
01/05/19 to 31/10/19	3.1544	2.2268	5.3812	4.5561	
<b>Total distributions in the period</b>			<b>5.3812</b>	<b>4.5561</b>	

\*\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

## Threadneedle Emerging Market Local Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b> 01/05/19 to 31/10/19	6.3908	–	6.3908	5.3959
<b>Group 2</b> 01/05/19 to 31/10/19	5.6108	0.7800	6.3908	5.3959
<b>Total distributions in the period</b>			<b>6.3908</b>	<b>5.3959</b>

#### Class X – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 01/05/19 to 31/10/19	3.1352	–	3.1352	2.8210
<b>Group 2</b> 01/05/19 to 31/10/19	0.8552	2.2800	3.1352	2.8210
<b>Total distributions in the period</b>			<b>3.1352</b>	<b>2.8210</b>

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b> 01/05/19 to 31/10/19	7.9484	–	7.9484	6.6604
<b>Group 2</b> 01/05/19 to 31/10/19	4.6473	3.3011	7.9484	6.6604
<b>Total distributions in the period</b>			<b>7.9484</b>	<b>6.6604</b>

#### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 01/05/19 to 31/10/19	2.5603	–	2.5603	2.3215
<b>Group 2</b> 01/05/19 to 31/10/19	0.8549	1.7054	2.5603	2.3215
<b>Total distributions in the period</b>			<b>2.5603</b>	<b>2.3215</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b> 01/05/19 to 31/10/19	3.9718	–	3.9718	3.3565
<b>Group 2</b> 01/05/19 to 31/10/19	1.9095	2.0623	3.9718	3.3565
<b>Total distributions in the period</b>			<b>3.9718</b>	<b>3.3565</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Emerging Market Local Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross accumulation shares <sup>§</sup>		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	77.81	84.76	90.03	147.93	150.12	147.17
Return before operating charges (p)	6.66	(0.04)	3.29	12.78	0.19	5.49
Operating charges (p)	(0.69)	(1.33)	(1.52)	(1.24)	(2.38)	(2.54)
Return after operating charges (p)*	5.97	(1.37)	1.77	11.54	(2.19)	2.95
Distributions (p)	(2.82)	(5.58)	(7.04)	(5.38)	(10.06)	(11.74)
Retained distributions on accumulation shares (p)	–	–	–	5.38	10.06	11.74
Closing net asset value per share (p)	80.96	77.81	84.76	159.47	147.93	150.12
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	7.67	(1.62)	1.97	7.80	(1.46)	2.00
<b>Other information</b>						
Closing net asset value (£000)	1,084	1,051	1,018	465	10,776	18,594
Closing number of shares	1,338,891	1,350,534	1,200,965	291,399	7,284,076	12,385,958
Operating charges (%)**	1.62 <sup>†</sup>	1.65	1.68	1.62 <sup>†</sup>	1.65	1.68
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	89.31	84.32	95.86	169.78	152.47	156.70
Lowest share price (p)	77.08	76.69	86.39	146.53	136.29	145.88
	Class 2 – Gross accumulation shares <sup>§</sup>			Class X – Gross income shares <sup>§</sup>		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	173.83	175.06	170.23	85.11	91.34	95.57
Return before operating charges (p)	14.91	0.26	6.35	7.27	0.01	3.49
Operating charges (p)	(0.77)	(1.49)	(1.52)	(0.04)	(0.11)	(0.12)
Return after operating charges (p)*	14.14	(1.23)	4.83	7.23	(0.10)	3.37
Distributions (p)	(6.39)	(11.91)	(13.77)	(3.14)	(6.13)	(7.60)
Retained distributions on accumulation shares (p)	6.39	11.91	13.77	–	–	–
Closing net asset value per share (p)	187.97	173.83	175.06	89.20	85.11	91.34
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	8.13	(0.70)	2.84	8.49	(0.11)	3.53
<b>Other information</b>						
Closing net asset value (£000)	3,074	33,752	34,519	772	466	142
Closing number of shares	1,635,387	19,416,519	19,718,113	865,290	548,047	155,625
Operating charges (%)**	0.85 <sup>†</sup>	0.88	0.87	0.09 <sup>†</sup>	0.12	0.12
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	199.88	178.85	181.76	98.05	90.87	102.31
Lowest share price (p)	172.21	159.39	168.81	84.33	83.27	92.51

## Threadneedle Emerging Market Local Fund

### Comparative Table Disclosure

(continued)

	Class X – Gross accumulation shares <sup>§</sup>			Class Z – Income shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	215.80	215.71	208.18	70.56	76.19	80.21
Return before operating charges (p)	18.43	0.36	7.79	6.03	(0.01)	2.92
Operating charges (p)	(0.11)	(0.27)	(0.26)	(0.30)	(0.58)	(0.64)
Return after operating charges (p)*	18.32	0.09	7.53	5.73	(0.59)	2.28
Distributions (p)	(7.95)	(14.73)	(16.90)	(2.56)	(5.04)	(6.30)
Retained distributions on accumulation shares (p)	7.95	14.73	16.90	–	–	–
Closing net asset value per share (p)	234.12	215.80	215.71	73.73	70.56	76.19
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	8.49	0.04	3.62	8.12	(0.77)	2.84
<b>Other information</b>						
Closing net asset value (£000)	72,778	28,731	30,895	3,031	2,872	2,460
Closing number of shares	31,086,311	13,313,339	14,322,799	4,110,632	4,069,786	3,228,656
Operating charges (%)**	0.09 <sup>†</sup>	0.13	0.12	0.77 <sup>†</sup>	0.80	0.79
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	248.61	221.66	222.86	81.15	75.80	85.66
Lowest share price (p)	213.82	196.93	206.53	69.90	69.24	77.38

	Class Z – Gross accumulation shares <sup>§</sup>		
	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	109.46	110.16	107.04
Return before operating charges (p)	9.34	0.16	3.99
Operating charges (p)	(0.46)	(0.86)	(0.87)
Return after operating charges (p)*	8.88	(0.70)	3.12
Distributions (p)	(3.97)	(7.42)	(8.58)
Retained distributions on accumulation shares (p)	3.97	7.42	8.58
Closing net asset value per share (p)	118.34	109.46	110.16
*after direct transaction costs of (p)	–	–	–
<b>Performance</b>			
Return after charges (%)	8.11	(0.64)	2.91
<b>Other information</b>			
Closing net asset value (£000)	441	405	362
Closing number of shares	373,018	370,208	328,650
Operating charges (%)**	0.77 <sup>†</sup>	0.80	0.79
Direct transaction costs (%)***	–	–	–
<b>Prices</b>			
Highest share price (p)	125.89	112.61	114.32
Lowest share price (p)	108.44	100.33	106.15

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>§</sup>Only available to eligible investors.

<sup>†</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period.

# Threadneedle Emerging Market Local Fund

## Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

#### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Income shares</b>	
Opening shares	1,350,534
Shares issued	314,510
Shares redeemed	(325,527)
Net conversions	(626)
Closing shares	<u>1,338,891</u>
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	7,284,076
Shares issued	63,978
Shares redeemed	(7,056,655)
Net conversions	–
Closing shares	<u>291,399</u>
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	19,416,519
Shares issued	123,456
Shares redeemed	(17,904,588)
Net conversions	–
Closing shares	<u>1,635,387</u>
<b>Class X – Gross income shares</b>	
Opening shares	548,047
Shares issued	317,243
Shares redeemed	–
Net conversions	–
Closing shares	<u>865,290</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	13,313,339
Shares issued	20,032,377
Shares redeemed	(2,259,405)
Net conversions	–
Closing shares	<u>31,086,311</u>
<b>Class Z – Income shares</b>	
Opening shares	4,069,786
Shares issued	1,171,451
Shares redeemed	(1,133,433)
Net conversions	2,828
Closing shares	<u>4,110,632</u>
<b>Class Z – Gross accumulation shares</b>	
Opening shares	370,208
Shares issued	69,170
Shares redeemed	(64,981)
Net conversions	(1,379)
Closing shares	<u>373,018</u>

## Threadneedle Global Extended Alpha Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve above average capital growth over the long term. It looks to outperform the MSCI ACWI Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and seeks to gain at least 75% of its investment exposure to shares of companies worldwide.

This exposure to company shares is achieved by taking both long and short equity positions. Long positions are taken by investing in company shares directly, as well as indirectly using derivatives, and collective investment schemes (including funds managed by Columbia Threadneedle companies) when considered appropriate. Short positions are taken using derivatives only. Typically, the combination of these positions provides exposure to fewer than 140 companies.

The Fund follows an "equity extension strategy", which allows proceeds from short positions to be used to extend long positions within the portfolio, to include more of the fund manager's strongest investment ideas. However, the Fund does not usually short more than 30% of its value, and long positions don't normally exceed 130% of the value of the Fund.

The Fund's extended long and short positions are usually, at least in part, obtained by investing in a single total return swap, with a counterparty. This swap, which is a type of derivative instrument, provides a return linked to the performance of a basket of mainly equity-related securities, exchange traded funds and equity index positions, selected by the fund manager.

The Fund may also hold other securities (including fixed interest securities), money market instruments, deposits, cash and near cash.

These holdings may be substantial where necessary to provide cover for the exposure created using derivatives, or when considered appropriate towards achieving the Fund's investment objective. In addition to using derivatives for investment purposes, derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

The MSCI ACWI Index is regarded as providing an appropriate representation of the share performance of large and medium-sized companies worldwide, currently with more than 2,700 companies included. It is representative of the type of company in which the Fund invests and provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

#### Performance of Class 1 – Accumulation shares\*

Over the six months to 31 October 2019, the published share price of Class 1 - Accumulation shares in the Threadneedle Global Extended Alpha Fund has risen from 326.98p to 338.79p.

For comparison, using noon prices, the performance of the Class 1 share class was +3.61% and +3.90% for the Class 2 share class compared to a return of +2.97% for the Morningstar UK Unit Trusts/OEICs – IA Global Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the MSCI AC World Index was +4.01%.

#### Market Overview and Portfolio Activity

Global markets endured bouts of volatility over the six months, owing to the ongoing US-China trade war and growing signs of weakness in the global economy. However, investor sentiment was buoyed by strong corporate earnings and the dovish pivot of central banks, which provided support to equity-market valuations.

North American stocks outperformed in local terms, helped by the Federal Reserve (Fed)'s monetary policy U-turn, healthy corporate results and signs of continued strength from the US consumer. The Fed cut the funds rate three times over the period, citing heightened global uncertainty. Key parts of the Treasury yield curve inverted in August, amid escalating trade tensions, and the dollar gained as investors flocked to safe-haven assets. Hopes of a rapprochement between Washington and Beijing subsequently strengthened, with reports of a preliminary agreement in October. This helped to propel the S&P 500 to fresh all-time highs.

Europe ex-UK also outperformed, as the European Central Bank signalled a readiness to support the struggling regional economy. A widely anticipated rate cut came in September, along with a host of other stimulus measures, including a resumption of quantitative easing. Economic data remained weak, with the German economy contracting in the second quarter. More positively, the formation of a new coalition government in Italy lifted hopes of an end to the fiscal friction with the EU. UK stocks lagged, as new Prime Minister Boris Johnson stoked fears of a 'no-deal' departure from the EU, and economic data indicated growing Brexit-related strain. Although he agreed a last-minute deal with the EU, Johnson failed to secure parliamentary backing for his timetable, and was forced to seek a further extension to the exit date.

Emerging markets underperformed, impacted by anxiety over the global economy and the headwind of a strong US dollar. China was weak, due to the trade tensions and underwhelming economic data. That said, Brazil rallied as long-awaited pension reforms were passed by the country's Senate. Japanese stocks led returns. Slowing inflation bolstered expectations of more stimulus by the Bank of Japan, which helped investors to shrug off waning business and consumer confidence.

New positions in the fund included Samsung Electronics, bioindustry company UPM and payments-services provider Fidelity National Information

Services (FIS). We believe that the quality of Samsung's earnings is improving as the company introduces products with compelling growth prospects. Samsung offers high returns with a dominant position in key markets, including memory, OLED and consumer electronics.

UPM is using the cashflow from its mature graphic-paper business to fund growth projects in the pulp, labels, biofuel and plywood segments. It is well placed to benefit from the replacement of fossil-based products and is vertically integrated across the value chain owing to its access to sustainable feedstock.

As for FIS, the acquisition of Worldpay reflects its strategy of adding fast-growing, international and merchant-acquiring businesses to the stable core processing business. The transaction can generate synergies and enhances the company's global distribution. It also increases the company's ability to capitalise on trends in cashless transactions, e-commerce and emerging-market wealth creation.

The disposal of mining company Rio Tinto helped to fund these purchases. The stock's valuation had become rich on the back of higher iron-ore prices. We also sold Alexion Pharmaceuticals. While the stock had benefited from recent biotech deal-making and rumours of an acquisition by Amgen, we feel more attractive opportunities exist elsewhere, particularly given the uncertain patent protection for Alexion's blockbuster treatment Soliris. Activity in the short book included new positions in a real estate investment trust and a financial services company. Shorts were covered in companies specialising in data storage and application services.

Global equity markets have been providing evidence of the value to be found in secular winners that can sustainably outgrow their peers. With scope for these types of businesses to positively re-rate and expectations that volatility remains somewhat elevated, we believe that the backdrop is ideal for investors with the ability to identify undervalued, long-term opportunities. While factors such as trade and technological regulation will likely remain in focus in the short term, structural factors driving a world which is 'lower for longer' should shape markets further into the future. These drivers include debt, demographics and technological disruption, and they should ensure that companies sustaining above-average growth remain attractive. We therefore retain our focus on firms with durable competitive advantages, as we believe these can sustain high returns and earnings growth through the market cycle. By contrast, we continue to seek businesses experiencing a secular decline or deteriorating competitive positions for the short book.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains	6,372	2,311
Revenue	1,209	1,806
Expenses	(3)	(1,541)
Interest payable and similar charges	(563)	(1,793)
Net revenue/(expense) before taxation	643	(1,528)
Taxation	(92)	(134)
Net revenue/(expense) after taxation	551	(1,662)
<b>Total return before equalisation</b>	<b>6,923</b>	<b>649</b>
Equalisation	34	-
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>6,957</b>	<b>649</b>

### BALANCE SHEET

as at 31 October 2019

	2019 £000	2019 £000	April 2019 £000
<b>Assets:</b>			
<b>Fixed assets:</b>			
Investments	148,353	127,626	
<b>Current assets:</b>			
Debtors	2,781	11,009	
Cash and bank balances	2,170	4,490	
Cash equivalents**	7,839	3,864	
Total assets	161,143	146,989	
<b>Liabilities:</b>			
<b>Investment liabilities</b>	(17)	(36)	
<b>Creditors:</b>			
Bank overdrafts	-	(6)	
Other creditors	(3,360)	(1,921)	
Total liabilities	(3,377)	(1,963)	
<b>Net assets attributable to shareholders</b>	<b>157,766</b>	<b>145,026</b>	

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>145,026</b>	<b>271,363</b>
Amounts receivable on the issue of shares	95,723	243,815
Amounts payable on the cancellation of shares	(89,972)	(244,100)
	5,751	(285)
Dilution adjustment	32	19
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	6,957	649
<b>Closing net assets attributable to shareholders</b>	<b>157,766</b>	<b>271,746</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

\*\* The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

## Threadneedle Global Extended Alpha Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	166.97	145.82	133.60	326.86	284.81	259.10
Return before operating charges (p)	7.38	23.64	14.60	14.60	46.91	30.33
Operating charges (p)	(1.39)	(2.49)	(2.38)	(2.78)	(4.86)	(4.62)
Return after operating charges (p)*	5.99	21.15	12.22	11.82	42.05	25.71
Distributions (p)	–	–	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	172.96	166.97	145.82	338.68	326.86	284.81
*after direct transaction costs of (p)	0.09	0.09	0.17	0.18	0.18	0.33
<b>Performance</b>						
Return after charges (%)	3.59	14.50	9.15	3.62	14.76	9.92
<b>Other information</b>						
Closing net asset value (£000)	13	13	21	6,217	10,419	125,195
Closing number of shares	7,485	7,485	14,086	1,835,708	3,187,685	43,957,510
Operating charges (%)**	1.61 <sup>†</sup>	1.63	1.64	1.66 <sup>†</sup>	1.63	1.64
Performance fee (%)	–	0.42	0.48	–	0.10	–
Direct transaction costs (%)***	0.11	0.06	0.12	0.11	0.06	0.12
<b>Prices</b>						
Highest share price (p)	181.18	167.34	155.21	355.25	327.71	303.47
Lowest share price (p)	159.67	132.36	133.02	313.18	258.47	257.98
	Class 1 EUR – Accumulation shares			Class 1 USD – Accumulation shares		
	25/01/2019 <sup>†</sup>			25/01/2019 <sup>†</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	306.01			306.01		
Return before operating charges (p)	(20.79)			(20.77)		
Operating charges (p)	(3.43)			(3.44)		
Return after operating charges (p)*	(24.22)			(24.21)		
Distributions (p)	–			–		
Retained distributions on accumulation shares (p)	–			–		
Closing net asset value per share (p)	281.79			281.80		
*after direct transaction costs of (p)	0.13			0.12		
<b>Performance</b>						
Return after charges (%)	(7.91)			(7.91)		
<b>Other information</b>						
Closing net asset value (£000)	–			–		
Closing number of shares	–			–		
Operating charges (%)**	–			–		
Performance fee (%)	–			–		
Direct transaction costs (%)***	–			–		
<b>Prices</b>						
Highest share price (p)	322.21			322.22		
Lowest share price (p)	258.47			258.48		

## Threadneedle Global Extended Alpha Fund

### Comparative Table Disclosure

(continued)

	Class A – Accumulation shares		Class A SGD Hedged – Accumulation shares	
	31/10/2019	30/04/2019 <sup>2</sup>	31/10/2019	30/04/2019 <sup>2</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	109.10	100.00	106.32	100.00
Return before operating charges (p)	4.80	10.86	4.11	8.04
Operating charges (p)	(1.08)	(1.76)	(1.05)	(1.72)
Return after operating charges (p)*	3.72	9.10	3.06	6.32
Distributions (p)	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–
Closing net asset value per share (p)	112.82	109.10	109.38	106.32
*after direct transaction costs of (p)	0.06	0.06	0.06	0.06
<b>Performance</b>				
Return after charges (%)	3.41	9.10	2.88	6.32
<b>Other information</b>				
Closing net asset value (£000)	1,718	507	130	290
Closing number of shares	1,522,380	464,605	119,101	272,390
Operating charges (%)**	1.92 <sup>†</sup>	1.95 <sup>†</sup>	1.95 <sup>†</sup>	1.97 <sup>†</sup>
Direct transaction costs (%)***	0.11	0.06	0.11	0.06
<b>Prices</b>				
Highest share price (p)	118.37	109.25	114.32	106.39
Lowest share price (p)	104.00	86.21	100.68	83.61
	Class 2 – Accumulation shares			Class 2 EUR – Accumulation shares
	31/10/2019	30/04/2019	30/04/2018	25/01/2019 <sup>1</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	353.58	306.94	276.96	329.84
Return before operating charges (p)	15.29	49.29	32.46	(22.42)
Operating charges (p)	(1.49)	(2.65)	(2.48)	(1.86)
Return after operating charges (p)*	13.80	46.64	29.98	(24.28)
Distributions (p)	–	–	(0.08)	–
Retained distributions on accumulation shares (p)	–	–	0.08	–
Closing net asset value per share (p)	367.38	353.58	306.94	305.56
*after direct transaction costs of (p)	0.20	0.19	0.36	0.14
<b>Performance</b>				
Return after charges (%)	3.90	15.20	10.82	(7.36)
<b>Other information</b>				
Closing net asset value (£000)	48,429	75,569	103,242	–
Closing number of shares	13,181,956	21,372,674	33,635,483	–
Operating charges (%)**	0.82 <sup>†</sup>	0.82	0.82	–
Performance fee (%)	–	0.70	0.02	–
Direct transaction costs (%)***	0.11	0.06	0.12	–
<b>Prices</b>				
Highest share price (p)	384.10	354.35	326.00	347.35
Lowest share price (p)	338.34	280.07	275.88	280.08

## Threadneedle Global Extended Alpha Fund

### Comparative Table Disclosure

(continued)

	Class 2 USD – Accumulation shares			Class P – Accumulation shares		
	25/01/2019 <sup>1</sup>			31/10/2019	30/04/2019	30/04/2018 <sup>2</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	329.84			124.27	107.76	100.00
Return before operating charges (p)	(22.44)			5.51	18.01	9.08
Operating charges (p)	(1.85)			(0.85)	(1.50)	(1.32)
Return after operating charges (p)*	(24.29)			4.66	16.51	7.76
Distributions (p)	–			–	–	–
Retained distributions on accumulation shares (p)	–			–	–	–
Closing net asset value per share (p)	305.55			128.93	124.27	107.76
*after direct transaction costs of (p)	0.14			0.07	0.07	0.12
<b>Performance</b>						
Return after charges (%)	(7.36)			3.75	15.32	7.76
<b>Other information</b>						
Closing net asset value (£000)	–			9,790	3,005	3,278
Closing number of shares	–			7,593,221	2,418,553	3,042,311
Operating charges (%)**	–			1.31 <sup>†</sup>	1.31	1.35 <sup>†</sup>
Direct transaction costs (%)***	–			0.11	0.06	0.12
<b>Prices</b>						
Highest share price (p)	347.34			135.06	124.45	114.72
Lowest share price (p)	280.06			118.55	98.00	97.30
	Class X – Accumulation shares			Class Z – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	167.22	144.38	131.16	163.35	142.24	128.41
Return before operating charges (p)	8.62	22.95	13.32	7.10	22.44	15.08
Operating charges (p)	(0.06)	(0.11)	(0.10)	(0.75)	(1.33)	(1.25)
Return after operating charges (p)*	8.56	22.84	13.22	6.35	21.11	13.83
Distributions (p)	–	(0.13)	(1.10)	–	–	–
Retained distributions on accumulation shares (p)	–	0.13	1.10	–	–	–
Closing net asset value per share (p)	175.78	167.22	144.38	169.70	163.35	142.24
*after direct transaction costs of (p)	0.10	0.09	0.17	0.09	0.09	0.17
<b>Performance</b>						
Return after charges (%)	5.12	15.82	10.08	3.89	14.84	10.77
<b>Other information</b>						
Closing net asset value (£000)	77,745	41,275	26,553	13,724	13,948	13,074
Closing number of shares	44,228,130	24,683,479	18,391,279	8,087,455	8,538,631	9,191,576
Operating charges (%)**	0.07 <sup>†</sup>	0.07	0.07	0.89 <sup>†</sup>	0.89	0.89
Performance fee (%)	–	0.97	1.42	–	0.88	–
Direct transaction costs (%)***	0.11	0.06	0.12	0.11	0.06	0.12
<b>Prices</b>						
Highest share price (p)	181.92	167.58	153.03	177.36	163.76	151.10
Lowest share price (p)	160.15	132.38	130.78	156.52	129.73	127.90

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup>Commenced 15 June 2018 and closed 25 January 2019.

<sup>2</sup>Commenced 1 June 2018.

<sup>3</sup>Commenced 17 May 2017.

<sup>†</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

# Threadneedle Global Extended Alpha Fund

## Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

#### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Income shares</b>	
Opening shares	7,485
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>7,485</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	3,187,685
Shares issued	14,364,264
Shares redeemed	(15,716,241)
Net conversions	–
Closing shares	<u>1,835,708</u>
<b>Class A – Accumulation shares</b>	
Opening shares	464,605
Shares issued	1,523,957
Shares redeemed	(466,182)
Net conversions	–
Closing shares	<u>1,522,380</u>
<b>Class A SGD Hedged – Accumulation shares</b>	
Opening shares	272,390
Shares issued	444,160
Shares redeemed	(597,449)
Net conversions	–
Closing shares	<u>119,101</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	21,372,674
Shares issued	1,108,525
Shares redeemed	(9,299,243)
Net conversions	–
Closing shares	<u>13,181,956</u>
<b>Class P – Accumulation shares</b>	
Opening shares	2,418,553
Shares issued	5,294,668
Shares redeemed	(120,000)
Net conversions	–
Closing shares	<u>7,593,221</u>
<b>Class X – Accumulation shares</b>	
Opening shares	24,683,479
Shares issued	19,877,689
Shares redeemed	(333,038)
Net conversions	–
Closing shares	<u>44,228,130</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	8,538,631
Shares issued	702,705
Shares redeemed	(1,153,881)
Net conversions	–
Closing shares	<u>8,087,455</u>

## Threadneedle Global Equity Income Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income combined with prospects for capital growth over the long term. It looks to provide an income yield higher than the MSCI ACWI Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least 75% of its assets in the shares of companies worldwide.

The Fund selects companies that exhibit above average income generation potential, as well as those considered to offer opportunities more by way of share price or dividend growth. These companies may be chosen from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on larger companies, such as those included in the MSCI ACWI Index.

The MSCI ACWI Index is regarded as an appropriate representation of the share performance of large and medium-sized companies worldwide, with more than 2,700 companies currently included. The income yield of this index provides a suitable target benchmark against which the level of income generated by the Fund will be measured and evaluated over time.

The Fund will typically invest in fewer than 90 companies, which may include shares of some companies not within the MSCI ACWI Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

The Fund may also hold money market instruments, deposits, cash and near cash.

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently. In addition, the Fund may commence using derivatives with the aim of achieving an investment gain, providing 60 days' notice is given to shareholders.

#### Performance of Class 1 – Income shares\*

Over the six months to 31 October 2019, the published share price of Class 1 – Income shares in the Threadneedle Global Equity Income Fund has risen from 139.13p to 140.28p.

For comparison, using noon prices, the performance of the Class 1 share class was +2.64% and +2.90% for the Class 2 share class compared to a return of +4.13% for the Morningstar UK Unit Trusts/OEICs – IA Global

Equity Income Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the MSCI AC World Index was +4.01%.

#### Market Overview and Portfolio Activity

Global markets endured bouts of volatility over the six months, owing to the ongoing US-China trade war and growing signs of weakness in the global economy. However, investor sentiment was buoyed by strong corporate earnings and the dovish pivot of central banks, which provided support to equity-market valuations.

North American stocks outperformed in local terms, helped by the Federal Reserve (Fed)'s monetary policy U-turn, healthy corporate results and signs of continued strength from the US consumer. The Fed cut the funds rate three times over the period, citing heightened global uncertainty. Key parts of the Treasury yield curve inverted in August, amid escalating trade tensions, and the dollar gained as investors flocked to safe-haven assets. Hopes of a rapprochement between Washington and Beijing subsequently strengthened, with reports of a preliminary agreement in October. This helped to propel the S&P 500 to fresh all-time highs.

Europe ex-UK also outperformed, as the European Central Bank signalled a readiness to support the struggling regional economy. A widely anticipated rate cut came in September, along with a host of other stimulus measures, including a resumption of quantitative easing. Economic data remained weak, with the German economy contracting in the second quarter. More positively, the formation of a new coalition government in Italy lifted hopes of an end to the fiscal friction with the EU. UK stocks lagged, as new Prime Minister Boris Johnson stoked fears of a 'no-deal' departure from the EU, and economic data indicated growing Brexit-related strain. Although he agreed a last-minute deal with the EU, Johnson failed to secure parliamentary backing for his timetable, and was forced to seek a further extension to the exit date.

Emerging markets underperformed, impacted by anxiety over the global economy and the headwind of a strong US dollar. China was weak, due to the trade tensions and underwhelming economic data. That said, Brazil rallied as long-awaited pension reforms were passed by the country's Senate. Japanese stocks led returns. Slowing inflation bolstered expectations of more stimulus by the Bank of Japan, which helped investors to shrug off waning business and consumer confidence.

New positions in the fund included pharmaceutical company Bristol-Myers Squibb, consumer goods producer Reckitt Benckiser and bioindustry firm UPM. Bristol-Myers Squibb develops innovative medicines in areas such as oncology, cardiovascular, immunoscience and fibrosis. Despite some headwinds, revenues have been resilient. We feel that Bristol-Myers' proposed acquisition of Celgene could provide a boost to earnings. Other positive catalysts for the stock include a potential turning point in sales of a cancer treatment, and late-stage clinical trial data readouts.

Following significant reinvestments, we expect Reckitt Benckiser's operational performance to improve. A new CEO also brings renewed optimism and the prospect of a more clearly delineated strategic focus. We feel the risk-reward is skewed to the upside as a reset in margins already appears to be priced into the shares.

UPM is using the cash flow from its mature graphic-paper business to fund growth projects in the pulp, labels, biofuel and plywood segments. It is well-placed to benefit from the replacement of fossil-based products and is vertically integrated across the value chain owing to its access to sustainable feedstock.

To help fund these purchases, we sold Japanese investment banking company Daiwa Securities. This reflected concerns around cost control and its return of capital to shareholders. Daiwa is focused on establishing a resilient earnings profile. While there is some evidence of progress here, we believe further improvement is required to attain the company's medium-term targets. We also closed our position in industrial tool and equipment manufacturer Atlas Copco, following its strong performance. Positive developments within the compressor, industrial technique and vacuum segments had provided support. The stock had re-rated and its dividend yield fell below our hurdle. We also realised gains in DuluxGroup after its takeover by Japanese peer Nippon Paint.

We expect sentiment towards high dividend yielding stocks to improve from here, following challenges for the asset class over the last few years. Style-driven rotations have left the top two quintiles of companies by dividend yield valued cheaply relative to both their own history and their lower-dividend-paying peers. Within this context, we continue to focus on quality income, seeking companies that offer high, rising and sustainable dividends. We believe that companies demonstrating superior capital allocation are well placed to outperform over the long term, and that dividends remain an underappreciated signal of investment quality.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	7,669	(4,438)
Revenue	7,315	35,360
Expenses	(1,454)	(7,113)
Interest payable and similar charges	(1)	(4)
Net revenue before taxation	5,860	28,243
Taxation	(669)	(3,233)
Net revenue after taxation	5,191	25,010
<b>Total return before distributions</b>	<b>12,860</b>	<b>20,572</b>
Distributions	(6,410)	(31,199)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>6,450</b>	<b>(10,627)</b>

### BALANCE SHEET

as at 31 October 2019

	2019 £000	April 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	276,570	390,258
<b>Current assets:</b>		
Debtors	1,070	1,927
Cash and bank balances	1,774	3,833
Cash equivalents**	3,859	3,468
<b>Total assets</b>	<b>283,273</b>	<b>399,486</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(1,608)	(2,683)
Other creditors	(1,097)	(1,105)
<b>Total liabilities</b>	<b>(2,705)</b>	<b>(3,788)</b>
<b>Net assets attributable to shareholders</b>	<b>280,568</b>	<b>395,698</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>395,698</b>	<b>1,656,376</b>
Amounts receivable on the issue of shares	2,875	985,178
Amounts payable on the cancellation of shares	(125,695)	(1,085,635)
	(122,820)	(100,457)
Dilution adjustment	38	
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	6,450	(10,627)
Retained distribution on accumulation shares	1,202	12,650
<b>Closing net assets attributable to shareholders</b>	<b>280,568</b>	<b>1,557,942</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

### DISTRIBUTION TABLE

for the accounting period 1 May 2019 to 31 October 2019

Dividend distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	1.4063	–	1.4063	1.5890
01/08/19 to 31/10/19	1.0496	–	1.0496	1.0032
<b>Group 2</b>				
01/05/19 to 31/07/19	0.2024	1.2039	1.4063	1.5890
01/08/19 to 31/10/19	0.2256	0.8240	1.0496	1.0032
<b>Total distributions in the period</b>			<b>2.4559</b>	<b>2.5922</b>

\*\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

# Threadneedle Global Equity Income Fund

## DISTRIBUTION TABLE

(continued)

### Class 1 – Monthly Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/05/19	0.6364	–	0.6364	0.8488
01/06/19 to 30/06/19	0.4885	–	0.4885	0.4378
01/07/19 to 31/07/19	0.0862	–	0.0862	0.0832
01/08/19 to 31/08/19	0.4725	–	0.4725	0.4719
01/09/19 to 30/09/19	0.3147	–	0.3147	0.2796
01/10/19 to 31/10/19	0.1170	–	0.1170	0.1140

<b>Group 2</b>				
01/05/19 to 31/05/19	–	0.6364	0.6364	0.8488
01/06/19 to 30/06/19	–	0.4885	0.4885	0.4378
01/07/19 to 31/07/19	–	0.0862	0.0862	0.0832
01/08/19 to 31/08/19	0.0025	0.4700	0.4725	0.4719
01/09/19 to 30/09/19	0.0047	0.3100	0.3147	0.2796
01/10/19 to 31/10/19	–	0.1170	0.1170	0.1140
<b>Total distributions in the period</b>			<b>2.1153</b>	<b>2.2353</b>

### Class 1 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	2.3374	–	2.3374	2.5515
01/08/19 to 31/10/19	1.7598	–	1.7598	1.6297
<b>Group 2</b>				
01/05/19 to 31/07/19	1.1986	1.1388	2.3374	2.5515
01/08/19 to 31/10/19	1.0035	0.7563	1.7598	1.6297
<b>Total distributions in the period</b>			<b>4.0972</b>	<b>4.1812</b>

### Class 1 CHF Hedged – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	1.1715	–	1.1715	1.3318
01/08/19 to 31/10/19	0.8862	–	0.8862	0.8509
<b>Group 2</b>				
01/05/19 to 31/07/19	1.1715	–	1.1715	1.3318
01/08/19 to 31/10/19	0.8862	–	0.8862	0.8509
<b>Total distributions in the period</b>			<b>2.0577</b>	<b>2.1827</b>

### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	1.5132	–	1.5132	1.6984
01/08/19 to 31/10/19	1.1384	–	1.1384	1.0839
<b>Group 2</b>				
01/05/19 to 31/07/19	0.4518	1.0614	1.5132	1.6984
01/08/19 to 31/10/19	0.3740	0.7644	1.1384	1.0839
<b>Total distributions in the period</b>			<b>2.6516</b>	<b>2.7823</b>

### Class 2 EUR Hedged – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	0.9872	–	0.9872	1.2070
01/08/19 to 31/10/19	0.7298	–	0.7298	0.7515
<b>Group 2</b>				
01/05/19 to 31/07/19	0.5872	0.4000	0.9872	1.2070
01/08/19 to 31/10/19	0.7298	–	0.7298	0.7515
<b>Total distributions in the period</b>			<b>1.7170</b>	<b>1.9585</b>

### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	2.5414	–	2.5414	2.7501
01/08/19 to 31/10/19	1.9252	–	1.9252	1.7755
<b>Group 2</b>				
01/05/19 to 31/07/19	1.1996	1.3418	2.5414	2.7501
01/08/19 to 31/10/19	1.5385	0.3867	1.9252	1.7755
<b>Total distributions in the period</b>			<b>4.4666</b>	<b>4.5256</b>

### Class X – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	1.3548	–	1.3548	1.4998
01/08/19 to 31/10/19	1.0362	–	1.0362	0.9689
<b>Group 2</b>				
01/05/19 to 31/07/19	0.9848	0.3700	1.3548	1.4998
01/08/19 to 31/10/19	0.1143	0.9219	1.0362	0.9689
<b>Total distributions in the period</b>			<b>2.3910</b>	<b>2.4687</b>

### Class X – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	1.6593	–	1.6593	1.7641
01/08/19 to 31/10/19	1.2899	–	1.2899	1.1524
<b>Group 2</b>				
01/05/19 to 31/07/19	1.6593	–	1.6593	1.7641
01/08/19 to 31/10/19	1.2899	–	1.2899	1.1524
<b>Total distributions in the period</b>			<b>2.9492</b>	<b>2.9165</b>

### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	1.5353	–	1.5353	1.7229
01/08/19 to 31/10/19	1.1479	–	1.1479	1.0904
<b>Group 2</b>				
01/05/19 to 31/07/19	0.5220	1.0133	1.5353	1.7229
01/08/19 to 31/10/19	0.4597	0.6882	1.1479	1.0904
<b>Total distributions in the period</b>			<b>2.6832</b>	<b>2.8133</b>

### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	1.6351	–	1.6351	1.7730
01/08/19 to 31/10/19	1.2338	–	1.2338	1.1345
<b>Group 2</b>				
01/05/19 to 31/07/19	0.6525	0.9826	1.6351	1.7730
01/08/19 to 31/10/19	0.5238	0.7100	1.2338	1.1345
<b>Total distributions in the period</b>			<b>2.8689</b>	<b>2.9075</b>

### Class Z CHF Hedged – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
01/05/19 to 31/07/19	1.2072	–	1.2072	1.3596
01/08/19 to 31/10/19	0.9137	–	0.9137	0.8731
<b>Group 2</b>				
01/05/19 to 31/07/19	1.2072	–	1.2072	1.3596
01/08/19 to 31/10/19	0.9137	–	0.9137	0.8731
<b>Total distributions in the period</b>			<b>2.1209</b>	<b>2.2327</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Global Equity Income Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 EUR – Income shares		
	31/10/2019	30/04/2019	30/04/2018	23/11/2018 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	137.94	133.72	135.91	137.60		
Return before operating charges (p)	4.85	11.08	4.76	(1.90)		
Operating charges (p)	(1.16)	(2.19)	(2.25)	(1.13)		
Return after operating charges (p)*	3.69	8.89	2.51	(3.03)		
Distributions (p)	(2.46)	(4.67)	(4.70)	(2.92)		
Retained distributions on accumulation shares (p)	–	–	–	–		
Closing net asset value per share (p)	139.17	137.94	133.72	131.65		
*after direct transaction costs of (p)	0.08	0.10	0.16	0.05		
<b>Performance</b>						
Return after charges (%)	2.68	6.65	1.85	(2.20)		
<b>Other information</b>						
Closing net asset value (£000)	17,365	23,161	121,197	–		
Closing number of shares	12,478,114	16,791,003	90,637,264	–		
Operating charges (%)**	1.64 <sup>†</sup>	1.62	1.63	–		
Direct transaction costs (%)***	0.11	0.07	0.11	–		
<b>Prices</b>						
Highest share price (p)	149.51	142.52	144.13	142.52		
Lowest share price (p)	133.41	123.61	127.89	130.39		
	Class 1 USD – Income shares			Class 1 – Monthly Income shares		
	23/11/2018 <sup>1</sup>			31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	137.60			119.16	115.65	117.61
Return before operating charges (p)	(1.89)			4.08	9.55	4.04
Operating charges (p)	(1.13)			(1.00)	(1.88)	(1.94)
Return after operating charges (p)*	(3.02)			3.08	7.67	2.10
Distributions (p)	(2.92)			(2.12)	(4.16)	(4.06)
Retained distributions on accumulation shares (p)	–			–	–	–
Closing net asset value per share (p)	131.66			120.12	119.16	115.65
*after direct transaction costs of (p)	0.05			0.07	0.08	0.13
<b>Performance</b>						
Return after charges (%)	(2.19)			2.58	6.63	1.79
<b>Other information</b>						
Closing net asset value (£000)	–			710	808	2,049
Closing number of shares	–			591,032	678,017	1,771,578
Operating charges (%)**	–			1.64 <sup>†</sup>	1.62	1.63
Direct transaction costs (%)***	–			0.11	0.07	0.11
<b>Prices</b>						
Highest share price (p)	142.52			127.92	123.21	123.98
Lowest share price (p)	130.39			115.25	106.53	109.88

## Threadneedle Global Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class 1 SGD Hedged – Income shares			Class 1 AUD Hedged – Monthly Income shares		
	23/11/2018 <sup>2</sup>	30/04/2018	30/04/2017	23/11/2018 <sup>2</sup>	30/04/2018	30/04/2017
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	114.26	111.14	97.64	114.07	114.99	98.37
Return before operating charges (p)	(3.03)	8.97	19.23	(3.43)	5.14	22.52
Operating charges (p)	(1.05)	(1.89)	(1.75)	(1.04)	(1.97)	(1.82)
Return after operating charges (p)*	(4.08)	7.08	17.48	(4.47)	3.17	20.70
Distributions (p)	(2.43)	(3.96)	(3.98)	(2.43)	(4.09)	(4.08)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	107.75	114.26	111.14	107.17	114.07	114.99
*after direct transaction costs of (p)	0.05	0.13	0.16	0.04	0.14	0.16
<b>Performance</b>						
Return after charges (%)	(3.57)	6.37	17.90	(3.92)	2.76	21.04
<b>Other information</b>						
Closing net asset value (£000)	–	6,332	9,175	–	175	427
Closing number of shares	–	5,541,743	8,255,637	–	153,602	371,044
Operating charges (%)**	–	1.63	1.63	–	1.62	1.63
Direct transaction costs (%)***	–	0.11	0.15	–	0.11	0.15
<b>Prices</b>						
Highest share price (p)	117.86	124.27	116.57	119.13	130.80	124.09
Lowest share price (p)	106.15	110.15	92.03	102.73	110.18	89.82
	Class 1 SGD Hedged – Monthly Income shares			Class 1 – Accumulation shares		
	23/11/2018 <sup>2</sup>	30/04/2018	30/04/2017	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	118.53	115.36	101.39	229.25	214.77	210.96
Return before operating charges (p)	(3.13)	9.23	19.92	7.87	18.03	7.34
Operating charges (p)	(1.08)	(1.96)	(1.84)	(1.94)	(3.55)	(3.53)
Return after operating charges (p)*	(4.21)	7.27	18.08	5.93	14.48	3.81
Distributions (p)	(2.52)	(4.10)	(4.11)	(4.10)	(7.59)	(7.40)
Retained distributions on accumulation shares (p)	–	–	–	4.10	7.59	7.40
Closing net asset value per share (p)	111.80	118.53	115.36	235.18	229.25	214.77
*after direct transaction costs of (p)	(0.05)	0.14	0.16	0.13	0.16	0.25
<b>Performance</b>						
Return after charges (%)	(3.55)	6.30	17.83	2.59	6.74	1.81
<b>Other information</b>						
Closing net asset value (£000)	–	1,552	355	6,423	7,341	68,140
Closing number of shares	–	1,309,709	308,091	2,730,947	3,201,991	31,726,139
Operating charges (%)**	–	1.64	1.64	1.64 <sup>†</sup>	1.62	1.63
Direct transaction costs (%)***	–	0.11	0.15	0.11	0.07	0.11
<b>Prices</b>						
Highest share price (p)	122.24	128.23	120.60	248.38	231.52	227.77
Lowest share price (p)	109.42	113.52	95.59	221.83	202.29	203.30

## Threadneedle Global Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class 1 EUR – Accumulation shares			Class 1 USD – Accumulation shares		
	23/11/2018 <sup>1</sup>			23/11/2018 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	221.01			221.01		
Return before operating charges (p)	(3.69)			(3.70)		
Operating charges (p)	(1.83)			(1.83)		
Return after operating charges (p)*	(5.52)			(5.53)		
Distributions (p)	(4.72)			(4.72)		
Retained distributions on accumulation shares (p)	4.72			4.72		
Closing net asset value per share (p)	215.49			215.48		
*after direct transaction costs of (p)	0.08			0.08		
<b>Performance</b>						
Return after charges (%)	(2.50)			(2.50)		
<b>Other information</b>						
Closing net asset value (£000)	–			–		
Closing number of shares	–			–		
Operating charges (%)**	–			–		
Direct transaction costs (%)***	–			–		
<b>Prices</b>						
Highest share price (p)	231.52			231.52		
Lowest share price (p)	211.81			211.80		
	Class 1 CHF Hedged – Accumulation shares			Class 1 SGD Hedged – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	23/11/2018 <sup>2</sup>	30/04/2018	30/04/2017
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	112.67	112.70	113.91	135.40	127.35	107.87
Return before operating charges (p)	5.55	1.80	0.72	(3.98)	10.25	21.45
Operating charges (p)	(0.95)	(1.83)	(1.93)	(1.25)	(2.20)	(1.97)
Return after operating charges (p)*	4.60	(0.03)	(1.21)	(5.23)	8.05	19.48
Distributions (p)	(2.06)	(3.91)	(4.03)	(2.90)	(4.59)	(4.45)
Retained distributions on accumulation shares (p)	2.06	3.91	4.03	2.90	4.59	4.45
Closing net asset value per share (p)	117.27	112.67	112.70	130.17	135.40	127.35
*after direct transaction costs of (p)	0.07	0.08	0.13	0.05	0.15	0.18
<b>Performance</b>						
Return after charges (%)	4.08	(0.03)	(1.06)	(3.86)	6.32	18.06
<b>Other information</b>						
Closing net asset value (£000)	12	11	11	–	1,037	1,242
Closing number of shares	10,000	10,000	10,000	–	765,943	974,977
Operating charges (%)**	1.61 <sup>1</sup>	1.62	1.63	–	1.63	1.64
Direct transaction costs (%)***	0.11	0.07	0.11	–	0.11	0.15
<b>Prices</b>						
Highest share price (p)	124.55	121.64	126.73	141.30	144.90	132.07
Lowest share price (p)	110.04	103.35	110.42	127.27	126.45	101.71

## Threadneedle Global Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Income shares			Class 2 EUR – Income shares		
	31/10/2019	30/04/2019	30/04/2018	23/11/2018 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	145.67	140.60	142.25	144.77		
Return before operating charges (p)	5.07	11.60	4.91	(2.08)		
Operating charges (p)	(0.80)	(1.51)	(1.52)	(0.77)		
Return after operating charges (p)*	4.27	10.09	3.39	(2.85)		
Distributions (p)	(2.65)	(5.02)	(5.04)	(3.13)		
Retained distributions on accumulation shares (p)	–	–	–	–		
Closing net asset value per share (p)	147.29	145.67	140.60	138.79		
*after direct transaction costs of (p)	0.08	0.10	0.16	0.05		
<b>Performance</b>						
Return after charges (%)	2.93	7.18	2.38	(1.97)		
<b>Other information</b>						
Closing net asset value (£000)	15,879	16,022	416,554	–		
Closing number of shares	10,780,963	10,998,425	296,274,681	–		
Operating charges (%)**	1.07 <sup>†</sup>	1.05	1.06	–		
Direct transaction costs (%)***	0.11	0.07	0.11	–		
<b>Prices</b>						
Highest share price (p)	158.05	150.01	151.37	150.02		
Lowest share price (p)	140.90	130.33	134.46	137.42		
	Class 2 USD – Income shares		Class 2 EUR Hedged – Income shares			
	23/11/2018 <sup>1</sup>		31/10/2019	30/04/2019	30/04/2018	
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	144.77		95.63	102.95	96.52	
Return before operating charges (p)	(2.07)		1.12	(2.84)	11.20	
Operating charges (p)	(0.77)		(0.51)	(1.02)	(1.11)	
Return after operating charges (p)*	(2.84)		0.61	(3.86)	10.09	
Distributions (p)	(3.14)		(1.72)	(3.46)	(3.66)	
Retained distributions on accumulation shares (p)	–		–	–	–	
Closing net asset value per share (p)	138.79		94.52	95.63	102.95	
*after direct transaction costs of (p)	0.05		0.05	0.07	0.12	
<b>Performance</b>						
Return after charges (%)	(1.96)		0.64	(3.75)	10.45	
<b>Other information</b>						
Closing net asset value (£000)	–		96	8	9	
Closing number of shares	–		101,625	8,625	8,625	
Operating charges (%)**	–		1.04 <sup>†</sup>	1.05	1.05	
Direct transaction costs (%)***	–		0.11	0.07	0.11	
<b>Prices</b>						
Highest share price (p)	150.02		102.24	104.99	113.84	
Lowest share price (p)	137.42		92.60	87.83	96.45	

## Threadneedle Global Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Accumulation shares			Class 2 EUR – Accumulation shares	
	31/10/2019	30/04/2019	30/04/2018	23/11/2018 <sup>1</sup>	
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	244.24	227.60	222.34	234.37	
Return before operating charges (p)	8.37	19.10	7.69	(4.03)	
Operating charges (p)	(1.33)	(2.46)	(2.43)	(1.27)	
Return after operating charges (p)*	7.04	16.64	5.26	(5.30)	
Distributions (p)	(4.47)	(8.24)	(7.99)	(5.11)	
Retained distributions on accumulation shares (p)	4.47	8.24	7.99	5.11	
Closing net asset value per share (p)	251.28	244.24	227.60	229.07	
*after direct transaction costs of (p)	0.14	0.17	0.26	0.08	
<b>Performance</b>					
Return after charges (%)	2.88	7.31	2.37	(2.26)	
<b>Other information</b>					
Closing net asset value (£000)	4,343	9,052	87,296	–	
Closing number of shares	1,728,222	3,706,334	38,355,617	–	
Operating charges (%)**	1.06 <sup>†</sup>	1.06	1.06	–	
Direct transaction costs (%)***	0.11	0.07	0.11	–	
<b>Prices</b>					
Highest share price (p)	265.01	246.23	240.97	245.71	
Lowest share price (p)	236.40	215.12	215.36	225.06	
	Class 2 USD – Accumulation shares		Class W – Accumulation shares		
	23/11/2018 <sup>1</sup>		23/11/2018 <sup>2</sup>	30/04/2018 <sup>3</sup>	
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	234.37		101.91	100.00	
Return before operating charges (p)	(4.04)		1.27	2.96	
Operating charges (p)	(1.26)		(0.61)	(1.05)	
Return after operating charges (p)*	(5.30)		0.66	1.91	
Distributions (p)	(5.11)		(2.24)	(3.50)	
Retained distributions on accumulation shares (p)	5.11		2.24	3.50	
Closing net asset value per share (p)	229.07		102.57	101.91	
*after direct transaction costs of (p)	0.08		0.04	0.12	
<b>Performance</b>					
Return after charges (%)	(2.26)		0.65	1.91	
<b>Other information</b>					
Closing net asset value (£000)	–		–	111,343	
Closing number of shares	–		–	109,258,299	
Operating charges (%)**	–		–	1.03 <sup>†</sup>	
Direct transaction costs (%)***	–		–	0.11	
<b>Prices</b>					
Highest share price (p)	245.71		110.01	107.89	
Lowest share price (p)	225.07		100.78	96.44	

## Threadneedle Global Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class X – Income shares			Class X – Accumulation shares		
	31/10/2019	30/04/2019	30/04/2018	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	133.60	127.71	127.94	162.61	150.21	145.42
Return before operating charges (p)	4.56	10.43	4.31	5.48	12.49	4.88
Operating charges (p)	(0.04)	(0.08)	(0.08)	(0.01)	(0.09)	(0.09)
Return after operating charges (p)*	4.52	10.35	4.23	5.47	12.40	4.79
Distributions (p)	(2.39)	(4.46)	(4.46)	(2.95)	(5.33)	(5.14)
Retained distributions on accumulation shares (p)	–	–	–	2.95	5.33	5.14
Closing net asset value per share (p)	135.73	133.60	127.71	168.08	162.61	150.21
*after direct transaction costs of (p)	0.08	0.09	0.15	0.09	0.11	0.17
<b>Performance</b>						
Return after charges (%)	3.38	8.10	3.31	3.36	8.26	3.29
<b>Other information</b>						
Closing net asset value (£000)	8,376	91,619	71,295	5	5	256,680
Closing number of shares	6,170,990	68,576,811	55,824,979	3,000	3,000	170,881,136
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.01 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	0.11	0.07	0.11	0.11	0.07	0.11
<b>Prices</b>						
Highest share price (p)	145.29	136.66	137.06	176.80	163.89	158.61
Lowest share price (p)	129.28	119.11	122.02	157.42	142.75	142.06
	Class Z – Income shares			Class Z EUR – Income shares		
	31/10/2019	30/04/2019	30/04/2018	23/11/2018 <sup>†</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	150.54	144.97	146.31	149.31		
Return before operating charges (p)	5.22	11.93	5.06	(2.17)		
Operating charges (p)	(0.69)	(1.29)	(1.32)	(0.66)		
Return after operating charges (p)*	4.53	10.64	3.74	(2.83)		
Distributions (p)	(2.68)	(5.07)	(5.08)	(3.17)		
Retained distributions on accumulation shares (p)	–	–	–	–		
Closing net asset value per share (p)	152.39	150.54	144.97	143.31		
*after direct transaction costs of (p)	0.09	0.10	0.17	0.05		
<b>Performance</b>						
Return after charges (%)	3.01	7.34	2.56	(1.90)		
<b>Other information</b>						
Closing net asset value (£000)	171,046	189,770	390,807	–		
Closing number of shares	112,242,235	126,058,775	269,584,169	–		
Operating charges (%)**	0.89 <sup>†</sup>	0.88	0.88	–		
Direct transaction costs (%)***	0.11	0.07	0.11	–		
<b>Prices</b>						
Highest share price (p)	163.41	154.80	155.93	154.81		
Lowest share price (p)	145.64	134.56	138.59	141.85		

## Threadneedle Global Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class Z USD – Income shares			Class Z SGD Hedged – Income shares	
	23/11/2018 <sup>1</sup>			23/11/2017 <sup>4</sup>	30/04/2017
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	149.31			112.08	97.77
Return before operating charges (p)	(2.16)			10.12	19.26
Operating charges (p)	(0.66)			(0.59)	(0.94)
Return after operating charges (p)*	(2.82)			9.53	18.32
Distributions (p)	(3.17)			(2.09)	(4.01)
Retained distributions on accumulation shares (p)	–			–	–
Closing net asset value per share (p)	143.32			119.52	112.08
*after direct transaction costs of (p)	0.05			0.07	0.16
<b>Performance</b>					
Return after charges (%)	(1.89)			8.50	18.74
<b>Other information</b>					
Closing net asset value (£000)	–			–	3
Closing number of shares	–			–	3,001
Operating charges (%)**	–			–	0.87
Direct transaction costs (%)***	–			–	0.15
<b>Prices</b>					
Highest share price (p)	154.81			120.74	117.47
Lowest share price (p)	141.86			111.30	92.18
	Class Z – Accumulation shares			Class Z EUR – Accumulation shares	
	31/10/2019	30/04/2019	30/04/2018	23/11/2018 <sup>1</sup>	
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	160.27	149.15	145.47	153.62	
Return before operating charges (p)	5.49	12.46	5.00	(2.68)	
Operating charges (p)	(0.74)	(1.34)	(1.32)	(0.69)	
Return after operating charges (p)*	4.75	11.12	3.68	(3.37)	
Distributions (p)	(2.87)	(5.28)	(5.12)	(3.28)	
Retained distributions on accumulation shares (p)	2.87	5.28	5.12	3.28	
Closing net asset value per share (p)	165.02	160.27	149.15	150.25	
*after direct transaction costs of (p)	0.09	0.11	0.17	0.06	
<b>Performance</b>					
Return after charges (%)	2.96	7.46	2.53	(2.19)	
<b>Other information</b>					
Closing net asset value (£000)	56,301	57,889	121,887	–	
Closing number of shares	34,118,606	36,119,333	81,718,586	–	
Operating charges (%)**	0.89 <sup>1</sup>	0.88	0.88	–	
Direct transaction costs (%)***	0.11	0.07	0.11	–	
<b>Prices</b>					
Highest share price (p)	173.97	161.58	157.84	161.09	
Lowest share price (p)	155.14	141.07	141.13	147.60	

## Threadneedle Global Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class Z USD – Accumulation shares	Class Z CHF Hedged – Accumulation shares		
	23/11/2018 <sup>1</sup>	31/10/2019	30/04/2019	30/04/2018
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	153.62	115.97	115.18	115.56
Return before operating charges (p)	(2.68)	5.72	1.80	0.67
Operating charges (p)	(0.69)	(0.53)	(1.01)	(1.05)
Return after operating charges (p)*	(3.37)	5.19	0.79	(0.38)
Distributions (p)	(3.28)	(2.12)	(4.01)	(4.10)
Retained distributions on accumulation shares (p)	3.28	2.12	4.01	4.10
Closing net asset value per share (p)	150.25	121.16	115.97	115.18
*after direct transaction costs of (p)	0.05	0.07	0.08	0.14
<b>Performance</b>				
Return after charges (%)	(2.19)	4.48	0.69	(0.33)
<b>Other information</b>				
Closing net asset value (£000)	–	12	12	12
Closing number of shares	–	10,000	10,000	10,000
Operating charges (%)**	–	0.87 <sup>†</sup>	0.87	0.87
Direct transaction costs (%)***	–	0.11	0.07	0.11
<b>Prices</b>				
Highest share price (p)	161.09	128.44	124.61	129.29
Lowest share price (p)	147.60	113.28	106.11	112.80

	Class Z SGD Hedged – Accumulation shares	
	23/11/2017 <sup>4</sup>	30/04/2017
<b>Change in net assets per share</b>		
Opening net asset value per share (p)	125.26	105.30
Return before operating charges (p)	11.33	20.97
Operating charges (p)	(0.64)	(1.01)
Return after operating charges (p)*	10.69	19.96
Distributions (p)	(2.34)	(4.39)
Retained distributions on accumulation shares (p)	2.34	4.39
Closing net asset value per share (p)	135.95	125.26
*after direct transaction costs of (p)	0.08	0.17
<b>Performance</b>		
Return after charges (%)	8.53	18.96
<b>Other information</b>		
Closing net asset value (£000)	–	4
Closing number of shares	–	3,001
Operating charges (%)**	–	0.85
Direct transaction costs (%)***	–	0.15
<b>Prices</b>		
Highest share price (p)	136.24	129.80
Lowest share price (p)	124.39	99.32

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup> Commenced 15 June 2018 and closed 23 November 2018.

<sup>2</sup> Closed 23 November 2018.

<sup>3</sup> Commenced 3 May 2017.

<sup>4</sup> Closed 23 November 2017.

<sup>†</sup> The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

# Threadneedle Global Equity Income Fund

## Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

#### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

### 2 RECONCILIATION OF SHARES

	2019
<b>Class 1 – Income shares</b>	
Opening shares	16,791,003
Shares issued	57,064
Shares redeemed	(4,346,888)
Net conversions	(23,065)
Closing shares	<u>12,478,114</u>
<b>Class 1 – Monthly Income shares</b>	
Opening shares	678,017
Shares issued	3,089
Shares redeemed	(90,074)
Net conversions	–
Closing shares	<u>591,032</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	3,201,991
Shares issued	28,863
Shares redeemed	(463,454)
Net conversions	(36,453)
Closing shares	<u>2,730,947</u>
<b>Class 1 CHF Hedged – Accumulation shares</b>	
Opening shares	10,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,000</u>
<b>Class 2 – Income shares</b>	
Opening shares	10,998,425
Shares issued	46,026
Shares redeemed	(185,090)
Net conversions	(78,398)
Closing shares	<u>10,780,963</u>
<b>Class 2 EUR Hedged – Income shares</b>	
Opening shares	8,625
Shares issued	93,000
Shares redeemed	–
Net conversions	–
Closing shares	<u>101,625</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	3,706,334
Shares issued	17,783
Shares redeemed	(1,949,730)
Net conversions	(46,165)
Closing shares	<u>1,728,222</u>

	2019
<b>Class X – Income shares</b>	
Opening shares	68,576,811
Shares issued	1,010,231
Shares redeemed	(63,416,052)
Net conversions	–
Closing shares	<u>6,170,990</u>
<b>Class X – Accumulation shares</b>	
Opening shares	3,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>3,000</u>
<b>Class Z – Income shares</b>	
Opening shares	126,058,775
Shares issued	271,983
Shares redeemed	(14,136,496)
Net conversions	47,973
Closing shares	<u>112,242,235</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	36,119,333
Shares issued	441,968
Shares redeemed	(2,610,777)
Net conversions	168,082
Closing shares	<u>34,118,606</u>
<b>Class Z CHF Hedged – Accumulation shares</b>	
Opening shares	10,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,000</u>

## Threadneedle Global Focus Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve capital growth over the long term. It looks to outperform the MSCI ACWI Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least 75% of its assets in a concentrated portfolio of shares of companies worldwide.

The Fund selects companies in which the fund manager has a high conviction that the current share price does not reflect the prospects for that business. These companies may be chosen from any economic sector or geographic region, with significant sector and share weightings taken at the fund manager's discretion. There is no restriction on company size, however, investment tends to focus on larger companies, such as those included in the MSCI ACWI Index.

The MSCI ACWI Index is regarded as an appropriate representation of the share performance of large and medium-sized companies worldwide, currently with more than 2,700 companies included. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

The Fund typically invests in fewer than 50 companies, which may include shares of some companies not within the Index. The Fund may invest in other securities (including fixed interest securities, convertible securities, and warrants) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

The Fund may also hold money market instruments, deposits, cash and near cash.

The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

#### Performance of Class Z – Gross accumulation shares\*

Over the six months to 31 October 2019, the published share price of Class Z – Accumulation shares in the Threadneedle Global Focus Fund has risen from 120.25p to 128.41p.

For comparison, using noon prices, the performance of the Class Z share class was +6.79% and +6.83% for the Class 2 share class compared to

return of +2.97% for the Morningstar UK Unit Trusts/OEICS – IA Global Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of MSCI AC World was +4.01%.

#### Market Overview and Portfolio Activity

Global markets endured bouts of volatility over the six months, owing to the ongoing US-China trade war and growing signs of weakness in the global economy. However, investor sentiment was buoyed by strong corporate earnings and the dovish pivot of central banks, which provided support to equity-market valuations.

North American stocks outperformed in local terms, helped by the Federal Reserve (Fed)'s monetary policy U-turn, healthy corporate results and signs of continued strength from the US consumer. The Fed cut the funds rate three times over the period, citing heightened global uncertainty. Key parts of the Treasury yield curve inverted in August, amid escalating trade tensions, and the dollar gained as investors flocked to safe-haven assets. Hopes of a rapprochement between Washington and Beijing subsequently strengthened, with reports of a preliminary agreement in October. This helped to propel the S&P 500 to fresh all-time highs.

Europe ex-UK also outperformed, as the European Central Bank signalled a readiness to support the struggling regional economy. A widely anticipated rate cut came in September, along with a host of other stimulus measures, including a resumption of quantitative easing. Economic data remained weak, with the German economy contracting in the second quarter. More positively, the formation of a new coalition government in Italy lifted hopes of an end to the fiscal friction with the EU. UK stocks lagged, as new Prime Minister Boris Johnson stoked fears of a 'no-deal' departure from the EU, and economic data indicated growing Brexit-related strain. Although he agreed a last-minute deal with the EU, Johnson failed to secure parliamentary backing for his timetable, and was forced to seek a further extension to the exit date.

Emerging markets underperformed, impacted by anxiety over the global economy and the headwind of a strong US dollar. China was weak, due to the trade tensions and underwhelming economic data. That said, Brazil rallied as long-awaited pension reforms were passed by the country's Senate. Japanese stocks led returns. Slowing inflation bolstered expectations of more stimulus by the Bank of Japan, which helped investors to shrug off waning business and consumer confidence.

New positions in the fund included payments services provider Fidelity National Information Services (FIS), diversified luxury goods group LVMH and medical product developer Medtronic. FIS' acquisition of Worldpay reflects its strategy of adding fast-growing, international and merchant-acquiring businesses to the stable core processing business. This could generate synergies and enhances the company's global distribution. It also increases the company's ability to capitalise on trends in cashless transactions, e-commerce and emerging-market wealth creation. LVMH has a portfolio of strong brands and is focusing on innovation. It has embarked on a controlled digital expansion to drive market-share gains and consumer loyalty across its divisions. We feel the company can maintain attractive earnings in a range of economic conditions. Medtronic has a defensive revenue and earnings profile. It is well positioned across its product lines, with strong market share in many fast-growing areas of its industry. We believe the company's valuation is attractive relative to peers.

Sales included e-commerce and technology group Alibaba, and healthcare product manufacturer Cooper Companies. Alibaba performed well early in the year, delivering strong margins and an acceleration of growth in its e-commerce business. We sold based on escalating geopolitical concerns and the market's increasing appreciation of the company's scope for durable growth, owing to its market-leading platform and engaged user base. Our position in Cooper Companies was based in part on its ability to benefit from the consumer shift towards daily silicone hydrogel lenses, given its competitive edge in the manufacturing process. We felt that the market had come to appreciate the company's long-term potential in recent periods and took profits.

Global equity markets have been providing evidence of the value to be found in secular winners that can sustainably outgrow their peers. With scope for these types of businesses to positively re-rate and expectations that volatility remains somewhat elevated, we believe the backdrop is ideal for investors with the ability to identify undervalued, long-term opportunities. While factors such as trade and technological regulation will likely remain in focus in the short term, structural factors driving a world which is 'lower for longer' should shape markets further into the future. These drivers include debt, demographics and technological disruption, and they should ensure that companies sustaining above-average growth remain attractive. We therefore retain our focus on companies with durable competitive advantages, as we believe these can sustain high returns and earnings growth through the market cycle.

### STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Income		
Net capital gains	1,926	8
Revenue	286	15
Expenses	(104)	(12)
Interest payable and similar charges	(1)	–
Net revenue before taxation	181	3
Taxation	(79)	(1)
Net revenue after taxation	102	2
<b>Total return before equalisation</b>	<b>2,028</b>	<b>10</b>
Equalisation	25	1
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>2,053</b>	<b>11</b>

### BALANCE SHEET

as at 31 October 2019

	2019 £000	April 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	58,005	29,205
<b>Current assets:</b>		
Debtors	244	114
Cash and bank balances	817	538
<b>Total assets</b>	<b>59,066</b>	<b>29,857</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Other creditors	(81)	(77)
<b>Total liabilities</b>	<b>(81)</b>	<b>(77)</b>
<b>Net assets attributable to shareholders</b>	<b>58,985</b>	<b>29,780</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>29,780</b>	<b>1,650</b>
Amounts receivable on the issue of shares	54,722	1,191
Amounts payable on the cancellation of shares	(27,587)	(12)
	27,135	1,179
Dilution adjustment	17	1
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	2,053	11
<b>Closing net assets attributable to shareholders</b>	<b>58,985</b>	<b>2,841</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2018.

\*In pound Sterling and against UK peer group (See Performance summary on page 137).

## Threadneedle Global Focus Fund

### Comparative Table Disclosure

	Class 2 – Gross accumulation shares			Class Q – Gross accumulation shares		
	31/10/2019	30/04/2019	30/04/2018 <sup>1</sup>	31/10/2019	30/04/2019	30/04/2018 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	120.41	102.05	100.00	120.66	102.07	100.00
Return before operating charges (p)	8.73	19.34	2.89	8.77	19.15	2.60
Operating charges (p)	(0.50)	(0.98)	(0.84)	(0.38)	(0.56)	(0.53)
Return after operating charges (p)*	8.23	18.36	2.05	8.39	18.59	2.07
Distributions (p)	–	(0.19)	(0.09)	–	(0.42)	(0.11)
Retained distributions on accumulation shares (p)	–	0.19	0.09	–	0.42	0.11
Closing net asset value per share (p)	128.64	120.41	102.05	129.05	120.66	102.07
*after direct transaction costs of (p)	0.06	0.35	0.09	0.06	0.33	0.09
<b>Performance</b>						
Return after charges (%)	6.83	17.99	2.05	6.95	18.21	2.07
<b>Other information</b>						
Closing net asset value (£000)	11,026	27,845	1	4,853	1	1
Closing number of shares	8,571,093	23,124,875	1,000	3,760,636	1,000	1,000
Operating charges (%)**	0.80 <sup>†</sup>	0.83	0.84 <sup>†</sup>	0.57 <sup>†</sup>	0.51	0.53 <sup>†</sup>
Direct transaction costs (%)***	0.10	0.30	0.09	0.10	0.30	0.09
<b>Prices</b>						
Highest share price (p)	136.82	120.75	102.24	137.17	121.00	102.25
Lowest share price (p)	116.39	101.33	98.78	116.64	101.47	98.79
	Class X – Gross accumulation shares		Class Z – Gross accumulation shares			
	31/10/2019 <sup>2</sup>		31/10/2019	30/04/2019	30/04/2018 <sup>1</sup>	
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	100.00		120.23	102.06	100.00	
Return before operating charges (p)	6.38		8.75	19.12	2.93	
Operating charges (p)	(0.03)		(0.58)	(0.95)	(0.87)	
Return after operating charges (p)*	6.35		8.17	18.17	2.06	
Distributions (p)	–		–	(0.04)	(0.09)	
Retained distributions on accumulation shares (p)	–		–	0.04	0.09	
Closing net asset value per share (p)	106.35		128.40	120.23	102.06	
*after direct transaction costs of (p)	0.05		0.06	0.33	0.09	
<b>Performance</b>						
Return after charges (%)	6.35		6.80	17.80	2.06	
<b>Other information</b>						
Closing net asset value (£000)	31,927		11,179	1,934	1,648	
Closing number of shares	30,021,637		8,706,508	1,608,295	1,614,353	
Operating charges (%)**	0.07 <sup>†</sup>		0.88 <sup>†</sup>	0.86	0.87 <sup>†</sup>	
Direct transaction costs (%)***	0.10		0.10	0.30	0.09	
<b>Prices</b>						
Highest share price (p)	112.89		136.59	120.58	102.24	
Lowest share price (p)	97.56		116.21	101.24	98.78	

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup>Commenced 17 April 2018.

<sup>2</sup>Commenced 23 May 2019.

<sup>†</sup>The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

# Threadneedle Global Focus Fund

## Notes to the financial statements

for the accounting period 1 May 2019 to 31 October 2019

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2019 and are described in those financial statements.

#### (b) Notes

In accordance with the guidelines of the SORP the fund has taken advantage of the facility not to provide further notes to the financial statements.

### 2 RECONCILIATION OF SHARES

	2019
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	23,124,875
Shares issued	6,875,459
Shares redeemed	(21,429,241)
Net conversions	–
Closing shares	<u>8,571,093</u>
<b>Class Q – Gross accumulation shares</b>	
Opening shares	1,000
Shares issued	3,781,289
Shares redeemed	(21,653)
Net conversions	–
Closing shares	<u>3,760,636</u>
<b>Class X – Gross accumulation shares*</b>	
Opening shares	–
Shares issued	30,021,637
Shares redeemed	–
Net conversions	–
Closing shares	<u>30,021,637</u>
<b>Class Z – Gross accumulation shares</b>	
Opening shares	1,608,295
Shares issued	7,218,398
Shares redeemed	(120,185)
Net conversions	–
Closing shares	<u>8,706,508</u>

\*For launch dates, refer to the footnotes after the comparative tables.

## Threadneedle UK Mid 250 Fund

### Portfolio Statement

as at 31 October 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 1.64% (2.01%)</b>				<b>HEALTH CARE 4.69% (7.83%)</b>			
	<b>Oil Equipment, Services &amp; Distribution 1.64% (2.01%)</b>				<b>Health Care Equipment &amp; Services 0.00% (1.66%)</b>		
291,222	John Wood Group	959	1.64		<b>Pharmaceuticals &amp; Biotechnology 4.69% (6.17%)</b>		
	<b>Total Oil &amp; Gas</b>	<b>959</b>	<b>1.64</b>	122,457	<sup>1</sup> Clinigen Group	1,012	1.73
				60,898	Genus	1,738	2.96
					<b>Total Health Care</b>	<b>2,750</b>	<b>4.69</b>
<b>BASIC MATERIALS 2.46% (3.10%)</b>				<b>CONSUMER SERVICES 22.50% (14.62%)</b>			
	<b>Chemicals 2.46% (3.10%)</b>				<b>Media 11.13% (7.52%)</b>		
523,372	Elementis	758	1.29	471,183	Ascential	1,641	2.80
248,389	Synthomer	687	1.17	99,676	Euromoney Institutional Investor	1,407	2.40
	<b>Total Basic Materials</b>	<b>1,445</b>	<b>2.46</b>	159,771	Future	2,400	4.10
				58,869	<sup>1</sup> GlobalData	618	1.06
				277,836	S4 Capital	453	0.77
<b>INDUSTRIALS 30.06% (31.33%)</b>					<b>Travel &amp; Leisure 11.37% (7.10%)</b>		
	<b>Construction &amp; Materials 2.58% (5.25%)</b>			941,941	Cineworld Group	2,093	3.57
2,291,355	<sup>1</sup> Breedon Aggregates	1,512	2.58	556,376	Domino's Pizza Group	1,592	2.72
	<b>Aerospace &amp; Defence 4.95% (2.04%)</b>			73,942	Jackpotjoy	594	1.01
35,539	Avon Rubber	630	1.07	386,870	SSP Group	2,383	4.07
723,492	QinetiQ Group	2,273	3.88		<b>Total Consumer Services</b>	<b>13,181</b>	<b>22.50</b>
	<b>General Industrials 1.84% (1.98%)</b>			<b>FINANCIALS 13.65% (11.21%)</b>			
1,468,729	Coats Group	1,076	1.84		<b>Life Insurance 0.00% (2.10%)</b>		
	<b>Electronic &amp; Electrical Equipment 3.04% (4.15%)</b>				<b>Real Estate Investment &amp; Services 3.06% (0.00%)</b>		
69,699	Oxford Instruments	901	1.54	690,584	Grainger	1,793	3.06
36,695	Spectris	877	1.50		<b>Financial Services 9.58% (8.41%)</b>		
	<b>Industrial Engineering 5.83% (6.58%)</b>			298,303	AJ Bell	1,111	1.90
548,834	Rotork	1,661	2.83	145,376	Intermediate Capital Group	2,157	3.68
129,095	Weir Group	1,759	3.00	244,990	OneSavings Bank	885	1.51
	<b>Industrial Transportation 2.54% (0.00%)</b>			1,065,579	Quilter	1,457	2.49
485,874	BBA Aviation	1,486	2.54		<b>Equity Investment Instruments 0.96% (0.60%)</b>		
	<b>Support Services 9.28% (11.33%)</b>			176,765	Electra Private Equity	562	0.96
229,169	Essentra	892	1.52		<b>Nonequity Investment Instruments 0.05% (0.10%)</b>		
162,771	Grafton Group	1,271	2.17	67,908	Wilmcote Holdings	31	0.05
83,083	Homeserve	967	1.65		<b>Total Financials</b>	<b>7,996</b>	<b>13.65</b>
257,830	Howden Joinery Group	1,493	2.55	<b>TECHNOLOGY 9.51% (12.83%)</b>			
148,963	Sanne Group IPO	816	1.39		<b>Software &amp; Computer Services 7.09% (9.85%)</b>		
	<b>Total Industrials</b>	<b>17,614</b>	<b>30.06</b>	33,829	AVEVA Group	1,412	2.41
				117,277	<sup>1</sup> Blue Prism Group	951	1.62
<b>CONSUMER GOODS 13.18% (12.97%)</b>				117,073	FDM Group Holdings IPO	850	1.45
	<b>Beverages 4.56% (4.00%)</b>			41,964	<sup>1</sup> First Derivatives	940	1.61
268,901	Britvic	2,669	4.56		<b>Technology Hardware &amp; Equipment 2.42% (2.98%)</b>		
	<b>Food Producers 3.75% (3.46%)</b>			713,139	Spirent Communications	1,418	2.42
65,835	Cranswick	2,053	3.50		<b>Total Technology</b>	<b>5,571</b>	<b>9.51</b>
33,019	<sup>1</sup> Hotel Chocolat Group	146	0.25	<b>Total value of investments</b>			
	<b>Household Goods &amp; Home Construction 2.67% (1.86%)</b>					<b>57,237</b>	<b>97.69</b>
21,663	Bellway	688	1.17	<b>Net other assets (4.10%)</b>			
199,754	<sup>1</sup> Victoria	879	1.50			<b>1,354</b>	<b>2.31</b>
	<b>Leisure Goods 1.42% (1.24%)</b>			<b>Net assets</b>			
172,667	<sup>1</sup> Codemasters Group Holdings	389	0.66			<b>58,591</b>	<b>100.00</b>
9,920	Games Workshop Group	442	0.76	<i>April 2019 comparatives in brackets.</i>			
	<b>Personal Goods 0.78% (2.41%)</b>			<i><sup>1</sup>Alternative Investment Market.</i>			
110,119	Ted Baker	455	0.78				
	<b>Total Consumer Goods</b>	<b>7,721</b>	<b>13.18</b>				

## Threadneedle UK Mid 250 Fund

### Portfolio Statement

*(continued)*

#### Total Purchases and Sales

*for the accounting period 1 May 2019 to 31 October 2019*

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Total purchases for the period	20,634	39,832
Total sales for the period	23,233	65,024

## Threadneedle UK Sustainable Equity Fund (formerly Ethical UK Equity Fund)

### Portfolio Statement

as at 31 October 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 2.80% (1.97%)</b>				<b>HEALTH CARE 16.16% (16.67%)</b>			
<b>Oil Equipment, Services &amp; Distribution 1.87% (0.92%)</b>				<b>Health Care Equipment &amp; Services 2.06% (1.53%)</b>			
70,628	John Wood Group	233	0.89	22,151	Smith & Nephew	375	1.43
183,480	<sup>†</sup> Tekmar Group	257	0.98	1,423,333	<sup>†</sup> Totally (Suspended)	165	0.63
<b>Alternative Energy 0.93% (1.05%)</b>				<b>Pharmaceuticals &amp; Biotechnology 14.10% (15.14%)</b>			
87,135	<sup>†</sup> Ceres Power Holdings	182	0.69	17,790	AstraZeneca	1,324	5.05
306,648	<sup>†</sup> Ilika	64	0.24	13,307	Genus	380	1.45
<b>Total Oil &amp; Gas</b>				101,959	GlaxoSmithKline	1,811	6.90
		<b>736</b>	<b>2.80</b>	211,084	Vectura Group	185	0.70
<b>BASIC MATERIALS 3.43% (4.23%)</b>				<b>Total Health Care</b>			
<b>Chemicals 3.43% (4.23%)</b>						<b>4,240</b>	<b>16.16</b>
7,154	Croda International	342	1.31	<b>CONSUMER SERVICES 17.63% (17.82%)</b>			
18,246	Johnson Matthey	557	2.12	<b>Media 8.19% (9.32%)</b>			
<b>Total Basic Materials</b>				115,971	Ascential	404	1.54
		<b>899</b>	<b>3.43</b>	10,027	Future	151	0.57
<b>INDUSTRIALS 14.08% (14.95%)</b>				370,645	ITV	489	1.87
<b>Construction &amp; Materials 2.31% (2.55%)</b>				59,209	RELX (London Listing)	1,105	4.21
6,960	Kingspan Group (EUR)	281	1.07	<b>Travel &amp; Leisure 9.44% (8.50%)</b>			
153,969	Melrose Industries	325	1.24	45,931	Compass Group	947	3.61
<b>General Industrials 1.37% (2.79%)</b>				35,949	easyJet	441	1.68
318,412	Coats Group	233	0.89	232,196	Gym Group	619	2.36
35,012	DS Smith	125	0.48	10,017	Intercontinental Hotels Group	469	1.79
<b>Electronic &amp; Electrical Equipment 0.45% (0.00%)</b>				<b>Total Consumer Services</b>			
4,898	Spectris	117	0.45			<b>4,625</b>	<b>17.63</b>
<b>Industrial Engineering 3.45% (3.83%)</b>				<b>TELECOMMUNICATIONS 2.99% (3.42%)</b>			
4,888	Spirax-Sarco Engineering	387	1.48	<b>Fixed Line Telecommunications 2.99% (3.42%)</b>			
38,015	Weir Group	518	1.97	381,441	BT Group	785	2.99
<b>Support Services 6.50% (5.78%)</b>				<b>Total Telecommunications</b>			
7,279	Ferguson	478	1.82			<b>785</b>	<b>2.99</b>
38,346	<sup>†</sup> Marlowe	169	0.64	<b>UTILITIES 1.55% (1.26%)</b>			
139,691	Mears Group	352	1.34	<b>Electricity 0.00% (0.53%)</b>			
112,995	Rentokil Initial	515	1.96	<b>Gas, Water &amp; Multiutilities 1.55% (0.73%)</b>			
30,885	Ricardo	195	0.74	45,562	Pennon Group	408	1.55
<b>Total Industrials</b>				<b>Total Utilities</b>			
		<b>3,695</b>	<b>14.08</b>			<b>408</b>	<b>1.55</b>
<b>CONSUMER GOODS 12.18% (8.62%)</b>				<b>FINANCIALS 21.82% (21.07%)</b>			
<b>Food Producers 1.18% (1.24%)</b>				<b>Banks 1.82% (0.87%)</b>			
70,104	<sup>†</sup> Hotel Chocolat Group	310	1.18	126,129	Royal Bank of Scotland Group	271	1.03
<b>Household Goods &amp; Home Construction 4.80% (0.68%)</b>				15,000	Secure Trust Bank	209	0.79
97,505	Countryside Properties	344	1.31	<b>Nonlife Insurance 1.55% (1.68%)</b>			
15,381	Reckitt Benckiser Group	916	3.49	78,471	RSA Insurance Group	408	1.55
<b>Personal Goods 6.20% (6.70%)</b>				<b>Life Insurance 8.81% (11.41%)</b>			
16,098	Burberry Group	329	1.26	643,889	Just Group	393	1.50
9,747	Ted Baker	40	0.15	297,590	Legal & General Group	781	2.98
27,198	Unilever	1,256	4.79	84,070	Prudential	1,136	4.33
<b>Total Consumer Goods</b>				<b>Real Estate Investment Trusts 1.41% (0.00%)</b>			
		<b>3,195</b>	<b>12.18</b>	10,379	Derwent London	370	1.41

## Threadneedle UK Sustainable Equity Fund (formerly Ethical UK Equity Fund)

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>FINANCIALS 21.82% (21.07%) (continued)</b>			
<b>Financial Services 8.23% (7.11%)</b>			
37,114	AJ Bell	138	0.53
101,709	<sup>1</sup> Argentex Group	149	0.57
117,095	<sup>1</sup> Equals Group	103	0.39
131,006	John Laing Group	479	1.83
11,434	London Stock Exchange Group	803	3.06
84,070	M&G Prudential	179	0.68
13,179	Schroders Non-voting	307	1.17
	<b>Total Financials</b>	<b>5,726</b>	<b>21.82</b>
<b>TECHNOLOGY 3.50% (5.24%)</b>			
<b>Software &amp; Computer Services 3.50% (5.24%)</b>			
492,667	<sup>1</sup> Spatial	158	0.60
9,784	AVEVA Group	408	1.56
29,545	FDM Group Holdings IPO	215	0.82
50,587	Shearwater Group	138	0.52
	<b>Total Technology</b>	<b>919</b>	<b>3.50</b>
<b>Total value of investments</b>		<b>25,228</b>	<b>96.14</b>
<b>Net other assets (4.75%)</b>		<b>1,012</b>	<b>3.86</b>
<b>Net assets</b>		<b>26,240</b>	<b>100.00</b>

April 2019 comparatives in brackets.

<sup>1</sup>Alternative Investment Market.

### Total Purchases and Sales

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Total purchases for the period	4,031	3,168
Total sales for the period	3,640	3,514

## Threadneedle UK Extended Alpha Fund

### Portfolio Statement

as at 31 October 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 6.62% (5.19%)</b>				<b>HEALTH CARE 6.89% (6.78%)</b>			
	<b>Oil &amp; Gas Producers 4.92% (4.03%)</b>				<b>Health Care Equipment &amp; Services 1.38% (1.98%)</b>		
342,427	Royal Dutch Shell 'B' Shares	7,634	4.92	126,208	Smith & Nephew	2,134	1.38
	<b>Oil Equipment, Services &amp; Distribution 1.70% (1.16%)</b>				<b>Pharmaceuticals &amp; Biotechnology 5.51% (4.80%)</b>		
317,948	Hunting	1,239	0.80	481,232	GlaxoSmithKline	8,549	5.51
424,138	John Wood Group	1,396	0.90		<b>Total Health Care</b>	<b>10,683</b>	<b>6.89</b>
	<b>Total Oil &amp; Gas</b>	<b>10,269</b>	<b>6.62</b>				
<b>BASIC MATERIALS 6.67% (7.60%)</b>				<b>CONSUMER SERVICES 12.47% (15.16%)</b>			
	<b>Chemicals 2.53% (3.05%)</b>				<b>Food &amp; Drug Retailers 2.97% (3.31%)</b>		
791,346	Elementis	1,147	0.74	1,974,550	Tesco	4,611	2.97
90,834	Johnson Matthey	2,774	1.79		<b>General Retailers 0.59% (0.57%)</b>		
	<b>Mining 4.14% (4.55%)</b>			140,338	Inchcape	918	0.59
160,706	Rio Tinto	6,430	4.14		<b>Media 2.18% (2.55%)</b>		
	<b>Total Basic Materials</b>	<b>10,351</b>	<b>6.67</b>	434,100	Informa	3,383	2.18
<b>INDUSTRIALS 12.24% (14.43%)</b>					<b>Travel &amp; Leisure 6.73% (8.73%)</b>		
	<b>Construction &amp; Materials 2.65% (5.34%)</b>			71,914	Carnival	2,249	1.45
2,584,934 <sup>1</sup>	Breedon Aggregates	1,706	1.10	140,928	easyJet	1,730	1.12
85,711	CRH (London Listing)	2,402	1.55	1,149,293	Restaurant Group	1,554	1.00
	<b>Aerospace &amp; Defence 2.62% (3.02%)</b>			374,726	SSP Group	2,308	1.49
1,893,334	Cobham	2,991	1.93	64,379	Whitbread	2,591	1.67
150,996	Rolls-Royce Holdings	1,076	0.69		<b>Total Consumer Services</b>	<b>19,344</b>	<b>12.47</b>
6,945,816	Rolls-Royce Holdings Preference Share	–	–				
	<b>General Industrials 2.05% (1.51%)</b>			<b>TELECOMMUNICATIONS 4.01% (2.87%)</b>			
196,792	Smiths Group	3,183	2.05		<b>Fixed Line Telecommunications 4.01% (2.87%)</b>		
	<b>Support Services 4.92% (4.56%)</b>			3,022,776	BT Group	6,221	4.01
194,396	Aggreko	1,525	0.98		<b>Total Telecommunications</b>	<b>6,221</b>	<b>4.01</b>
54,712	Ferguson	3,591	2.32	<b>UTILITIES 1.00% (0.00%)</b>			
434,321	Howden Joinery Group	2,515	1.62		<b>Electricity 1.00% (0.00%)</b>		
	<b>Total Industrials</b>	<b>18,989</b>	<b>12.24</b>	120,597	SSE	1,551	1.00
<b>CONSUMER GOODS 23.02% (22.30%)</b>					<b>Total Utilities</b>	<b>1,551</b>	<b>1.00</b>
	<b>Beverages 4.55% (4.74%)</b>			<b>FINANCIALS 20.07% (20.01%)</b>			
222,343	Diageo	7,052	4.55		<b>Banks 4.26% (4.99%)</b>		
	<b>Food Producers 1.90% (2.56%)</b>			1,595,345	Barclays	2,668	1.72
132,979	Associated British Foods	2,949	1.90	562,980	Standard Chartered	3,945	2.54
	<b>Household Goods &amp; Home Construction 7.18% (5.03%)</b>				<b>Life Insurance 7.52% (7.23%)</b>		
51,560	Berkeley Group Holdings	2,260	1.46	594,440	Prudential	8,034	5.18
336,303	Crest Nicholson Holdings	1,279	0.82	351,066	St James's Place	3,630	2.34
100,886	Persimmon	2,297	1.48		<b>Real Estate Investment &amp; Services 1.66% (1.44%)</b>		
88,965	Reckitt Benckiser Group	5,298	3.42	991,073	Grainger	2,573	1.66
	<b>Personal Goods 4.51% (3.70%)</b>				<b>Real Estate Investment Trusts 2.36% (3.47%)</b>		
80,263	Burberry Group	1,638	1.06	102,679	Derwent London	3,664	2.36
115,957	Unilever	5,355	3.45		<b>Financial Services 4.27% (2.88%)</b>		
	<b>Tobacco 4.88% (6.27%)</b>			40,324	London Stock Exchange Group	2,833	1.83
182,838	British American Tobacco	5,001	3.22	877,318	M&G Prudential	1,869	1.21
148,521	Imperial Brands	2,580	1.66	81,943	Schroders Non-voting	1,909	1.23
	<b>Total Consumer Goods</b>	<b>35,709</b>	<b>23.02</b>		<b>Total Financials</b>	<b>31,125</b>	<b>20.07</b>

## Threadneedle UK Extended Alpha Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>TECHNOLOGY 1.19% (1.72%)</b>			
<b>Software &amp; Computer Services 1.19% (1.72%)</b>			
257,260	Sage Group	1,847	1.19
	<b>Total Technology</b>	<b>1,847</b>	<b>1.19</b>
<b>COLLECTIVE INVESTMENT SCHEMES 3.55% (0.00%)</b>			
<b>Liquidity Funds 3.55% (0.00%)<sup>1</sup></b>			
5,503,520	BlackRock Institutional Cash Series Sterling Liquidity Platinum	5,504	3.55
	<b>Total Collective Investment Schemes</b>	<b>5,504</b>	<b>3.55</b>
<b>DERIVATIVES 0.47% (-0.04%)</b>			
<b>Portfolio Swap 0.47% (-0.04%)</b>			
	USB Portfolio Swap	736	0.47
	<b>Total Derivatives</b>	<b>736</b>	<b>0.47</b>
	<b>Total value of investments<sup>2</sup></b>	<b>152,329</b>	<b>98.20</b>
	<b>Net other assets (3.98%)</b>	<b>2,793</b>	<b>1.80</b>
	<b>Net assets</b>	<b>155,122</b>	<b>100.00</b>

April 2019 comparatives in brackets.

<sup>1</sup>Alternative Investment Market.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

### Total Purchases and Sales

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Total purchases for the period	61,690	25,967
Total sales for the period	47,886	21,840

## Threadneedle UK Equity Alpha Income Fund

### Portfolio Statement

as at 31 October 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 3.50% (3.87%)</b>				<b>TELECOMMUNICATIONS 2.82% (3.04%)</b>			
	<b>Oil &amp; Gas Producers 3.50% (3.87%)</b>				<b>Fixed Line Telecommunications 2.82% (3.04%)</b>		
567,591	Royal Dutch Shell 'B' Shares	12,654	3.50	4,950,281	BT Group	10,188	2.82
	<b>Total Oil &amp; Gas</b>	<b>12,654</b>	<b>3.50</b>		<b>Total Telecommunications</b>	<b>10,188</b>	<b>2.82</b>
<b>BASIC MATERIALS 2.12% (2.34%)</b>				<b>UTILITIES 4.65% (4.99%)</b>			
	<b>Chemicals 2.12% (2.34%)</b>				<b>Gas, Water &amp; Multiutilities 4.65% (4.99%)</b>		
250,470	Johnson Matthey	7,649	2.12	8,981,974	Centrica	6,498	1.80
	<b>Total Basic Materials</b>	<b>7,649</b>	<b>2.12</b>	1,152,045	Pennon Group	10,306	2.85
					<b>Total Utilities</b>	<b>16,804</b>	<b>4.65</b>
<b>INDUSTRIALS 19.02% (18.08%)</b>				<b>FINANCIALS 17.66% (18.37%)</b>			
	<b>Aerospace &amp; Defence 3.81% (3.73%)</b>				<b>Nonlife Insurance 3.96% (4.15%)</b>		
8,700,287	Cobham	13,747	3.81	2,751,248	RSA Insurance Group	14,301	3.96
	<b>General Industrials 3.14% (2.97%)</b>				<b>Life Insurance 8.79% (9.87%)</b>		
700,277	Smiths Group	11,327	3.14	4,624,394	Legal & General Group	12,144	3.36
	<b>Industrial Engineering 1.60% (1.59%)</b>			2,816,550	Phoenix Group Holdings	19,603	5.43
1,620,846	Castings	5,770	1.60		<b>Real Estate Investment Trusts 3.84% (3.29%)</b>		
	<b>Support Services 10.47% (9.79%)</b>			5,956,260	Londonmetric Property REIT	13,854	3.84
3,009,360	Electrocomponents	20,596	5.70		<b>Financial Services 1.07% (1.06%)</b>		
3,781,486	Rentokil Initial	17,228	4.77	6,758,266	Sherborne Investors Guernsey	3,852	1.07
	<b>Total Industrials</b>	<b>68,668</b>	<b>19.02</b>		<b>Total Financials</b>	<b>63,754</b>	<b>17.66</b>
<b>CONSUMER GOODS 10.61% (12.60%)</b>				<b>TECHNOLOGY 4.87% (4.03%)</b>			
	<b>Food Producers 3.18% (3.60%)</b>				<b>Technology Hardware &amp; Equipment 4.87% (4.03%)</b>		
1,710,664	Tate & Lyle	11,503	3.18	8,838,487	Spirent Communications	17,571	4.87
	<b>Personal Goods 3.38% (3.37%)</b>				<b>Total Technology</b>	<b>17,571</b>	<b>4.87</b>
264,138	Unilever	12,198	3.38				
	<b>Tobacco 4.05% (5.63%)</b>			<b>COLLECTIVE INVESTMENT SCHEMES 0.25% (0.02%)</b>			
842,366	Imperial Brands	14,630	4.05		<b>Liquidity Funds 0.25% (0.02%)<sup>1</sup></b>		
	<b>Total Consumer Goods</b>	<b>38,331</b>	<b>10.61</b>	908,256	BlackRock Institutional Cash Series		
					Sterling Liquidity Platinum	908	0.25
					<b>Total Collective Investment Schemes</b>	<b>908</b>	<b>0.25</b>
<b>HEALTH CARE 16.88% (14.25%)</b>				<b>Total value of investments<sup>2</sup></b>			
	<b>Pharmaceuticals &amp; Biotechnology 16.88% (14.25%)</b>					<b>367,546</b>	<b>101.78</b>
479,599	AstraZeneca	35,701	9.89		<b>Net other liabilities (-3.06%)</b>	<b>(6,429)</b>	<b>(1.78)</b>
1,421,669	GlaxoSmithKline	25,255	6.99		<b>Net assets</b>	<b>361,117</b>	<b>100.00</b>
	<b>Total Health Care</b>	<b>60,956</b>	<b>16.88</b>	<i>April 2019 comparatives in brackets.</i>			
<b>CONSUMER SERVICES 19.40% (21.47%)</b>				<i><sup>1</sup>Cash equivalents.</i>			
	<b>Food &amp; Drug Retailers 4.40% (4.61%)</b>			<i><sup>2</sup>Includes Cash equivalents.</i>			
7,984,980	WM Morrison Supermarkets	15,906	4.40	<b>Total Purchases and Sales</b>			
	<b>General Retailers 2.66% (3.49%)</b>			<i>for the accounting period 1 May 2019 to 31 October 2019</i>			
5,277,955	Marks & Spencer Group	9,622	2.66			<b>2019</b>	<b>2018</b>
	<b>Media 6.21% (7.12%)</b>					<b>£000</b>	<b>£000</b>
7,434,189	ITV	9,817	2.72			Total purchases for the period	19,506
1,838,963	Pearson	12,601	3.49			Total sales for the period	26,828
	<b>Travel &amp; Leisure 6.13% (6.25%)</b>						108,348
9,962,383	Restaurant Group	13,469	3.73				
6,257,786	Stagecoach Group	8,648	2.40				
	<b>Total Consumer Services</b>	<b>70,063</b>	<b>19.40</b>				

## Threadneedle UK Absolute Alpha Fund

### Portfolio Statement

as at 31 October 2019

	Value £000	% of Net Asset Value		Value £000	% of Net Asset Value
<b>GOVERNMENT BONDS 21.30% (17.81%)</b>			<b>HEALTH CARE 2.52% (4.98%)</b>		
			<b>Health Care Equipment &amp; Services 0.47% (1.49%)</b>		
GBP 17,000,000 United Kingdom Gilt 0% 04/11/2019	17,000	6.51	72,156 Smith & Nephew	1,220	0.47
GBP 9,359,000 United Kingdom Gilt 0% 11/11/2019	9,357	3.58			
GBP 8,200,000 United Kingdom Gilt 0% 18/11/2019	8,197	3.14	<b>Pharmaceuticals &amp; Biotechnology 2.05% (3.49%)</b>		
GBP 5,000,000 United Kingdom Gilt 0% 25/11/2019	4,998	1.92	301,346 GlaxoSmithKline	5,353	2.05
GBP 5,000,000 United Kingdom Gilt 0% 02/12/2019	4,997	1.91	<b>Total Health Care</b>	<b>6,573</b>	<b>2.52</b>
GBP 10,091,000 United Kingdom Gilt 0% 09/12/2019	10,083	3.86			
GBP 1,000,000 United Kingdom Gilt 0% 16/12/2019	999	0.38	<b>CONSUMER SERVICES 14.13% (11.56%)</b>		
<b>Total Government Bonds</b>	<b>55,631</b>	<b>21.30</b>	<b>Food &amp; Drug Retailers 2.81% (3.43%)</b>		
			3,139,677 Tesco	7,331	2.81
<b>OIL &amp; GAS 2.94% (3.29%)</b>			<b>Media 6.42% (4.81%)</b>		
			897,262 Ascential	3,124	1.19
<b>Oil &amp; Gas Producers 2.94% (3.29%)</b>			370,929 Informa	2,891	1.11
344,806 Royal Dutch Shell 'B' Shares	7,688	2.94	2,311,427 ITV	3,052	1.17
<b>Total Oil &amp; Gas</b>	<b>7,688</b>	<b>2.94</b>	412,567 RELX (London Listing)	7,703	2.95
			<b>Travel &amp; Leisure 4.90% (3.32%)</b>		
<b>BASIC MATERIALS 3.28% (4.62%)</b>			251,718 Compass Group	5,190	1.99
			2,005,314 Restaurant Group	2,711	1.04
<b>Chemicals 1.10% (2.59%)</b>			383,815 SSP Group	2,364	0.90
94,128 Johnson Matthey	2,875	1.10	63,322 Whitbread	2,548	0.97
<b>Mining 2.18% (2.03%)</b>			<b>Total Consumer Services</b>	<b>36,914</b>	<b>14.13</b>
142,140 Rio Tinto	5,687	2.18			
<b>Total Basic Materials</b>	<b>8,562</b>	<b>3.28</b>	<b>TELECOMMUNICATIONS 2.97% (2.37%)</b>		
			<b>Fixed Line Telecommunications 1.72% (2.37%)</b>		
<b>INDUSTRIALS 4.10% (4.71%)</b>			2,183,272 BT Group	4,493	1.72
			<b>Mobile Telecommunications 1.25% (0.00%)</b>		
<b>Construction &amp; Materials 1.97% (1.81%)</b>			2,074,927 Vodafone Group	3,267	1.25
7,798,623 'Breedon Aggregates	5,147	1.97	<b>Total Telecommunications</b>	<b>7,760</b>	<b>2.97</b>
<b>General Industrials 1.16% (1.74%)</b>					
848,417 DS Smith	3,030	1.16	<b>UTILITIES 0.52% (0.00%)</b>		
<b>Industrial Engineering 0.97% (0.00%)</b>			<b>Electricity 0.52% (0.00%)</b>		
185,833 Weir Group	2,532	0.97	105,734 SSE	1,360	0.52
<b>Support Services 0.00% (1.16%)</b>			<b>Total Utilities</b>	<b>1,360</b>	<b>0.52</b>
<b>Total Industrials</b>	<b>10,709</b>	<b>4.10</b>			
			<b>FINANCIALS 16.10% (18.52%)</b>		
<b>CONSUMER GOODS 8.60% (10.58%)</b>			<b>Life Insurance 5.29% (7.27%)</b>		
			2,122,863 Legal & General Group	5,575	2.13
<b>Beverages 2.30% (3.12%)</b>			310,169 Prudential	4,192	1.61
189,544 Diageo	6,011	2.30	390,713 St James's Place	4,040	1.55
<b>Food Producers 0.00% (1.47%)</b>			<b>Real Estate Investment Trusts 3.01% (2.66%)</b>		
<b>Household Goods &amp; Home Construction 2.75% (0.00%)</b>			220,184 Derwent London	7,856	3.01
40,717 Berkeley Group Holdings	1,785	0.68	<b>Financial Services 7.80% (8.59%)</b>		
112,584 Persimmon	2,564	0.98	278,774 Intermediate Capital Group	4,137	1.58
47,596 Reckitt Benckiser Group	2,834	1.09	117,105 London Stock Exchange Group	8,228	3.15
<b>Personal Goods 2.03% (2.48%)</b>			1,624,288 M&G Prudential	3,460	1.33
115,042 Unilever	5,313	2.03	195,328 Schroders Non-voting	4,551	1.74
<b>Tobacco 1.52% (3.51%)</b>			<b>Total Financials</b>	<b>42,039</b>	<b>16.10</b>
144,972 British American Tobacco	3,965	1.52			
<b>Total Consumer Goods</b>	<b>22,472</b>	<b>8.60</b>			

## Threadneedle UK Absolute Alpha Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>TECHNOLOGY 0.00% (1.92%)</b>			
	Software & Computer Services 0.00% (1.92%)		
	<b>Total Technology</b>	–	–
<b>COLLECTIVE INVESTMENT SCHEMES 8.86% (9.36%)</b>			
	Liquidity Funds 8.86% (9.36%) <sup>1</sup>		
23,131,440	BlackRock Institutional Cash Series Sterling Liquidity Platinum	23,131	8.86
	<b>Total Collective Investment Schemes</b>	<b>23,131</b>	<b>8.86</b>
<b>DERIVATIVES 0.00% (–1.07%)</b>			
	Futures and Options 0.08% (–0.69%)		
(329)	UBS FTSE 100 Future Expiring December 2019	225	0.08
	Forward Foreign Exchange Contracts 0.00% (0.00%)		
	Sell GBP 71,899		
	Buy USD 92,355 J.P. Morgan	(1)	–
	Portfolio Swap –0.08% (–0.38%)		
	UBS Portfolio Swap	(216)	(0.08)
	<b>Total Derivatives</b>	<b>8</b>	<b>–</b>
	<b>Total value of investments<sup>2</sup></b>	<b>222,847</b>	<b>85.32</b>
	<b>Net other assets (11.35%)</b>	<b>38,354</b>	<b>14.68</b>
	<b>Net assets</b>	<b>261,201</b>	<b>100.00</b>

April 2019 comparatives in brackets.

<sup>1</sup>Alternative Investment Market.

<sup>2</sup>Cash equivalents.

<sup>3</sup>Includes Cash equivalents.

### ANALYSIS OF INVESTMENTS BY ASSET CLASS

	Value £000	% of Net Asset Value
Fixed interest	55,631	24.96
Collective Investment Schemes	23,131	10.38
Derivatives	8	–
Equity	144,077	64.65
<b>Total value of investments<sup>2</sup></b>	<b>222,847</b>	<b>100.00</b>

### ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS

	Value £000
UBS FTSE 100 Future Expiring December 2019	(23,799)
<b>Total net exposure</b>	<b>(23,799)</b>

### Total Purchases and Sales

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Total purchases for the period	304,882	606,048
Total sales for the period	351,589	690,111

## Threadneedle Sterling Medium and Long-Dated Corporate Bond Fund

### Portfolio Statement

as at 31 October 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>AUSTRALIA 1.79% (1.92%)</b>				<b>A+ 0.74% (0.00%)</b>			
	<b>A 0.48% (0.65%)</b>			600,000	Total Capital International 1.405% 03/09/2031	589	0.19
710,000	BHP Billiton Finance 4.3% 25/09/2042	986	0.31	1,700,000	Total Capital International 1.66% 22/07/2026	1,737	0.55
525,000	Westfield America Management 2.625% 30/03/2029	551	0.17	<b>A 0.69% (0.00%)</b>			
	<b>A- 0.44% (0.42%)</b>			2,200,000	Banque Fédérative du Crédit Mutuel 1.5% 07/10/2026	2,172	0.69
1,721,000	SGSP Australia Assets 3.25% 29/07/2026	1,374	0.44	<b>A- 3.74% (4.02%)</b>			
	<b>BBB 0.87% (0.85%)</b>			750,000	BNP Paribas 3.375% 23/01/2026	814	0.26
2,475,000	APT Pipelines 3.5% 22/03/2030	2,748	0.87	2,000,000	Electricite de France 4.5% 21/09/2028	1,736	0.55
	<b>Total Australia</b>	<b>5,659</b>	<b>1.79</b>	3,150,000	Electricite de France 5.125% 22/09/2050	4,625	1.47
				2,400,000	Electricite de France 5.5% 17/10/2041	3,495	1.11
<b>BELGIUM 0.39% (0.58%)</b>				1,000,000	Vinci 2.75% 15/09/2034	1,113	0.35
	<b>A- 0.39% (0.58%)</b>			<b>BBB+ 1.55% (1.58%)</b>			
1,200,000	Anheuser-Busch 2.25% 24/05/2029	1,241	0.39	1,200,000	*AXA FRN 16/01/2054	1,469	0.47
	<b>Total Belgium</b>	<b>1,241</b>	<b>0.39</b>	1,100,000	Orange 3.25% 15/01/2032	1,235	0.39
				400,000	Orange 5.375% 22/11/2050	632	0.20
<b>BERMUDA 0.58% (0.53%)</b>				500,000	Orange 5.625% 23/01/2034	708	0.22
	<b>BBB- 0.58% (0.53%)</b>			557,000	Orange 8.125% 20/11/2028	848	0.27
2,179,000	Bacardi 5.15% 15/05/2038	1,837	0.58	<b>Not rated 0.48% (0.47%)</b>			
	<b>Total Bermuda</b>	<b>1,837</b>	<b>0.58</b>	1,275,000	*Credit Agricole 7.5% 31/12/2049	1,526	0.48
				<b>Total France</b>			
<b>CAYMAN ISLANDS 3.02% (3.05%)</b>						<b>24,555</b>	<b>7.78</b>
	<b>AA+ 0.24% (0.25%)</b>			<b>GERMANY 2.41% (2.36%)</b>			
850,000	*Trafford Centre Finance FRN 28/07/2035 A3	759	0.24	<b>AAA 2.18% (2.13%)</b>			
	<b>AA 0.52% (0.52%)</b>			3,720,000	KFW 5% 09/06/2036	5,879	1.86
1,200,000	Dwr Cymru Financing 6.015% 31/03/2028	1,640	0.52	650,000	KFW 5.75% 07/06/2032	1,008	0.32
	<b>A- 0.18% (0.18%)</b>			<b>BB+ 0.23% (0.23%)</b>			
400,000	Yorkshire Power Finance Cayman Islands 7.25% 04/08/2028	579	0.18	800,000	ADLER Real Estate 3% 27/04/2026	710	0.23
	<b>BBB+ 1.87% (1.89%)</b>			<b>Total Germany</b>			
2,500,000	Thames Water Utilities Cayman Finance 2.625% 24/01/2032	2,573	0.82			<b>7,597</b>	<b>2.41</b>
2,240,000	Thames Water Utilities Cayman Finance 3.5% 25/02/2028	2,472	0.78	<b>JERSEY 2.35% (2.84%)</b>			
775,000	Thames Water Utilities Cayman Finance 4% 19/06/2025	867	0.27	<b>A- 1.05% (1.02%)</b>			
	<b>BBB- 0.21% (0.21%)</b>			310,000	Heathrow Funding 2.75% 09/08/2049	326	0.10
650,000	Thames Water Utilities 2.875% 03/05/2027	657	0.21	625,000	Heathrow Funding 4.625% 31/10/2046	881	0.28
	<b>Total Cayman Islands</b>	<b>9,547</b>	<b>3.02</b>	1,350,000	Heathrow Funding 5.875% 13/05/2041	2,118	0.67
				<b>BBB+ 0.68% (1.00%)</b>			
<b>DENMARK 0.56% (0.00%)</b>				800,000	Gatwick Funding 3.125% 28/09/2039	866	0.28
	<b>BBB+ 0.56% (0.00%)</b>			1,225,000	Glencore Finance Europe 3.125% 26/03/2026	1,258	0.40
675,000	Orsted 2.125% 17/05/2027	707	0.22	<b>BBB 0.62% (0.82%)</b>			
1,000,000	Orsted 2.5% 16/05/2033	1,072	0.34	850,000	CPUK Finance 3.69% 28/08/2028	924	0.29
	<b>Total Denmark</b>	<b>1,779</b>	<b>0.56</b>	440,000	CPUK Finance 3.69% 28/08/2028 (Dublin Listing)	478	0.15
				419,000	*HSBC Bank Capital Funding Sterling 1 5.844% 29/11/2049	561	0.18
<b>FRANCE 7.78% (6.63%)</b>				<b>Total Jersey</b>			
	<b>AA 0.58% (0.56%)</b>					<b>7,412</b>	<b>2.35</b>
675,000	Reseau Ferre de France 5% 11/03/2052	1,177	0.37	<b>LUXEMBOURG 0.30% (0.00%)</b>			
455,000	Reseau Ferre de France 5.25% 31/01/2035	679	0.21	<b>BBB+ 0.30% (0.00%)</b>			
				930,000	Aroundtown 3.625% 10/04/2031	956	0.30
				<b>Total Luxembourg</b>			
						<b>956</b>	<b>0.30</b>

## Threadneedle Sterling Medium and Long-Dated Corporate Bond Fund

### Portfolio Statement

(continued)

		Value £000	% of Net Asset Value			Value £000	% of Net Asset Value
<b>MEXICO 0.91% (0.96%)</b>				<b>SINGAPORE 0.53% (0.50%)</b>			
	<b>A- 0.49% (0.55%)</b>				<b>AAA 0.53% (0.50%)</b>		
550,000	America Movil 4.375% 07/08/2041	719	0.23	1,040,000	Temasek Financial 5.125% 26/07/2040	1,661	0.53
270,000	America Movil 4.948% 22/07/2033	361	0.11		<b>Total Singapore</b>	<b>1,661</b>	<b>0.53</b>
375,000	America Movil 5% 27/10/2026	457	0.15				
	<b>BBB+ 0.42% (0.41%)</b>			<b>SPAIN 0.68% (0.69%)</b>			
630,000	Petroleos Mexicanos 3.75% 16/11/2025	612	0.19		<b>BBB 0.68% (0.69%)</b>		
648,000	United Mexican States 5.625% 19/03/2114	717	0.23	825,000	Telefonica Emisiones 5.375% 02/02/2026	994	0.31
	<b>Total Mexico</b>	<b>2,866</b>	<b>0.91</b>	900,000	Telefonica Emisiones 5.445% 08/10/2029	1,159	0.37
					<b>Total Spain</b>	<b>2,153</b>	<b>0.68</b>
<b>NETHERLANDS 6.39% (6.42%)</b>				<b>SUPRANATIONAL 2.52% (2.46%)</b>			
	<b>AAA 0.47% (0.47%)</b>				<b>AAA 2.52% (1.65%)</b>		
1,100,000	Bank Nederlandse Gemeenten 5.2% 07/12/2028	1,496	0.47	443,000	European Investment Bank 0% 07/12/2028	405	0.13
	<b>AA- 0.30% (0.30%)</b>			2,525,000	European Investment Bank 1% 21/09/2026	2,549	0.81
900,000	JT International Financial Services 2.75% 28/09/2033	945	0.30	2,800,000	European Investment Bank 3.875% 08/06/2037	3,940	1.25
	<b>A- 0.00% (0.70%)</b>			645,000	European Investment Bank 4.5% 07/03/2044	1,057	0.33
	<b>BBB+ 2.05% (1.47%)</b>				<b>Aaa 0.00% (0.81%)</b>		
2,425,000	Co-operative Rabobank 4.625% 23/05/2029	2,886	0.92		<b>Total Supranational</b>	<b>7,951</b>	<b>2.52</b>
1,065,000	Enel Finance International 5.75% 14/09/2040	1,553	0.49	<b>SWEDEN 0.68% (0.80%)</b>			
1,900,000	Volkswagen International Finance 3.375% 16/11/2026	2,031	0.64		<b>BBB 0.68% (0.80%)</b>		
	<b>BBB 3.57% (3.48%)</b>			2,100,000	Akelius Residential 2.375% 15/08/2025	2,148	0.68
875,000	E.ON International Finance 6.375% 07/06/2032	1,265	0.40		<b>Total Sweden</b>	<b>2,148</b>	<b>0.68</b>
1,090,000	E.ON International Finance 6.65% 30/04/2038	1,154	0.37	<b>SWITZERLAND 0.53% (0.52%)</b>			
1,300,000	E.ON International Finance 6.75% 27/01/2039	2,117	0.67		<b>BBB+ 0.43% (0.42%)</b>		
400,000	Innogy Finance 4.75% 31/01/2034	513	0.16	610,000	*Credit Suisse Group 3.869% 12/01/2029	501	0.16
850,000	Innogy Finance 6.125% 06/07/2039	1,307	0.41	1,023,000	UBS 5.125% 15/05/2024	850	0.27
2,600,000	Innogy Finance 6.25% 03/06/2030	3,598	1.14		<b>BB+ 0.10% (0.10%)</b>		
1,250,000	LafargeHolcim Sterling Finance 3% 12/05/2032	1,316	0.42	370,000	*UBS Group 7% 29/12/2049	319	0.10
	<b>Total Netherlands</b>	<b>20,181</b>	<b>6.39</b>		<b>Total Switzerland</b>	<b>1,670</b>	<b>0.53</b>
<b>NORWAY 0.33% (0.31%)</b>				<b>UNITED KINGDOM 48.51% (50.88%)</b>			
	<b>A3 0.33% (0.31%)</b>				<b>AAA 1.89% (2.28%)</b>		
800,000	WHG Treasury 4.25% 06/10/2045	1,053	0.33	1,300,000	Broadgate Financing 4.949% 05/04/2029	725	0.23
	<b>Total Norway</b>	<b>1,053</b>	<b>0.33</b>	1,790,000	Santander UK 5.25% 16/02/2029	2,391	0.76
<b>REPUBLIC OF IRELAND 1.67% (1.14%)</b>				850,000	Wellcome Trust Finance 2.517% 07/02/2118	1,021	0.32
	<b>BBB+ 1.04% (1.03%)</b>			1,220,000	Wellcome Trust Finance 4.625% 25/07/2036	1,830	0.58
2,225,000	GE Capital UK Funding 5.875% 18/01/2033	2,807	0.89		<b>Aaa 2.17% (2.11%)</b>		
300,000	GE Capital UK Funding 8% 14/01/2039	461	0.15	1,325,000	Clydesdale Bank 4.625% 08/06/2026	1,620	0.51
	<b>Not Rated 0.00% (0.11%)</b>			1,871,000	Lloyds Bank 4.875% 30/03/2027	2,351	0.75
	<b>Liquidity Funds 0.63% (0.00%)<sup>1</sup></b>			800,000	Lloyds Bank 6% 08/02/2029	1,121	0.36
2,000,000	BlackRock Institutional Cash Series Sterling Liquidity Platinum	2,000	0.63	300,000	University of Cambridge 2.35% 27/06/2078	361	0.11
	<b>Total Republic of Ireland</b>	<b>5,268</b>	<b>1.67</b>	310,000	University of Cambridge 3.75% 17/10/2052	481	0.15
				750,000	University of Oxford 2.544% 08/12/2117	907	0.29

## Threadneedle Sterling Medium and Long-Dated Corporate Bond Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED KINGDOM 48.51% (50.88%) (continued)</b>							
	<b>AA 4.20% (4.33%)</b>			350,000	Clarion Housing Group 3.125% 19/04/2048	403	0.13
1,100,000	Integrated Accommodation Services 6.48% 31/03/2029	767	0.24	825,000	*HSBC Holdings Variable 22/07/2028	884	0.28
1,887,000	Juturna European Loan Conduit No 16 5.0636% 10/08/2033	1,985	0.63	95,000	Legal & General Finance 5.875% 05/04/2033	138	0.04
655,000	Land Securities Capital Markets 2.399% 08/02/2029	692	0.22	1,107,000	Motability Operations 2.375% 03/07/2039	1,151	0.36
650,000	Land Securities Capital Markets 2.75% 22/09/2057	721	0.23	1,050,000	Motability Operations Group 2.375% 14/03/2032	1,119	0.35
2,675,000	LCR Finance 4.5% 07/12/2028	3,511	1.11	620,000	Motability Operations Group 4.375% 08/02/2027	749	0.24
1,315,000	Network Rail Infrastructure Finance 4.75% 29/11/2035	1,987	0.63	409,000	Northern Powergrid Yorkshire 2.25% 09/10/2059	397	0.13
1,170,000	Octagon Healthcare Funding 5.333% 31/12/2035	1,251	0.40	575,000	Northern Powergrid Yorkshire 2.5% 01/04/2025	607	0.19
1,875,000	Telereal Securitisation 5.9478% 10/12/2031	1,742	0.55	365,000	Penarian Housing 3.212% 07/06/2052	399	0.13
530,000	White City Property 5.1202% 17/04/2035	604	0.19	835,000	UNITE USAF II 3.921% 30/06/2025	930	0.29
	<b>Aa2 0.13% (0.13%)</b>				<b>A2 0.33% (0.30%)</b>		
305,000	Merseylink 3.842% 31/03/2043	425	0.13	900,000	Optivo Finance 3.283% 22/03/2048	1,039	0.33
	<b>Aa2u 1.90% (3.00%)</b>				<b>A- 8.06% (8.11%)</b>		
230,000	United Kingdom Gilt 1.5% 22/07/2047	249	0.08	1,235,000	Anglian Water Services Financing 1.625% 10/08/2025	1,246	0.40
450,000	United Kingdom Gilt 1.625% 22/10/2071	558	0.18	830,000	Anglian Water Services Financing 2.75% 26/10/2029	901	0.29
580,000	United Kingdom Gilt 1.75% 07/09/2037	647	0.21	1,743,000	BP Capital Markets 2.274% 03/07/2026	1,841	0.58
1,100,000	United Kingdom Gilt 1.75% 22/07/2057	1,333	0.42	1,294,000	Home Group 3.125% 27/03/2043	1,395	0.44
540,000	United Kingdom Gilt 3.25% 22/01/2044	779	0.25	550,000	HSBC Bank 4.75% 24/03/2046	713	0.23
462,500	United Kingdom Gilt 3.5% 22/07/2068	891	0.28	3,294,000	HSBC Bank 5.375% 22/08/2033	4,308	1.36
765,000	United Kingdom Gilt 4% 22/01/2060	1,500	0.48	500,000	*HSBC Bank 5.375% FRN 04/11/2030	588	0.19
	<b>AA- 0.34% (0.59%)</b>			2,200,000	London Power Networks 2.625% 01/03/2029	2,341	0.74
400,000	BG Energy Capital 5% 04/11/2036	580	0.18	312,000	London Power Networks 6.125% 07/06/2027	408	0.13
375,000	Transport for London 5% 31/03/2035	510	0.16	458,000	National Grid Electricity Transmission 2% 16/09/2038	455	0.14
	<b>Aa3 0.15% (0.13%)</b>			1,225,000	National Grid Electricity Transmission 2.75% 06/02/2035	1,355	0.43
450,000	University of Southampton 2.25% 11/04/2057	457	0.15	470,000	Notting Hill Housing Trust 3.25% 12/10/2048	509	0.16
	<b>A+ 5.32% (5.12%)</b>			276,000	QHT 4% 20/07/2049	274	0.09
133,000	Accent Capital 2.625% 18/07/2049	142	0.05	530,000	Royal Bank of Scotland 7.5% 29/04/2024	655	0.21
1,500,000	Aster Treasury 4.5% 18/12/2043	2,078	0.66	1,525,000	Sky 4% 26/11/2029	1,839	0.58
1,000,000	Broadgate Finance 5.098% 05/04/2033	1,111	0.35	437,000	South Eastern Power Networks 6.375% 12/11/2031	643	0.20
850,000	Bromford Housing Group 3.125% 03/05/2048	996	0.32	1,700,000	United Utilities Water Finance 2.625% 12/02/2031	1,871	0.59
196,000	Cambridgeshire Housing Capital 4.25% 15/09/2045	261	0.08	393,000	Western Power Distribution 1.75% 09/09/2031	384	0.12
875,000	Futures Treasury 3.375% 08/02/2044	1,029	0.33	2,200,000	Western Power Distribution 2.375% 16/05/2029	2,286	0.72
2,275,000	GlaxoSmithKline 5.25% 19/12/2033	3,259	1.03	1,050,000	Western Power Distribution West Midlands 5.75% 16/04/2032	1,463	0.46
275,000	Incommunities 3.25% 21/03/2049	329	0.10		<b>A3 0.31% (0.29%)</b>		
590,000	Karbon Homes 3.375% 15/11/2047	726	0.23	550,000	Paragon Treasury 3.625% 21/01/2047	655	0.21
1,380,000	Lloyds Bank 6.5% 17/09/2040	2,330	0.74	226,000	Peabody Capital 4.625% 12/12/2053	329	0.10
1,430,000	Longstone Finance 4.791% 19/04/2030	924	0.29		<b>BBB+ 8.05% (8.12%)</b>		
363,000	Sovereign Housing Capital 2.375% 04/11/2048	363	0.12	750,000	*Aviva 4.375% 12/09/2049	808	0.26
1,601,000	Unilever 1.5% 22/07/2026	1,622	0.51	900,000	*Aviva 6.875% 20/05/2058	1,275	0.40
1,250,000	Wheatley Group Capital 4.375% 28/11/2044	1,616	0.51				
	<b>A 2.64% (2.17%)</b>						
850,000	Catalyst Housing 3.125% 31/10/2047	962	0.31				
400,000	Circle Anglia Social Housing 5.2% 02/03/2044	608	0.19				

## Threadneedle Sterling Medium and Long-Dated Corporate Bond Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED KINGDOM 48.51% (50.88%) (continued)</b>				<b>BBB- 1.35% (3.06%)</b>			
740,000	BAT International Finance 6% 24/11/2034	966	0.31	1,515,000	DS Smith 2.875% 26/07/2029	1,560	0.49
2,225,000	Bunzl Finance 2.25% 11/06/2025	2,278	0.72	1,412,000	GKN Holdings 4.625% 15/05/2032	1,439	0.46
2,050,000	Cadent Finance 2.625% 22/09/2038	2,101	0.67	240,000	Marks & Spencer 4.75% 12/06/2025	263	0.08
2,100,000	Cadent Finance 2.75% 22/09/2046	2,158	0.68	850,000	Standard Chartered 5.125% 06/06/2034	1,008	0.32
700,000	*Legal & General Group 5.5% 27/06/2064	827	0.26	<b>Baa3 0.00% (0.21%)</b>			
2,200,000	*Legal & General Group Variable 14/11/2048	2,468	0.78	<b>BB+ 1.35% (1.03%)</b>			
440,000	NIE Finance 2.5% 27/10/2025 (BSE)	461	0.15	570,000	Delamare Finance 5.5457% 29/02/2029	546	0.17
385,000	NIE Finance 2.5% 27/10/2025 (LSE)	403	0.13	1,225,000	Tesco Property Finance 1 7.6227% 13/07/2039	1,549	0.49
950,000	Northern Gas Networks Finance 4.875% 15/11/2035	1,309	0.41	700,000	Tesco Property Finance 3 5.744% 13/04/2040	875	0.28
1,095,000	Northumbrian Water Finance 1.625% 11/10/2026	1,094	0.35	1,075,000	Tesco Property Finance 6 5.4111% 13/07/2044	1,301	0.41
945,000	Northumbrian Water Finance 2.375% 05/10/2027	991	0.31	<b>BB- 0.16% (0.16%)</b>			
890,000	*Royal London Finance No 4 Variable 07/10/2049	891	0.28	490,000	Virgin Media 4.875% 15/01/2027	507	0.16
685,000	*RSA Insurance Group 5.125% 10/10/2045	768	0.24	<b>Not Rated 1.64% (1.76%)</b>			
777,000	Scottish Hydro Electric 2.25% 27/09/2035	773	0.25	2,050,000	Newriver REIT 3.5% 07/03/2028	2,066	0.65
900,000	Severn Trent Utilities Finance 2.75% 05/12/2031	983	0.31	950,000	Pension Insurance 5.625% 20/09/2030	1,037	0.33
1,450,000	Severn Trent Utilities Finance 3.625% 16/01/2026	1,616	0.51	390,000	Prudential 5.875% 11/05/2029	533	0.17
625,000	Severn Trent Utilities Finance 4.875% 24/01/2042	896	0.28	1,450,000	Segro 2.875% 11/10/2037	1,551	0.49
380,000	Southern Electric Power Distribution 4.625% 20/02/2037	494	0.16	<b>Total United Kingdom</b>			
678,000	Southern Gas Networks 3.1% 15/09/2036	764	0.24	<b>153,142 48.51</b>			
1,030,000	Western Power Distribution 3.5% 16/10/2026	1,096	0.35	<b>UNITED STATES OF AMERICA 15.65% (13.70%)</b>			
<b>Baa1 1.08% (1.10%)</b>				<b>AA+ 0.17% (0.11%)</b>			
3,000,000	Bupa Finance 5% 08/12/2026	3,403	1.08	547,000	New York Life Global Funding 1.25% 17/12/2026	544	0.17
<b>BBB 6.57% (6.06%)</b>				<b>AA 0.66% (0.00%)</b>			
510,000	Anglian Water Services Financing 2.625% 15/06/2027	510	0.16	405,000	Berkshire Hathaway Finance 2.375% 19/06/2039	427	0.13
580,000	Annington Funding 3.685% 12/07/2034	641	0.20	1,213,000	Berkshire Hathaway Finance 2.625% 19/06/2059	1,361	0.43
1,925,000	Barclays 3.25% 17/01/2033	2,031	0.64	342,971	*SLM Student Loan Trusts FRN 15/12/2039	321	0.10
1,800,000	British Telecommunications 3.125% 21/11/2031	1,944	0.62	<b>AA- 0.52% (0.35%)</b>			
1,771,000	Imperial Brands Finance 5.5% 28/09/2026	2,109	0.67	1,100,000	Metropolitan Life Global Funding 1.625% 21/09/2029	1,097	0.35
1,550,000	Lloyds Bank 7.625% 22/04/2025	1,981	0.63	500,000	Procter & Gamble 1.8% 03/05/2029	526	0.17
440,000	*NGG Finance 5.625% 18/06/2073	492	0.16	<b>A- 2.97% (3.49%)</b>			
650,000	*Prudential 6.34% 19/12/2063	783	0.25	3,050,000	Anheuser-Busch InBev 4.7% 01/02/2036	2,698	0.85
1,475,000	*Prudential Variable 20/10/2051	1,678	0.53	1,300,000	Bank of America 7% 31/07/2028	1,844	0.58
1,154,000	RMPA Services 5.337% 30/09/2038	1,146	0.36	1,085,000	Prologis 2.25% 30/06/2029	1,130	0.36
3,015,000	*Royal Bank of Scotland 2.875% 19/09/2026	3,123	0.99	807,000	Wells Fargo 2.125% 24/09/2031	811	0.26
1,225,000	*Royal Bank of Scotland Group Variable 28/03/2027	1,288	0.41	1,606,000	Wells Fargo 2.5% 02/05/2029	1,682	0.53
1,050,000	Telereal Securitisation 6.1645% 10/12/2031	1,210	0.38	1,075,000	Wells Fargo 3.5% 12/09/2029	1,223	0.39
1,655,000	Unite Group 3.5% 15/10/2028	1,787	0.57	<b>BBB+ 5.41% (4.89%)</b>			
<b>Baa2 0.87% (0.82%)</b>				3,500,000	BAT Capital 2.125% 15/08/2025	3,485	1.10
500,000	Eversholt Funding 3.529% 07/08/2042	526	0.17	1,228,000	Citigroup 1.75% 23/10/2026	1,230	0.39
2,115,000	Vodafone Group 3.375% 08/08/2049	2,207	0.70	425,000	Citigroup 7.375% 01/09/2039	751	0.24
				550,000	General Electric 5.375% 18/12/2040	682	0.22
				895,000	General Electric Capital 5.25% 07/12/2028	1,062	0.34

## Threadneedle Sterling Medium and Long-Dated Corporate Bond Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED STATES OF AMERICA 15.65% (13.70%) (continued)</b>				<b>Total value of investments<sup>3</sup></b>			
2,475,000	Goldman Sachs Group 3.125% 25/07/2029	2,673	0.85	<b>Net other assets (3.75%)</b>			
1,000,000	McDonald's 2.95% 15/03/2034	1,100	0.35	<b>Net assets</b>			
1,248,000	Verizon Communications 1.875% 19/09/2030	1,240	0.39	<b>308,805</b>			
875,000	Verizon Communications 3.375% 27/10/2036	1,009	0.32	<b>6,917</b>			
1,050,000	Verizon Communications 4.75% 17/02/2034	1,380	0.44	<b>315,722</b>			
1,450,000	Welltower 4.5% 01/12/2034	1,768	0.56	<b>100.00</b>			
560,000	Welltower 4.8% 20/11/2028	672	0.21				
<b>BBB 5.23% (4.22%)</b>				<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>			
2,452,000	AT&T 4.25% 01/06/2043	2,906	0.92	<b>Value</b>			
2,175,000	AT&T 4.375% 14/09/2029	2,555	0.81	<b>£000</b>			
775,000	AT&T 4.875% 01/06/2044	996	0.32	<b>% of</b>			
2,850,000	Becton Dickinson 3.02% 24/05/2025	3,018	0.96	<b>Investment</b>			
2,295,000	Digital Stout 3.3% 19/07/2029	2,458	0.78	Fixed interest			
575,000	Digital Stout Holding 3.75% 17/10/2030	641	0.20	284,740			
402,000	Fidelity National Information Services 3.36% 21/05/2031 (Berlin Exchange)	444	0.14	Floating rate notes			
2,098,000	Fidelity National Information Services 3.36% 21/05/2031	2,319	0.73	21,329			
1,083,000	Fiserv 3% 01/07/2031	1,158	0.37	Derivatives			
<b>BBB- 0.69% (0.64%)</b>				<b>Total value of investments<sup>3</sup></b>			
975,000	Time Warner Cable 5.25% 15/07/2042	1,145	0.36	<b>306,805</b>			
850,000	Time Warner Cable 5.75% 02/06/2031	1,037	0.33	<b>100.00</b>			
<b>Total United States of America</b>				<b>ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS</b>			
				<b>Value</b>			
				<b>£000</b>			
				UBS EURO Bond Future Expiring December 2019			
				(591)			
				UBS Long Gilt Future Expiring December 2019			
				8,490			
				UBS US 10 Year Note Future Expiring December 2019			
				(501)			
				UBS US 10 Year Ultra Fut Future Expiring December 2019			
				(2,185)			
				UBS US Long Bond Future Expiring December 2019			
				(2,481)			
				UBS US Ultra Bond Future Expiring December 2019			
				(2,182)			
				<b>Total net exposure</b>			
				<b>550</b>			
<b>DERIVATIVES 0.23% (-0.04%)</b>				<b>Total Purchases and Sales</b>			
<b>Futures and Options 0.03% (-0.02%)</b>				for the accounting period 1 May 2019 to 31 October 2019			
				<b>2019</b>			
				<b>£000</b>			
				<b>2018</b>			
				<b>£000</b>			
(4)	UBS EURO Bond Future Expiring December 2019	12	-	Total purchases for the period			
				52,834			
64	UBS Long Gilt Future Expiring December 2019	3	-	Total sales for the period			
				55,959			
(5)	UBS US 10 Year Note Future Expiring December 2019	3	-				
(20)	UBS US 10 Year Ultra Fut Future Expiring December 2019	19	0.01				
(20)	UBS US Long Bond Future Expiring December 2019	28	0.01				
(15)	UBS US Ultra Bond Future Expiring December 2019	36	0.01				
<b>Forward Foreign Exchange Contracts 0.20% (-0.02%)</b>							
Sell GBP 4,657							
Buy EUR 5,227 Citigroup <sup>2</sup>							
Sell GBP 5,619							
Buy EUR 6,514 Lloyds <sup>2</sup>							
Sell USD 13,315,779							
Buy GBP 10,870,194 Citigroup				600			
Sell USD 75,467				0.19			
Buy GBP 58,680 Lloyds <sup>2</sup>							
Sell EUR 7,115							
Buy GBP 6,156 Lloyds <sup>2</sup>							
Sell USD 96,533							
Buy GBP 75,575 Citigroup				1			
Sell EUR 1,044,420							
Buy GBP 933,091 Citigroup				34			
<b>Total Derivatives</b>				<b>736</b>			
				<b>0.23</b>			

## Threadneedle Sterling Short-Dated Corporate Bond Fund

### Portfolio Statement

as at 31 October 2019

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>AUSTRALIA 3.18% (3.27%)</b>					<b>CAYMAN ISLANDS 0.92% (0.97%)</b>				
		<b>Aaa 0.52% (0.48%)</b>					<b>A 0.00% (0.09%)</b>		
GBP	6,757,000	Commonwealth Bank of Australia 1.125% 22/12/2021	6,773	0.52	GBP	4,750,000	Thames Water Utilities Cayman Finance 1.875% 24/01/2024	4,816	0.37
		<b>AA- 0.00% (0.24%)</b>					<b>Baa2 0.00% (0.06%)</b>		
		<b>A 0.00% (0.64%)</b>					<b>BBB- 0.55% (0.49%)</b>		
GBP	5,642,000	SGSP Australia Assets 5.125% 11/02/2021	5,896	0.46	GBP	6,989,000	Thames Water Utilities 2.375% 03/05/2023	7,034	0.55
		<b>BBB+ 0.63% (0.58%)</b>					<b>Total Cayman Islands</b>	<b>11,850</b>	<b>0.92</b>
GBP	7,233,000	*BHP Billiton Finance 6.5% 22/10/2077	8,155	0.63	<b>DENMARK 0.37% (0.33%)</b>				
		<b>BBB 0.92% (0.32%)</b>			USD	6,228,000	Danske Bank 2.7% 02/03/2022	4,838	0.37
USD	3,400,000	APT Pipelines 4.2% 23/03/2025 (Berlin Exchange)	2,794	0.22			<b>Total Denmark</b>	<b>4,838</b>	<b>0.37</b>
GBP	3,872,000	APT Pipelines 4.25% 26/11/2024	4,363	0.34	<b>FINLAND 0.79% (0.72%)</b>				
USD	5,795,000	Ausgrid Finance 3.85% 01/05/2023	4,655	0.36			<b>AA+ 0.79% (0.72%)</b>		
		<b>BBB- 0.65% (0.59%)</b>			GBP	10,035,000	Municipality Finance 1.25% 07/12/2022	10,155	0.79
GBP	6,247,000	Asciano Finance 5% 19/09/2023	6,966	0.54			<b>Total Finland</b>	<b>10,155</b>	<b>0.79</b>
GBP	1,320,000	*QBE Insurance Group 6.115% 24/05/2042	1,440	0.11	<b>FRANCE 5.66% (4.32%)</b>				
		<b>Total Australia</b>	<b>41,042</b>	<b>3.18</b>	GBP	11,500,000	BPCE 2.125% 16/12/2022	11,817	0.91
<b>BELGIUM 1.25% (1.13%)</b>					GBP	15,800,000	Credit Agricole 1.25% 02/10/2024	15,710	1.22
		<b>A- 1.25% (1.13%)</b>					<b>A 2.19% (2.08%)</b>		
GBP	6,600,000	Anheuser-Busch InBev 4% 24/09/2025	7,564	0.59	GBP	4,600,000	Banque Fédérative du Crédit Mutuel 1.375% 20/12/2021	4,620	0.36
GBP	6,194,000	Anheuser-Busch InBev 9.75% 30/07/2024	8,561	0.66	GBP	2,500,000	Banque Fédérative du Crédit Mutuel 1.75% 19/12/2024	2,539	0.20
		<b>Total Belgium</b>	<b>16,125</b>	<b>1.25</b>	GBP	13,900,000	Banque Fédérative du Crédit Mutuel 2.25% 18/12/2023	14,400	1.11
<b>BERMUDA 1.37% (1.25%)</b>					USD	8,550,000	*Banque Fédérative du Crédit Mutuel FRN 20/07/2023	6,659	0.52
		<b>BBB- 1.37% (1.25%)</b>					<b>BBB+ 0.87% (0.80%)</b>		
EUR	19,040,000	Bacardi 2.75% 03/07/2023	17,681	1.37	GBP	2,200,000	*CNP Assurances 7.375% 30/09/2041	2,432	0.19
		<b>Total Bermuda</b>	<b>17,681</b>	<b>1.37</b>	GBP	9,000,000	Orange 0.375% 27/06/2021	8,846	0.68
<b>BRITISH VIRGIN ISLANDS 1.19% (1.07%)</b>							<b>BBB 0.16% (0.33%)</b>		
		<b>BBB 1.19% (1.07%)</b>			GBP	2,100,000	RCI Banque 1.875% 08/11/2022	2,117	0.16
GBP	14,139,000	Global Switch Holdings 4.375% 13/12/2022	15,332	1.19			<b>BBB- 0.31% (0.51%)</b>		
		<b>Total British Virgin Islands</b>	<b>15,332</b>	<b>1.19</b>	GBP	3,660,000	*Orange 5.875% 29/12/49	3,962	0.31
<b>CANADA 0.75% (0.96%)</b>							<b>Total France</b>	<b>73,102</b>	<b>5.66</b>
		<b>Aaa 0.60% (0.55%)</b>			<b>GERMANY 3.36% (7.60%)</b>				
GBP	7,700,000	Royal Bank of Canada 1.125% 22/12/2021	7,713	0.60			<b>AAA 1.62% (5.15%)</b>		
		<b>BBB+ 0.00% (0.27%)</b>			GBP	10,100,000	FMS Wertmanagement 1.125% 07/09/2023	10,233	0.79
		<b>BBB 0.15% (0.14%)</b>			GBP	10,700,000	KFW 0.875% 15/09/2026	10,735	0.83
USD	540,000	Cenovus Energy 3% 15/08/2022	420	0.03			<b>A 0.22% (0.20%)</b>		
USD	1,941,000	Cenovus Energy 3.8% 15/09/2023	1,549	0.12	GBP	2,500,000	*Munich Rueckversicherungs 6.625% 26/05/2042	2,816	0.22
		<b>Total Canada</b>	<b>9,682</b>	<b>0.75</b>					

## Threadneedle Sterling Short-Dated Corporate Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>GERMANY 3.36% (7.60%) (continued)</b>					<b>BBB 1.35% (0.95%)</b>				
		<b>BBB+ 0.24% (0.22%)</b>			EUR	2,080,000	Allergan Funding SCS 1.5% 15/11/2023	1,884	0.15
EUR	3,500,000	Deutsche Bank 1.125% 30/08/2023	3,096	0.24	EUR	4,335,000	Becton Dickinson Euro Finance 0.632% 04/06/2023	3,765	0.29
		<b>BBB- 0.18% (0.17%)</b>			EUR	8,480,000	Bevco 1.75% 09/02/2023	7,598	0.59
GBP	2,300,000	Deutsche Bank 3.875% 12/02/2024	2,395	0.18	USD	5,053,000	CPI Property Group 4.75% 08/03/2023	4,106	0.32
		<b>BB+ 1.10% (1.12%)</b>					<b>Baa2 0.51% (0.46%)</b>		
EUR	3,000,000	ADLER Real Estate 1.5% 17/04/2022	2,580	0.20	EUR	7,394,000	SELP Finance 1.25% 25/10/2023	6,561	0.51
EUR	13,400,000	ADLER Real Estate 1.875% 27/04/2023	11,569	0.90			<b>BBB- 0.00% (0.43%)</b>		
		<b>BB- 0.00% (0.74%)</b>					<b>BB+ 0.00% (0.05%)</b>		
		<b>Total Germany</b>	<b>43,424</b>	<b>3.36</b>			<b>B+ 0.00% (0.18%)</b>		
<b>GUERNSEY 0.79% (0.72%)</b>					<b>Total Luxembourg</b>				
		<b>BBB+ 0.79% (0.72%)</b>						<b>43,001</b>	<b>3.33</b>
GBP	9,796,000	Credit Suisse 3% 27/05/2022	10,205	0.79	<b>MEXICO 1.04% (0.96%)</b>				
		<b>Total Guernsey</b>	<b>10,205</b>	<b>0.79</b>	EUR	3,000,000	America Movil 0% 28/05/2020	2,576	0.20
<b>INDIA 0.31% (0.28%)</b>							<b>BBB+ 0.46% (0.42%)</b>		
		<b>BBB- 0.31% (0.28%)</b>			GBP	5,263,000	Petroleos Mexicanos 8.25% 02/06/2022	5,922	0.46
USD	5,000,000	Adani Ports and Special Economic Zone 3.95% 19/01/2022	3,944	0.31			<b>BBB 0.38% (0.36%)</b>		
		<b>Total India</b>	<b>3,944</b>	<b>0.31</b>	GBP	4,780,000	*America Movil 6.375% 06/09/2023	4,964	0.38
<b>ITALY 0.76% (0.65%)</b>							<b>Total Mexico</b>	<b>13,462</b>	<b>1.04</b>
		<b>BBB- 0.33% (0.00%)</b>			<b>NETHERLANDS 8.22% (7.13%)</b>				
GBP	4,012,000	Autostrade per l'Italia 6.25% 09/06/2022	4,325	0.33			<b>AA- 0.67% (0.00%)</b>		
		<b>BBB 0.43% (0.31%)</b>			GBP	8,660,000	Toyota Motor Finance 1.375% 23/05/2023	8,722	0.67
EUR	6,515,000	FCA Capital Ireland 0.5% 13/09/2024	5,589	0.43			<b>A+ 0.50% (0.27%)</b>		
		<b>Ba1 0.00% (0.34%)</b>			GBP	6,527,000	BMW International Investment 1.25% 11/07/2022	6,516	0.50
		<b>Total Italy</b>	<b>9,914</b>	<b>0.76</b>			<b>A 1.62% (1.66%)</b>		
<b>JERSEY 1.49% (0.76%)</b>							<b>AA- 0.67% (0.00%)</b>		
		<b>A- 0.43% (0.40%)</b>			GBP	7,000,000	ABN AMRO Bank 1.375% 07/06/2022	7,036	0.54
GBP	4,938,000	Heathrow Funding 5.225% 15/02/2023	5,583	0.43	GBP	5,900,000	Daimler International Finance 1.5% 18/08/2021	5,917	0.46
		<b>BBB+ 0.14% (0.00%)</b>			GBP	7,800,000	Daimler International Finance 2% 04/09/2023	7,963	0.62
GBP	1,540,000	Gatwick Funding 5.25% 23/01/2024	1,777	0.14			<b>BBB+ 2.22% (1.85%)</b>		
		<b>BBB- 0.18% (0.17%)</b>			USD	4,000,000	Deutsche Telekom 2.485% 19/09/2023	3,101	0.24
GBP	2,420,000	AA Bond 2.875% 31/01/2022	2,334	0.18	GBP	5,200,000	Deutsche Telekom 6.5% 08/04/2022	5,854	0.45
		<b>BBB 0.47% (0.19%)</b>			GBP	8,380,000	Volkswagen Financial Services 1.75% 12/09/2022	8,419	0.65
GBP	1,721,000	CPUK Finance 7.239% 28/02/2024	2,079	0.16			<b>BBB+ 2.22% (1.85%)</b>		
GBP	3,250,000	Heathrow Funding 7.125% 14/02/2024	3,958	0.31	GBP	2,500,000	Volkswagen Financial Services 2.125% 27/06/2024	2,524	0.20
		<b>Not Rated 0.27% (0.00%)</b>			GBP	5,100,000	Volkswagen Financial Services 2.75% 10/07/2023	5,257	0.41
GBP	3,500,000	British Land (White) 0% 09/06/2020	3,460	0.27	EUR	4,000,000	Vonovia Finance 0.125% 06/04/2023	3,438	0.27
		<b>Total Jersey</b>	<b>19,191</b>	<b>1.49</b>			<b>BBB 1.92% (1.79%)</b>		
<b>LUXEMBOURG 3.33% (2.55%)</b>							<b>BBB 1.92% (1.79%)</b>		
		<b>A 1.09% (0.00%)</b>			EUR	3,050,000	*Eneco Holding 3.25% 29/12/2049	2,768	0.21
EUR	16,390,000	Medtronic Global Holdings 0% 02/12/2022	14,120	1.09	GBP	4,300,000	Innogy Finance 5.5% 06/07/2022	4,788	0.37
		<b>BBB+ 0.38% (0.48%)</b>			GBP	7,400,000	Innogy Finance 5.625% 06/12/2023	8,671	0.67
GBP	4,500,000	Glencore Finance Europe 6% 03/04/2022	4,967	0.38	GBP	8,047,000	Innogy Finance 6.5% 20/04/2021	8,639	0.67

## Threadneedle Sterling Short-Dated Corporate Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>NETHERLANDS 8.22% (7.13%) (continued)</b>					<b>SWEDEN 1.20% (1.27%)</b>				
		<b>BBB- 1.29% (1.13%)</b>					<b>AA- 0.00% (0.35%)</b>		
USD	18,620,000	Syngenta Finance 4.441% 24/04/2023	14,972	1.16			<b>BBB 0.89% (0.64%)</b>		
EUR	1,800,000	*Vonovia Finance 4% 17/12/2166	1,657	0.13	EUR	10,127,000	Akelius Residential 1.5% 23/01/2022	8,977	0.69
		<b>Baa3 0.00% (0.05%)</b>			GBP	2,500,000	Akelius Residential 2.375% 15/08/2025	2,558	0.20
		<b>BB 0.00% (0.13%)</b>					<b>BB+ 0.31% (0.28%)</b>		
		<b>B- 0.00% (0.25%)</b>			EUR	4,370,000	*Akelius Residential FRN 05/10/2078	4,017	0.31
		<b>Total Netherlands</b>	<b>106,242</b>	<b>8.22</b>			<b>Total Sweden</b>	<b>15,552</b>	<b>1.20</b>
<b>NEW ZEALAND 0.00% (0.17%)</b>					<b>SWITZERLAND 0.84% (1.33%)</b>				
		<b>AA- 0.00% (0.17%)</b>					<b>A+ 0.00% (0.59%)</b>		
		<b>Total New Zealand</b>			GBP	978,000	*UBS Jersey 6.375% 19/11/2019	980	0.08
							<b>BBB+ 0.08% (0.07%)</b>		
<b>NORWAY 1.18% (1.07%)</b>							<b>BB 0.76% (0.67%)</b>		
		<b>AA- 1.18% (1.07%)</b>			USD	3,740,000	*Credit Suisse 7.5% 11/12/2049	3,204	0.25
GBP	14,964,000	DNB Bank 1.625% 15/12/2023	15,228	1.18	USD	6,050,000	*UBS Group Funding Perpetual 5% 31/01/2067	4,422	0.34
		<b>Total Norway</b>	<b>15,228</b>	<b>1.18</b>	USD	2,728,000	*UBS Group Funding Switzerland Variable 31/07/2167	2,259	0.17
<b>PORTUGAL 0.04% (0.05%)</b>							<b>Total Switzerland</b>	<b>10,865</b>	<b>0.84</b>
		<b>Not Rated 0.04% (0.05%)</b>			<b>UNITED KINGDOM 39.64% (39.81%)</b>				
EUR	3,100,000	Banco Espirito Santo 4% 21/01/2019 (Defaulted)	550	0.04			<b>AAA 0.00% (0.35%)</b>		
		<b>Total Portugal</b>	<b>550</b>	<b>0.04</b>			<b>Aaa 1.13% (1.04%)</b>		
<b>REPUBLIC OF IRELAND 3.79% (3.05%)</b>					GBP	5,000,000	*Lloyds Bank FRN 13/09/2021	5,002	0.39
		<b>BBB+ 2.16% (1.98%)</b>			GBP	9,458,000	*TSB Banking FRN 15/02/2024	9,554	0.74
EUR	7,660,000	Abbott Ireland Financing 0.875% 27/09/2023	6,789	0.53			<b>A 2.45% (1.34%)</b>		
GBP	15,774,000	GE Capital UK Funding 4.125% 13/09/2023	16,976	1.31	GBP	5,311,000	*HSBC Holdings Variable 27/06/2023	5,397	0.42
GBP	3,940,000	GE Capital UK Funding 5.875% 04/11/2020	4,104	0.32	GBP	12,929,000	Lloyds Bank Corporate Markets 1.75% 11/07/2024	13,007	1.01
		<b>BBB 0.45% (0.40%)</b>			USD	10,016,000	Santander UK 2.875% 18/06/2024	7,866	0.61
GBP	5,820,000	FCA Capital Ireland 1.625% 29/09/2021	5,811	0.45	GBP	5,000,000	Unite USAF II 3.374% 30/06/2023	5,330	0.41
		<b>BBB- 0.31% (0.27%)</b>					<b>A2u 0.11% (0.16%)</b>		
USD	5,000,000	*AIB Group 10/04/2025	4,055	0.31	GBP	1,447,000	Northern Rock 6.375% 02/12/2019	1,453	0.11
		<b>Not Rated 0.48% (0.39%)</b>					<b>A- 4.46% (3.04%)</b>		
GBP	5,930,000	PGH Capital 4.125% 20/07/2022	6,185	0.48	GBP	5,644,000	BP Capital Markets 1.827% 08/09/2025	5,804	0.45
		<b>Liquidity Funds 0.39% (0.01%)<sup>1</sup></b>			GBP	3,442,000	Eastern Power Network 4.75% 30/09/2021	3,678	0.28
GBP	5,031,338	BlackRock Institutional Cash Series Sterling Liquidity Platinum	5,031	0.39	GBP	2,000,000	Eastern Power Network 5.75% 08/03/2024	2,365	0.18
		<b>Total Republic of Ireland</b>	<b>48,951</b>	<b>3.79</b>	GBP	4,786,000	Experian Finance 2.125% 27/09/2024	4,961	0.38
<b>SPAIN 0.52% (0.72%)</b>					GBP	3,534,000	Experian Finance 3.5% 15/10/2021	3,674	0.28
		<b>BBB 0.52% (0.72%)</b>			GBP	9,811,000	HSBC Bank 6.5% 07/07/2023	11,479	0.89
GBP	6,000,000	Telefonica Emisiones SAU 5.289% 09/12/2022	6,725	0.52	EUR	9,120,000	NatWest Markets 1.125% 14/06/2023	8,069	0.62
		<b>Total Spain</b>	<b>6,725</b>	<b>0.52</b>	GBP	4,590,000	United Utilities Water Finance 2% 14/02/2025 (London Listing)	4,730	0.37
					GBP	9,628,000	Western Power Distribution East Midlands 5.25% 17/01/2023	10,835	0.84
					GBP	2,000,000	Western Power Distribution West Midlands 3.875% 17/10/2024	2,216	0.17
							<b>A3 0.73% (0.91%)</b>		
					GBP	5,804,000	Bupa Finance 3.375% 17/06/2021	5,992	0.46
					GBP	3,254,000	Co-operative Bank United Kingdom 4.75% 11/11/2021	3,432	0.27



## Threadneedle Sterling Short-Dated Corporate Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED STATES OF AMERICA 14.99% (14.90%) (continued)</b>					<b>DERIVATIVES 1.30% (-0.14%)</b>				
<b>AA- 1.54% (1.52%)</b>					<b>Futures and Options 0.09% (-0.05%)</b>				
GBP	16,485,000	Met Life Global Funding 1.125% 15/12/2021 GBP	16,481	1.28	EUR	(787)	UBS EURO-Bobl Future Expiring December 2019	1,091	0.08
GBP	3,150,000	Metropolitan Life Global Funding I 2.875% 11/01/2023	3,313	0.26	GBP	34	UBS Long Gilt Future Expiring December 2019	2	-
<b>A+ 0.03% (0.03%)</b>					USD	(544)	UBS US 5 Year Note Future Expiring December 2019	144	0.01
GBP	558,000	*SLM Student Loan Trusts FRN 15/03/2038	441	0.03	<b>Forward Foreign Exchange Contracts 1.21% (-0.09%)</b>				
<b>A- 1.90% (3.24%)</b>					Sell GBP 9,970				
USD	9,500,000	*JPMorgan Chase FRN 23/07/2024	7,394	0.57	Buy EUR 11,501 J.P. Morgan <sup>2</sup>				
GBP	6,130,000	Wells Fargo 1.375% 30/06/2022	6,140	0.48	Sell GBP 2,599,806				
GBP	10,700,000	Wells Fargo 2.125% 20/12/2023	10,990	0.85	Buy EUR 3,000,000 Lloyds				
<b>BBB+ 1.09% (1.25%)</b>					Sell GBP 539,947				
GBP	5,300,000	American International Group 5% 26/04/2023	5,934	0.46	Buy EUR 600,000 Lloyds				
USD	2,500,000	BAT Capital 3.222% 15/08/2024	1,954	0.15	Sell GBP 80,602				
GBP	5,615,000	Citigroup 2.75% 24/01/2024	5,880	0.46	Buy EUR 92,978 J.P. Morgan <sup>2</sup>				
GBP	2,500,000	General Electric Capital 6.44% 15/11/2022	248	0.02	Sell USD 209,441,954				
<b>BBB 4.95% (4.74%)</b>					Buy GBP 170,798,001 HSBC				
USD	8,000,000	*AT&T FRN 12/06/2024	6,261	0.48	Sell EUR 219,660,560				
USD	5,000,000	*Bayer US Finance II FRN 15/12/2023	3,867	0.30	Buy GBP 196,070,685 HSBC				
EUR	7,632,000	Becton Dickinson 1.401% 24/05/2023	6,798	0.53	Sell EUR 3,995,280				
GBP	425,000	Becton Dickinson 3.02% 24/05/2025	450	0.03	Buy GBP 3,567,833 Lloyds				
USD	7,750,000	*Becton Dickinson FRN 06/06/2022	6,020	0.47	Sell USD 1,043,885				
GBP	4,060,000	Digital Stout Holding 2.75% 19/07/2024	4,241	0.33	Buy GBP 817,256 Citigroup				
GBP	12,709,000	Digital Stout Holding 4.75% 13/10/2023	14,182	1.10	Sell EUR 1,132,689				
EUR	5,020,000	Fidelity National Information Services 0.75% 21/05/2023	4,404	0.34	Buy GBP 979,974 Lloyds				
GBP	11,643,000	Fidelity National Information Services 2.602% 21/05/2025	12,206	0.94	Sell GBP 12,173,784				
EUR	1,211,000	Fiserv 0.375% 01/07/2023	1,049	0.08	Buy USD 15,402,039 HSBC				
GBP	4,393,000	Fiserv 2.25% 01/07/2025	4,524	0.35	Sell GBP 138,082				
<b>BBB- 3.06% (1.91%)</b>					Buy USD 170,000 Citigroup				
GBP	50,000	*American International Group Variable 15/03/2067	41	-	Sell GBP 3,094,533				
USD	13,740,000	*Charter Communications Operating FRN 01/02/2024	10,875	0.84	Buy USD 3,800,000 Lloyds				
USD	865,000	Continental Resources 5% 15/09/2022	674	0.05	Sell GBP 6,527,255				
GBP	659,000	Discovery 2.5% 20/09/2024	676	0.05	Buy USD 8,000,000 Goldman Sachs				
EUR	1,700,000	Equinix 2.875% 01/02/2026	1,520	0.12	<b>Total Derivatives</b>				
EUR	5,300,000	Equinix 2.875% 01/10/2025	4,711	0.36	<b>16,786</b>				
EUR	7,695,000	Kraft Heinz Foods 2% 30/06/2023	6,955	0.54	<b>1.30</b>				
USD	6,365,000	Plains All American Pipeline 3.65% 01/06/2022	5,027	0.39					
USD	11,500,000	Plains All American Pipeline 3.85% 15/10/2023	9,163	0.71					
<b>BB 0.29% (0.26%)</b>									
EUR	4,225,000	IQVIA 3.25% 15/03/2025	3,714	0.29					
<b>Total United States of America</b>			<b>193,613</b>	<b>14.99</b>					
					<b>Total value of investments<sup>3</sup></b>				
					<b>1,269,552</b>				
					<b>98.28</b>				
					<b>Net other assets (3.10%)</b>				
					<b>22,153</b>				
					<b>1.72</b>				
					<b>Net assets</b>				
					<b>1,291,705</b>				
					<b>100.00</b>				
					<i>April 2019 comparatives in brackets.</i>				
					<i>*Variable rate bonds.</i>				
					<i><sup>1</sup>Cash equivalents.</i>				
					<i><sup>2</sup>Less than £500, rounded to nil.</i>				
					<i><sup>3</sup>Includes Cash equivalents.</i>				
					<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>				
					<b>Value</b>				
					<b>£000</b>				
					<b>% of</b>				
					<b>Investment</b>				
					Fixed interest				
					1,017,061				
					80.11				
					Floating rate notes				
					235,705				
					18.57				
					Derivatives				
					16,786				
					1.32				
					<b>Total value of investments<sup>3</sup></b>				
					<b>1,269,552</b>				
					<b>100.00</b>				

## Threadneedle Sterling Short-Dated Corporate Bond Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS</b>			
	UBS EURO-Bobl Future Expiring December 2019	(91,141)	
	UBS Long Gilt Future Expiring December 2019	4,510	
	UBS US 5 Year Note Future Expiring December 2019	(49,925)	
	<b>Total net exposure</b>	<b>(136,556)</b>	

### Total Purchases and Sales

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Total purchases for the period	355,332	462,713
Total sales for the period	475,345	303,832



## Threadneedle UK Index Linked Fund

### Portfolio Statement

as at 31 October 2019

Holding	Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 99.08% (99.71%)</b>			
<b>AA 2.47% (3.64%)</b>			
GBP	366,000 Network Rail Infrastructure Finance 1.375% 22/11/2037	893	1.24
GBP	316,000 Network Rail Infrastructure Finance Index-Linked 1.125% 22/11/2047	886	1.23
<b>Aa2u 96.61% (96.07%)</b>			
GBP	1,734,000 United Kingdom Gilt 0.125% 10/08/2041	2,858	3.97
GBP	5,176,000 United Kingdom Index-Linked Gilt 0.125% 22/03/2024	6,961	9.66
GBP	2,598,000 United Kingdom Index-Linked Gilt 0.125% 22/03/2029	4,074	5.65
GBP	4,261,000 United Kingdom Index-Linked Gilt 0.125% 22/03/2044	8,426	11.69
GBP	3,137,000 United Kingdom Index-Linked Gilt 0.125% 10/08/2048	5,844	8.11
GBP	542,667 United Kingdom Index-Linked Gilt 0.125% 22/03/2058	1,257	1.74
GBP	2,670,000 United Kingdom Index-Linked Gilt 0.25% 22/03/2052	6,182	8.58
GBP	4,688,000 United Kingdom Index-Linked Gilt 0.375% 22/03/2062	13,406	18.60
GBP	1,458,000 United Kingdom Index-Linked Gilt 0.625% 22/03/2040	3,293	4.57
GBP	270,000 United Kingdom Index-Linked Gilt 0.75% 22/03/2034	515	0.71
GBP	690,000 United Kingdom Index-Linked Gilt 1.25% 22/11/2027	1,386	1.92
GBP	3,172,000 United Kingdom Index-Linked Gilt 1.25% 22/11/2032	6,647	9.22
GBP	1,515,000 United Kingdom Index-Linked Gilt 1.875% 22/11/2022	2,450	3.40
GBP	1,437,000 United Kingdom Index-Linked Gilt 2.5% 16/04/2020	5,094	7.07
GBP	479,000 United Kingdom Index-Linked Gilt 8% 22/11/2065	1,239	1.72
<b>Total Fixed Interest</b>		<b>71,411</b>	<b>99.08</b>
<b>Total value of investments</b>		<b>71,411</b>	<b>99.08</b>
<b>Net other assets (0.29%)</b>		<b>661</b>	<b>0.92</b>
<b>Net assets</b>		<b>72,072</b>	<b>100.00</b>

April 2019 comparatives in brackets.

### Total Purchases and Sales

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Total purchases for the period	31,511	28,580
Total sales for the period	31,620	28,443

## Threadneedle Pan European Focus Fund

### Portfolio Statement

as at 31 October 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>BERMUDA 4.76% (0.00%)</b>				<b>ITALY 0.00% (6.62%)</b>			
	<b>Financial Services 4.76% (0.00%)</b>				<b>Beverages 0.00% (4.31%)</b>		
75,335	IHS Markit	4,075	4.76		<b>Mobile Telecommunications 0.00% (2.31%)</b>		
	<b>Total Bermuda</b>	<b>4,075</b>	<b>4.76</b>		<b>Total Italy</b>	<b>–</b>	<b>–</b>
<b>DENMARK 6.04% (9.49%)</b>				<b>NETHERLANDS 19.14% (7.13%)</b>			
	<b>Industrial Transportation 1.19% (0.00%)</b>				<b>Aerospace &amp; Defence 4.00% (0.00%)</b>		
13,689	DSV Panalpina	1,020	1.19	30,663	Airbus	3,422	4.00
	<b>Pharmaceuticals &amp; Biotechnology 4.85% (1.39%)</b>				<b>Personal Goods 0.95% (1.91%)</b>		
98,303	Novo Nordisk	4,150	4.85	17,904	Unilever (EUR)	814	0.95
	<b>Nonlife Insurance 0.00% (8.10%)</b>				<b>Media 4.69% (4.71%)</b>		
	<b>Total Denmark</b>	<b>5,170</b>	<b>6.04</b>	70,848	Wolters Kluwer	4,020	4.69
<b>FINLAND 2.34% (0.43%)</b>					<b>Technology Hardware &amp; Equipment 9.50% (0.51%)</b>		
	<b>Industrial Engineering 2.34% (0.00%)</b>			20,350	ASML	4,153	4.85
40,918	Kone	2,006	2.34	44,973	NXP Semiconductors	3,984	4.65
	<b>Nonlife Insurance 0.00% (0.43%)</b>				<b>Total Netherlands</b>	<b>16,393</b>	<b>19.14</b>
	<b>Total Finland</b>	<b>2,006</b>	<b>2.34</b>	<b>NORWAY 0.00% (0.47%)</b>			
<b>FRANCE 29.22% (26.20%)</b>					<b>Banks 0.00% (0.47%)</b>		
	<b>Chemicals 4.62% (0.00%)</b>				<b>Total Norway</b>	<b>–</b>	<b>–</b>
39,099	Air Liquide	3,956	4.62	<b>REPUBLIC OF IRELAND 9.76% (5.04%)</b>			
	<b>Electronic &amp; Electrical Equipment 7.86% (0.50%)</b>				<b>Chemicals 3.98% (0.00%)</b>		
56,214	Legrand	3,386	3.95	22,279	Linde	3,411	3.98
46,467	Schneider Electric	3,344	3.91		<b>Construction &amp; Materials 4.78% (3.08%)</b>		
	<b>Support Services 9.81% (8.25%)</b>			145,960	CRH (London Listing)	4,090	4.78
105,043	Edenred	4,228	4.94		<b>Food Producers 0.00% (1.96%)</b>		
23,860	Teleperformance	4,167	4.87		<b>Health Care Equipment &amp; Services 1.00% (0.00%)</b>		
	<b>Beverages 1.00% (4.41%)</b>			10,233	Medtronic	857	1.00
6,027	Pernod Ricard	859	1.00		<b>Total Republic of Ireland</b>	<b>8,358</b>	<b>9.76</b>
	<b>Personal Goods 1.02% (8.19%)</b>			<b>SPAIN 0.00% (0.46%)</b>			
2,663	LVMH Moet Hennessy Vuitton	878	1.02		<b>Mobile Telecommunications 0.00% (0.46%)</b>		
	<b>Financial Services 4.91% (0.00%)</b>				<b>Total Spain</b>	<b>–</b>	<b>–</b>
75,332	Amundi	4,203	4.91	<b>SWEDEN 11.16% (0.97%)</b>			
	<b>Software &amp; Computer Services 0.00% (4.85%)</b>				<b>Construction &amp; Materials 4.91% (0.00%)</b>		
	<b>Total France</b>	<b>25,021</b>	<b>29.22</b>	228,274	Assa Abloy 'B' Shares	4,204	4.91
<b>GERMANY 2.95% (12.10%)</b>					<b>Industrial Engineering 6.25% (0.48%)</b>		
	<b>Automobiles &amp; Parts 0.00% (0.55%)</b>			133,872	Atlas Copco 'A' Shares	3,670	4.28
	<b>Personal Goods 1.01% (9.57%)</b>			196,360	Epiroc A	1,686	1.97
3,603	Adidas	867	1.01		<b>Software &amp; Computer Services 0.00% (0.49%)</b>		
	<b>Financial Services 0.97% (1.98%)</b>				<b>Total Sweden</b>	<b>9,560</b>	<b>11.16</b>
6,881	Deutsche Boerse	827	0.97				
	<b>Software &amp; Computer Services 0.97% (0.00%)</b>						
8,110	SAP	829	0.97				
	<b>Total Germany</b>	<b>2,523</b>	<b>2.95</b>				

## Threadneedle Pan European Focus Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>SWITZERLAND 10.75% (2.36%)</b>			
<b>Construction &amp; Materials 1.07% (2.36%)</b>			
6,921	Sika	914	1.07
<b>Food Producers 4.71% (0.00%)</b>			
48,490	Nestle	4,031	4.71
<b>Pharmaceuticals &amp; Biotechnology 1.00% (0.00%)</b>			
3,712	Roche	861	1.00
<b>Financial Services 3.97% (0.00%)</b>			
5,666	Partners Group Holdings	3,405	3.97
<b>Total Switzerland</b>		<b>9,211</b>	<b>10.75</b>
<b>UNITED KINGDOM 3.03% (25.95%)</b>			
<b>Support Services 2.01% (5.85%)</b>			
72,973	Ashtead Group	1,718	2.01
<b>Beverages 0.00% (4.17%)</b>			
<b>Media 1.02% (5.68%)</b>			
46,778	RELX (UK Listing)	874	1.02
<b>Travel &amp; Leisure 0.00% (0.91%)</b>			
<b>Financial Services 0.00% (4.87%)</b>			
<b>Software &amp; Computer Services 0.00% (4.47%)</b>			
<b>Total United Kingdom</b>		<b>2,592</b>	<b>3.03</b>
<b>UNITED STATES OF AMERICA 0.00% (2.47%)</b>			
<b>Software &amp; Computer Services 0.00% (2.47%)</b>			
<b>Total United States of America</b>		<b>-</b>	<b>-</b>
<b>Total value of investments</b>		<b>84,909</b>	<b>99.15</b>
<b>Net other assets (0.31%)</b>		<b>732</b>	<b>0.85</b>
<b>Net assets</b>		<b>85,641</b>	<b>100.00</b>

April 2019 comparatives in brackets.

### Total Purchases and Sales

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Total purchases for the period	130,590	36,150
Total sales for the period	133,082	39,400

## Threadneedle American Extended Alpha Fund

### Portfolio Statement

as at 31 October 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>NETHERLANDS 2.89% (2.30%)</b>				<b>Financial Services 9.73% (9.19%)</b>			
	<b>Technology Hardware &amp; Equipment 2.89% (2.30%)</b>			15,906	MasterCard Class A	3,403	4.93
22,486	NXP Semiconductors	1,992	2.89	23,958	Visa 'A' Shares	3,314	4.80
	<b>Total Netherlands</b>	<b>1,992</b>	<b>2.89</b>				
<b>REPUBLIC OF IRELAND 4.50% (4.77%)</b>				<b>Software &amp; Computer Services 22.39% (22.15%)</b>			
	<b>Liquidity Funds 4.50% (4.77%)<sup>1</sup></b>			6,344	Alphabet Class A	6,171	8.95
4,024,481	BlackRock Institutional Cash Series			19,480	Facebook	2,828	4.10
	US Dollar Liquidity Platinum	3,105	4.50	42,412	Microsoft	4,731	6.86
	<b>Total Republic of Ireland</b>	<b>3,105</b>	<b>4.50</b>	59,291	Nutanix	1,350	1.96
				2,878	Vmware Class A	358	0.52
<b>UNITED STATES OF AMERICA 91.37% (95.02%)</b>				<b>Technology Hardware &amp; Equipment 8.60% (8.03%)</b>			
	<b>Oil &amp; Gas Producers 5.76% (6.22%)</b>			12,039	Analog Devices	1,006	1.46
183,951	Centennial Resource Development	491	0.71	3,923	Apple	736	1.07
27,623	Phillips 66	2,482	3.60	5,038	L3Harris Technologies	808	1.17
130,844	WPX Energy	1,000	1.45	15,789	Lam Research	3,381	4.90
	<b>Chemicals 0.00% (1.05%)</b>				<b>Total United States of America</b>	<b>63,023</b>	<b>91.37</b>
	<b>Aerospace &amp; Defence 0.27% (1.30%)</b>			<b>DERIVATIVES -0.04% (0.26%)</b>			
1,844	Curtiss-Wright Corporation	186	0.27	<b>Forward Foreign Exchange Contracts 0.00% (0.01%)</b>			
	<b>General Industrials 0.00% (0.45%)</b>			Sell USD 1,100,700			
	<b>Industrial Transportation 3.46% (3.84%)</b>			Buy GBP 854,097 Barclays			
16,692	Norfolk Southern	2,383	3.46	Sell GBP 890,077			
	<b>Food Producers 1.34% (1.23%)</b>			Buy USD 1,145,000 Barclays			
22,931	Mondelez International	921	1.34	<b>Portfolio Swap -0.04% (0.25%)</b>			
	<b>Personal Goods 0.00% (0.67%)</b>			Merrill Lynch Portfolio Swap			
	<b>Health Care Equipment &amp; Services 5.06% (6.79%)</b>			<b>Total Derivatives</b>			
9,543	Edwards Lifesciences	1,761	2.55	<b>882 (0.04)</b>			
8,806	UnitedHealth Group	1,732	2.51	<b>Total value of investments<sup>2</sup></b>			
	<b>Pharmaceuticals &amp; Biotechnology 5.79% (7.48%)</b>			<b>Net other assets/(liabilities) (-2.35%)</b>			
10,688	Alexion Pharmaceuticals	876	1.27	<b>Net assets</b>			
400	Biogen	93	0.13	<b>68,974 100.00</b>			
31,500	Biomarin Pharmaceutical	1,788	2.59	<i>April 2019 comparatives in brackets.</i>			
1,457	Illumina	333	0.48	<i><sup>1</sup>Cash equivalents.</i>			
16,049	Moderna	212	0.31	<i><sup>2</sup>Includes Cash equivalents.</i>			
4,542	Vertex Pharmaceuticals	698	1.01	<b>Total Purchases and Sales</b>			
	<b>General Retailers 7.25% (6.02%)</b>			<i>for the accounting period 1 May 2019 to 31 October 2019</i>			
2,382	Amazon.com	3,272	4.74				
66,442	Uber Technologies	1,728	2.51				
	<b>Media 1.30% (0.51%)</b>						
8,957	Walt Disney	896	1.30				
	<b>Travel &amp; Leisure 3.49% (3.50%)</b>						
1,523	Booking Holdings	2,406	3.49				
	<b>Banks 9.00% (8.40%)</b>						
101,169	Bank of America	2,468	3.58				
38,547	JPMorgan Chase	3,740	5.42				
	<b>Nonlife Insurance 7.93% (8.19%)</b>						
33,241	Berkshire Hathaway	5,471	7.93				

## Threadneedle US Equity Income Fund

### Portfolio Statement

as at 31 October 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value	
<b>OIL &amp; GAS 6.96% (7.53%)</b>				<b>CONSUMER SERVICES 8.09% (8.37%)</b>				
	<b>Oil &amp; Gas Producers 6.42% (5.77%)</b>				<b>General Retailers 4.35% (4.44%)</b>			
19,181	Chevron	1,722	2.35	5,723	Costco Wholesale	1,324	1.81	
28,022	ConocoPhillips	1,190	1.62	10,230	Home Depot	1,865	2.54	
37,578	Suncor Energy (USD)	876	1.19		<b>Media 2.31% (2.35%)</b>			
12,160	Valero Energy	927	1.26	49,172	Comcast Corporation	1,696	2.31	
	<b>Oil Equipment, Services &amp; Distribution 0.54% (1.76%)</b>				<b>Travel &amp; Leisure 1.43% (1.58%)</b>			
13,446	Helmerich & Payne	395	0.54	95,772	Extended Stay America	1,051	1.43	
	<b>Total Oil &amp; Gas</b>	<b>5,110</b>	<b>6.96</b>		<b>Total Consumer Services</b>	<b>5,936</b>	<b>8.09</b>	
<b>BASIC MATERIALS 2.61% (2.78%)</b>				<b>TELECOMMUNICATIONS 3.61% (3.03%)</b>				
	<b>Chemicals 1.47% (1.53%)</b>				<b>Fixed Line Telecommunications 3.61% (3.03%)</b>			
16,742	Dow	659	0.90	17,986	AT&T	530	0.72	
8,250	DuPont de Nemours	418	0.57	45,202	Verizon Communications	2,122	2.89	
	<b>Industrial Metals &amp; Mining 1.14% (1.25%)</b>				<b>Total Telecommunications</b>	<b>2,652</b>	<b>3.61</b>	
19,919	Nucor	836	1.14		<b>UTILITIES 6.41% (6.16%)</b>			
	<b>Total Basic Materials</b>	<b>1,913</b>	<b>2.61</b>		<b>Electricity 6.41% (5.09%)</b>			
<b>INDUSTRIALS 9.95% (8.22%)</b>					22,410	American Electric Power	1,627	2.22
	<b>Aerospace &amp; Defence 2.26% (2.05%)</b>				15,945	Edison International	765	1.04
5,698	Lockheed Martin	1,664	2.26		6,798	FPL Group	1,235	1.68
	<b>General Industrials 2.12% (2.10%)</b>				22,115	Xcel Energy	1,080	1.47
22,823	Eaton	1,554	2.12		<b>Gas, Water &amp; Multiutilities 0.00% (1.07%)</b>			
	<b>Industrial Engineering 1.78% (0.00%)</b>				<b>Total Utilities</b>	<b>4,707</b>	<b>6.41</b>	
12,057	Caterpillar	1,306	1.78	<b>FINANCIALS 20.94% (20.99%)</b>				
	<b>Industrial Transportation 2.21% (2.43%)</b>				<b>Banks 5.85% (7.20%)</b>			
12,521	Union Pacific	1,623	2.21	36,689	BB&T	1,519	2.07	
	<b>Support Services 1.58% (1.64%)</b>			32,969	Citigroup	1,857	2.53	
9,157	Automatic Data Processing	1,160	1.58	9,433	JPMorgan Chase	915	1.25	
	<b>Total Industrials</b>	<b>7,307</b>	<b>9.95</b>		<b>Nonlife Insurance 1.48% (1.45%)</b>			
<b>CONSUMER GOODS 9.04% (9.99%)</b>					9,194	Chubb	1,088	1.48
	<b>Beverages 2.98% (1.90%)</b>				<b>Life Insurance 3.21% (2.70%)</b>			
20,662	PepsiCo	2,182	2.98	27,809	Aflac	1,145	1.56	
	<b>Household Goods &amp; Home Construction 3.35% (3.03%)</b>			33,748	Metlife	1,206	1.65	
25,519	Procter & Gamble	2,460	3.35		<b>Real Estate Investment Trusts 8.08% (7.54%)</b>			
	<b>Personal Goods 0.00% (1.37%)</b>			7,373	Alexandria Real Estate Equities	904	1.23	
	<b>Tobacco 2.71% (3.69%)</b>			9,644	Amer Tower Corporation	1,617	2.20	
31,767	Philip Morris International	1,991	2.71	19,694	Equity LifeStyle Properties	1,051	1.43	
	<b>Total Consumer Goods</b>	<b>6,633</b>	<b>9.04</b>	18,718	Prologis REIT	1,266	1.73	
<b>HEALTH CARE 10.62% (12.86%)</b>				35,560	STORE Capital	1,095	1.49	
	<b>Health Care Equipment &amp; Services 2.38% (4.10%)</b>				<b>Financial Services 2.32% (2.10%)</b>			
18,700	Becton Dickinson Preference Share	892	1.22	10,783	CME Group	1,705	2.32	
1,000	Danaher Corporation	854	1.16		<b>Total Financials</b>	<b>15,368</b>	<b>20.94</b>	
	<b>Pharmaceuticals &amp; Biotechnology 8.24% (8.76%)</b>			<b>TECHNOLOGY 21.51% (20.15%)</b>				
28,617	Bristol-Myers Squibb	1,257	1.71		<b>Software &amp; Computer Services 6.54% (6.13%)</b>			
16,631	Johnson & Johnson	1,705	2.32	43,003	Microsoft	4,797	6.54	
23,301	Merck & Co	1,551	2.11					
51,742	Pfizer	1,537	2.10					
	<b>Total Health Care</b>	<b>7,796</b>	<b>10.62</b>					

## Threadneedle US Equity Income Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>TECHNOLOGY 21.51% (20.15%) (continued)</b>			
<b>Technology Hardware &amp; Equipment 14.97% (14.02%)</b>			
23,000	Apple	4,317	5.88
6,565	Broadcom	1,470	2.00
48,006	Cisco Systems	1,761	2.40
57,440	Cypress Semiconductor	1,032	1.41
9,134	KLA-Tencor	1,219	1.66
13,119	Texas Instruments	1,192	1.62
	<b>Total Technology</b>	<b>15,788</b>	<b>21.51</b>
<b>DERIVATIVES 0.00% (0.00%)</b>			
<b>Forward Foreign Exchange Contracts -0.00% (0.00%)</b>			
	Sell USD 14,504		
	Buy CHF 14,353 J.P. Morgan	23	0.03
	Sell USD 17,964		
	Buy EUR 16,132 J.P. Morgan	27	0.03
	Sell USD 16,614		
	Buy EUR 14,920 J.P. Morgan	13	0.02
	Sell USD 16,021		
	Buy EUR 14,388 J.P. Morgan	–	–
	Sell USD 17,964		
	Buy EUR 16,132 J.P. Morgan	(14)	(0.02)
	Sell USD 15,231		
	Buy CHF 15,072 J.P. Morgan	(25)	(0.03)
	Sell USD 16,697		
	Buy EUR 14,995 J.P. Morgan	(24)	(0.03)
	<b>Total Derivatives</b>	<b>–</b>	<b>–</b>
<b>Total value of investments</b>		<b>73,210</b>	<b>99.74</b>
<b>Net other assets/(liabilities) (-0.08%)</b>		<b>192</b>	<b>0.26</b>
<b>Net assets</b>		<b>73,402</b>	<b>100.00</b>

April 2019 comparatives in brackets.

### Total Purchases and Sales

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Total purchases for the period	11,124	12,290
Total sales for the period	8,717	33,594

## Threadneedle China Opportunities Fund

### Portfolio Statement

as at 31 October 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>BERMUDA 1.36% (0.00%)</b>				<b>General Retailers 3.68% (2.77%)</b>			
	<b>Oil Equipment, Services &amp; Distribution 1.36% (0.00%)</b>			89,700	Meituan Dianping-Class B	827	1.45
234,600	China Gas Holdings	772	1.36	13,420	New Oriental Education & Technology Group ADR	1,269	2.23
	<b>Total Bermuda</b>	<b>772</b>	<b>1.36</b>				
<b>CAYMAN ISLANDS 40.07% (37.74%)</b>				<b>Travel &amp; Leisure 0.60% (1.30%)</b>			
	<b>Construction &amp; Materials 0.99% (0.75%)</b>			34,700	China International Travel Service	343	0.60
670,000	China Resources Cement Holdings	566	0.99				
	<b>Electronic &amp; Electrical Equipment 1.37% (0.19%)</b>			<b>Banks 11.02% (14.16%)</b>			
62,300	Sunny Optical Technology Group	778	1.37	4,912,000	China Construction Bank	3,047	5.35
	<b>Automobiles &amp; Parts 1.26% (0.00%)</b>			305,000	China Merchants Bank	1,125	1.97
280,000	Zhongsheng Group Holdings	717	1.26	3,803,000	Industrial & Commercial Bank of China	2,108	3.70
	<b>Food Producers 3.23% (2.26%)</b>			<b>Life Insurance 8.79% (6.81%)</b>			
597,000	China Mengniu Dairy	1,840	3.23	930,000	China Life Insurance	1,864	3.27
	<b>Personal Goods 2.19% (1.75%)</b>			352,000	Ping An Insurance Group	3,144	5.52
116,800	Shenzhou International Group Holdings	1,248	2.19	<b>Real Estate Investment &amp; Services 0.55% (1.74%)</b>			
	<b>Pharmaceuticals &amp; Biotechnology 1.63% (1.81%)</b>			358,000	Greentown Service Group	314	0.55
432,000	Sino Biopharmaceutical	498	0.87	<b>Software &amp; Computer Services 0.00% (0.07%)</b>			
47,500	Wuxi Biologics Cayman	433	0.76	<b>Technology Hardware &amp; Equipment 1.32% (1.30%)</b>			
	<b>General Retailers 13.67% (12.97%)</b>			1,520,000	China Tower Corporation	257	0.45
41,336	Alibaba Group ADR	5,666	9.94	142,140	Luxshare Precision	495	0.87
62,483	JD.com ADR	1,527	2.68	<b>Total China</b>			
18,046	TAL Education Group ADR	598	1.05			<b>20,640</b>	<b>36.22</b>
	<b>Travel &amp; Leisure 0.71% (0.79%)</b>			<b>HONG KONG 21.20% (20.06%)</b>			
16,143	Ctrip.Com International ADS	403	0.71	1,732,000	CNOOC	2,006	3.52
	<b>Real Estate Investment &amp; Services 1.18% (1.22%)</b>			<b>Oil &amp; Gas Producers 3.52% (3.93%)</b>			
204,000	China Resources Land	671	1.18				
	<b>Software &amp; Computer Services 13.84% (16.00%)</b>			<b>Automobiles &amp; Parts 0.00% (0.64%)</b>			
10,890	Netease	2,402	4.21				
173,800	Tencent Holdings	5,487	9.63	102,000	China Resources Enterprise	405	0.71
	<b>Total Cayman Islands</b>	<b>22,834</b>	<b>40.07</b>				
<b>CHINA 36.22% (40.69%)</b>							
	<b>Oil &amp; Gas Producers 0.00% (1.07%)</b>			<b>Beverages 0.71% (0.14%)</b>			
	<b>Industrial Metals &amp; Mining 0.00% (0.48%)</b>			222,000	CSPC Pharmaceutical Group	439	0.77
	<b>Construction &amp; Materials 1.56% (1.10%)</b>			<b>Pharmaceuticals &amp; Biotechnology 0.77% (1.03%)</b>			
193,000	Anhui Conch Cement	891	1.56	1,529,000	Sun Art Retail Group	1,206	2.12
	<b>Industrial Engineering 3.32% (5.12%)</b>			<b>General Retailers 2.12% (0.18%)</b>			
1,695,000	CRRC Corporation 'H' Shares	876	1.54				
355,200	Zhuzhou CRRC Times Electric	1,018	1.78				
	<b>Industrial Transportation 0.64% (1.59%)</b>			<b>Travel &amp; Leisure 1.80% (0.85%)</b>			
43,535	Shanghai International Airport-A	363	0.64	193,000	Galaxy Entertainment Group	1,027	1.80
	<b>Beverages 1.66% (1.44%)</b>			<b>Mobile Telecommunications 4.81% (3.92%)</b>			
3,000	Kweichow Moutai	388	0.68	290,500	China Mobile	1,825	3.20
38,600	Wuliangye Yibin	558	0.98	1,198,000	China Unicom	917	1.61
	<b>Pharmaceuticals &amp; Biotechnology 3.08% (1.74%)</b>			<b>Gas, Water &amp; Multiutilities 2.85% (1.92%)</b>			
428,000	Sinopharm Group	1,184	2.08	4,034,000	Beijing Enterprises Water Group	1,625	2.85
61,080	WuXi AppTec	569	1.00				
				<b>Life Insurance 0.96% (1.81%)</b>			
				70,800	AIA Group	546	0.96
				<b>Real Estate Investment &amp; Services 1.90% (2.84%)</b>			
				446,000	China Overseas Land & Investment	1,085	1.90
				<b>Financial Services 0.50% (1.77%)</b>			
				11,700	Hong Kong Exchanges and Clearing	282	0.50
				<b>Technology Hardware &amp; Equipment 1.26% (1.03%)</b>			
				461,000	Hua Hong Semiconductor	716	1.26
				<b>Total Hong Kong</b>			
						<b>12,079</b>	<b>21.20</b>

## Threadneedle China Opportunities Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>DERIVATIVES 0.00% (0.00%)</b>			
<b>Forward Foreign Exchange Contracts 0.00% (0.00%)</b>			
	Sell USD 204,000		
	Buy GBP 158,449 Barclays	1	–
	Sell USD 228,110		
	Buy GBP 177,004 Barclays	1	–
	<b>Total Derivatives</b>	<b>2</b>	<b>–</b>
<b>Total value of investments</b>		<b>56,327</b>	<b>98.85</b>
<b>Net other assets (1.51%)</b>		<b>658</b>	<b>1.15</b>
<b>Net assets</b>		<b>56,985</b>	<b>100.00</b>

April 2019 comparatives in brackets.

### Total Purchases and Sales

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Total purchases for the period	18,125	43,957
Total sales for the period	38,774	46,985



## Threadneedle Global Emerging Markets Equity Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>HUNGARY 1.39% (0.49%)</b>				<b>LUXEMBOURG 0.44% (0.86%)</b>			
	<b>Pharmaceuticals &amp; Biotechnology 0.00% (0.49%)</b>				<b>Industrial Metals &amp; Mining 0.44% (0.00%)</b>		
	<b>Banks 1.39% (0.00%)</b>			91,726	Ternium S.A. Sponsored	1,449	0.44
128,098	OTP Bank	4,586	1.39		<b>Beverages 0.00% (0.36%)</b>		
	<b>Total Hungary</b>	<b>4,586</b>	<b>1.39</b>		<b>Household Goods &amp; Home Construction 0.00% (0.50%)</b>		
					<b>Total Luxembourg</b>	<b>1,449</b>	<b>0.44</b>
<b>INDIA 10.97% (10.63%)</b>				<b>MEXICO 0.75% (1.85%)</b>			
	<b>Oil &amp; Gas Producers 1.99% (2.31%)</b>				<b>Chemicals 0.00% (0.81%)</b>		
411,990	Reliance Industries	6,563	1.99		<b>Banks 0.75% (1.04%)</b>		
	<b>Construction &amp; Materials 0.97% (0.00%)</b>			596,759	Grupo Financiero Banorte	2,470	0.75
161,859	Asian Paints	3,184	0.97		<b>Total Mexico</b>	<b>2,470</b>	<b>0.75</b>
	<b>Industrial Engineering 0.72% (0.73%)</b>						
9,634	Eicher Motors	2,369	0.72		<b>NETHERLANDS 2.25% (1.50%)</b>		
	<b>Industrial Transportation 0.00% (0.38%)</b>				<b>Software &amp; Computer Services 2.25% (1.50%)</b>		
	<b>Automobiles &amp; Parts 0.96% (0.45%)</b>			64,034	Prosus	3,428	1.04
191,806	Balkrishna Industries	1,840	0.56	153,690	Yandex	3,981	1.21
16,058	Maruti Suzuki India	1,321	0.40		<b>Total Netherlands</b>	<b>7,409</b>	<b>2.25</b>
	<b>Health Care Equipment &amp; Services 0.66% (0.41%)</b>						
135,548	Apollo Hospitals Enterprise	2,188	0.66		<b>PANAMA 0.78% (0.48%)</b>		
	<b>Pharmaceuticals &amp; Biotechnology 0.00% (0.51%)</b>				<b>Travel &amp; Leisure 0.78% (0.48%)</b>		
	<b>Travel &amp; Leisure 1.18% (1.00%)</b>			32,360	Copa Holdings	2,579	0.78
224,989	Jubilant Foodworks	3,905	1.18		<b>Total Panama</b>	<b>2,579</b>	<b>0.78</b>
	<b>Gas, Water &amp; Multiutilities 0.42% (0.46%)</b>						
326,640	Indraprastha Gas	1,398	0.42		<b>PHILIPPINES 2.05% (1.85%)</b>		
	<b>Banks 2.20% (3.21%)</b>				<b>Real Estate Investment &amp; Services 2.05% (1.85%)</b>		
153,117	HDFC Bank ADR	7,234	2.20	9,128,240	Ayala Land	6,739	2.05
	<b>Life Insurance 0.87% (0.76%)</b>				<b>Total Philippines</b>	<b>6,739</b>	<b>2.05</b>
422,098	HDFC Stand Life Insurance	2,871	0.87				
	<b>Financial Services 0.46% (0.41%)</b>				<b>POLAND 0.50% (0.81%)</b>		
34,600	Bajaj Finance	1,517	0.46		<b>Food &amp; Drug Retailers 0.50% (0.45%)</b>		
	<b>Software &amp; Computer Services 0.54% (0.00%)</b>			55,308	Dino Polska	1,657	0.50
219,427	Tech Mahindra	1,766	0.54		<b>Financial Services 0.00% (0.36%)</b>		
	<b>Total India</b>	<b>36,156</b>	<b>10.97</b>		<b>Total Poland</b>	<b>1,657</b>	<b>0.50</b>
<b>INDONESIA 5.68% (7.34%)</b>				<b>REPUBLIC OF IRELAND 1.42% (1.42%)</b>			
	<b>Automobiles &amp; Parts 0.00% (0.92%)</b>				<b>Liquidity Funds 1.42% (1.42%)<sup>1</sup></b>		
	<b>General Retailers 0.86% (0.70%)</b>			6,064,470	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	4,680	1.42
30,298,300	Ace Hardware Indonesia	2,815	0.86		<b>Total Republic of Ireland</b>	<b>4,680</b>	<b>1.42</b>
	<b>Banks 4.17% (4.98%)</b>						
4,873,100	Bank Central Asia	8,405	2.55		<b>RUSSIA 2.36% (0.65%)</b>		
23,186,400	Bank Rakyat Indonesia	5,340	1.62		<b>Oil &amp; Gas Producers 1.48% (0.00%)</b>		
	<b>Real Estate Investment &amp; Services 0.65% (0.74%)</b>			68,029	Lukoil ADR	4,876	1.48
62,773,000	Pakuwon Jati	2,139	0.65		<b>Banks 0.88% (0.65%)</b>		
	<b>Total Indonesia</b>	<b>18,699</b>	<b>5.68</b>	251,682	Sberbank of Russia	2,905	0.88
					<b>Total Russia</b>	<b>7,781</b>	<b>2.36</b>

## Threadneedle Global Emerging Markets Equity Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>SOUTH AFRICA 3.82% (6.09%)</b>				<b>DERIVATIVES 0.00% (0.01%)</b>			
	<b>Chemicals 0.00% (0.81%)</b>			<b>Forward Foreign Exchange Contracts 0.00% (0.01%)</b>			
	<b>General Industrials 0.43% (0.00%)</b>			Sell USD 179,000			
133,884	Bidvest Group	1,419	0.43	Buy GBP 139,031 Barclays	1	–	
	<b>Food Producers 0.46% (0.51%)</b>			Sell USD 543,700			
340,433	AVI	1,506	0.46	Buy GBP 421,888 Barclays	2	–	
	<b>Banks 0.63% (0.44%)</b>			<b>Total Derivatives</b>	<b>3</b>	<b>–</b>	
29,854	Capitec Bank Holdings	2,099	0.63				
	<b>Software &amp; Computer Services 2.30% (4.33%)</b>			<b>Total value of investments<sup>2</sup></b>	<b>330,014</b>	<b>100.15</b>	
69,193	Naspers	7,570	2.30	<b>Net other liabilities/assets (0.74%)</b>	<b>(503)</b>	<b>(0.15)</b>	
	<b>Total South Africa</b>	<b>12,594</b>	<b>3.82</b>	<b>Net assets</b>	<b>329,511</b>	<b>100.00</b>	
<b>SOUTH KOREA 9.03% (7.58%)</b>				<i>April 2019 comparatives in brackets.</i>			
	<b>Chemicals 0.00% (0.47%)</b>			<i><sup>1</sup>Cash equivalents.</i>			
	<b>Electronic &amp; Electrical Equipment 0.79% (0.00%)</b>			<i><sup>2</sup>Includes Cash equivalents.</i>			
34,635	Samsung Elec Mech Krw5000	2,596	0.79	<b>Total Purchases and Sales</b>			
	<b>Leisure Goods 0.49% (0.27%)</b>			<i>for the accounting period 1 May 2019 to 31 October 2019</i>			
11,262	Pearl Abyss	1,617	0.49				
	<b>Mobile Telecommunications 0.00% (0.37%)</b>				<b>2019</b>	<b>2018</b>	
	<b>Banks 0.62% (0.76%)</b>				<b>£000</b>	<b>£000</b>	
73,977	KB Financial Group	2,058	0.62	Total purchases for the period	196,835	128,154	
	<b>Software &amp; Computer Services 0.00% (0.32%)</b>			Total sales for the period	148,370	138,385	
	<b>Technology Hardware &amp; Equipment 7.13% (5.39%)</b>						
524,831	Samsung Electronics	17,543	5.32				
109,484	SK Hynix	5,947	1.81				
	<b>Total South Korea</b>	<b>29,761</b>	<b>9.03</b>				
<b>TAIWAN 5.33% (4.48%)</b>							
	<b>Technology Hardware &amp; Equipment 5.33% (4.48%)</b>						
147,000	ASMedia Technology	1,826	0.55				
393,173	Taiwan Semiconductor Manufacturing ADR	15,749	4.78				
	<b>Total Taiwan</b>	<b>17,575</b>	<b>5.33</b>				
<b>THAILAND 3.02% (2.39%)</b>							
	<b>Banks 0.69% (0.56%)</b>						
912,100	TISCO Financel Group	2,273	0.69				
	<b>Financial Services 2.33% (1.83%)</b>						
4,858,500	Muangthai Capital	7,667	2.33				
	<b>Total Thailand</b>	<b>9,940</b>	<b>3.02</b>				
<b>UNITED STATES OF AMERICA 0.47% (0.79%)</b>							
	<b>Electronic &amp; Electrical Equipment 0.00% (0.40%)</b>						
	<b>General Retailers 0.47% (0.39%)</b>						
3,644	Mercadolibre	1,548	0.47				
	<b>Total United States of America</b>	<b>1,548</b>	<b>0.47</b>				

## Threadneedle Emerging Market Local Fund

### Portfolio Statement

as at 31 October 2019

	Value	% of		Value	% of
Holding	Investment	£000	Net Asset Value	Holding	Investment
<b>ARGENTINA 0.06% (1.07%)</b>					
	<b>B 0.00% (0.91%)</b>				
	<b>B2 0.00% (0.16%)</b>				
	<b>Caa2 0.06% (0.00%)</b>				
ARS	10,000,000		Republic of Argentina 15.5% 17/10/2026	49	0.06
			<b>Total Argentina</b>	<b>49</b>	<b>0.06</b>
<b>BRAZIL 7.57% (7.22%)</b>					
	<b>BB- 7.57% (7.22%)</b>				
BRL	12,658		Brazil Government International Bond 10% 01/01/2023	2,858	3.50
BRL	4,193		Brazil Government International Bond 10% 01/01/2025	981	1.20
BRL	9,772		Brazil Government International Bond 10% 01/01/2027	2,345	2.87
			<b>Total Brazil</b>	<b>6,184</b>	<b>7.57</b>
<b>COLOMBIA 5.39% (5.76%)</b>					
	<b>BBB- 5.39% (5.76%)</b>				
COP	15,462,000,000		Colombia Government International Bond 9.85% 28/06/2027	4,404	5.39
			<b>Total Colombia</b>	<b>4,404</b>	<b>5.39</b>
<b>CROATIA 0.00% (2.65%)</b>					
	<b>BBB- 0.00% (2.65%)</b>				
			<b>Total Croatia</b>	<b>-</b>	<b>-</b>
<b>CZECH REPUBLIC 0.90% (0.91%)</b>					
	<b>Not Rated 0.90% (0.91%)</b>				
CZK	20,000,000		Czech Republic 2.5% 25/08/2028	734	0.90
			<b>Total Czech Republic</b>	<b>734</b>	<b>0.90</b>
<b>DOMINICAN REPUBLIC 2.77% (2.88%)</b>					
	<b>BB- 1.72% (0.00%)</b>				
DOP	94,700,000		Dominican Republic International Bond 9.75% 05/06/2026	1,405	1.72
	<b>Not Rated 1.05% (2.88%)</b>				
DOP	53,000,000		Dominican Republic International Bond 15.95% 04/06/2021	854	1.05
			<b>Total Dominican Republic</b>	<b>2,259</b>	<b>2.77</b>
<b>EGYPT 3.99% (2.22%)</b>					
	<b>Not Rated 3.99% (2.22%)</b>				
EGP	27,741,000		Egypt Government Bond 15.9% 02/07/2024	1,389	1.70
EGP	39,225,000		Egypt Treasury Bill 0% 05/11/2019	1,868	2.29
			<b>Total Egypt</b>	<b>3,257</b>	<b>3.99</b>
<b>GEORGIA 1.10% (1.14%)</b>					
	<b>BB- 0.00% (1.14%)</b>				
	<b>BB 1.10% (0.00%)</b>				
USD	1,100,000		Georgia Government International Bond 6.875% 12/04/2021	898	1.10
			<b>Total Georgia</b>	<b>898</b>	<b>1.10</b>
<b>HONG KONG 1.23% (1.26%)</b>					
	<b>BBB 1.23% (1.26%)</b>				
USD	1,235,000		China National Chemical Corporation 4.625% 14/03/2023	1,003	1.23
			<b>Total Hong Kong</b>	<b>1,003</b>	<b>1.23</b>
<b>HUNGARY 0.00% (2.48%)</b>					
	<b>BBB 0.00% (2.48%)</b>				
			<b>Total Hungary</b>	<b>-</b>	<b>-</b>
<b>INDONESIA 11.17% (12.21%)</b>					
	<b>Baa2 6.29% (9.74%)</b>				
IDR	8,094,000,000		Indonesia Government International Bond 6.625% 15/05/2033	416	0.51
IDR	25,244,000,000		Indonesia Government International Bond 8.375% 15/03/2034	1,496	1.83
IDR	28,013,000,000		Indonesia Government International Bond 9% 15/03/2029	1,735	2.13
IDR	23,125,000,000		Indonesia Government International Bond 9.5% 15/07/2031	1,482	1.82
	<b>Not Rated 4.88% (2.47%)</b>				
IDR	32,428,000,000		Indonesia Government International Bond 8.375% 15/04/2039	1,905	2.33
IDR	34,194,000,000		Indonesia Government International Bond 8.75% 15/05/2031	2,082	2.55
			<b>Total Indonesia</b>	<b>9,116</b>	<b>11.17</b>
<b>ISRAEL 3.14% (0.00%)</b>					
	<b>Not Rated 3.14% (0.00%)</b>				
ILS	10,490,000		Israel Fixed Bond 2.25% 28/09/2028	2,561	3.14
			<b>Total Israel</b>	<b>2,561</b>	<b>3.14</b>
<b>MALAYSIA 3.76% (3.83%)</b>					
	<b>A3 3.76% (3.83%)</b>				
MYR	6,767,000		Malaysian Government Bond 3.84% 15/04/2033	1,267	1.55
MYR	9,238,000		Malaysian Government Bond 4.392% 15/04/2026	1,802	2.21
			<b>Total Malaysia</b>	<b>3,069</b>	<b>3.76</b>
<b>MEXICO 9.61% (5.30%)</b>					
	<b>A- 6.96% (4.84%)</b>				
MXN	11,593,500		Mexican Bonos 7.5% 03/06/2027	487	0.59
MXN	2,044,100		Mexican Bonos 7.75% 29/05/2031	88	0.11
MXN	8,000,000		Mexican Bonos 8.5% 18/11/2038	368	0.45
MXN	102,913,400		Mexican Bonos 10% 05/12/2024	4,742	5.81
	<b>A3 2.36% (0.46%)</b>				
MXN	10,000,000		Mexican Bonos 5.75% 05/03/2026	383	0.47
MXN	35,000,000		Mexican Bonos 8% 11/07/2047	1,545	1.89
	<b>BBB+ 0.29% (0.00%)</b>				
USD	287,000		Petroleos Mexicanos 6.84% 23/01/2030	236	0.29
			<b>Total Mexico</b>	<b>7,849</b>	<b>9.61</b>



## Threadneedle Emerging Market Local Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>DERIVATIVES 1.36% (-0.27%)</b>									
<b>Interest Rate Swaps 0.79% (0.04%)</b>									
MXN	47,000,000	Citigroup Interest Rate Swap Receive MXN 6.95% Pay Ttie 4W 06/09/2029	37	0.05			Buy PEN 929,475 Citigroup	(1,067)	(1.31)
CZK	308,000,000	HSBC Interest Rate Swap Receive CZK 2.165% Pay Pribor 6M 10/01/2021	(13)	(0.02)			Sell USD 3,810,247		
MXN	37,000,000	HSBC Interest Rate Swap Receive MXN 8.355% Pay Ttie 4W 15/02/2029	179	0.22			Buy ZAR 58,146,421 HSBC	(3,837)	(4.70)
MXN	36,791,142	HSBC Interest Rate Swap Receive MXN 6.655% Pay Ttie 4W 27/09/2029	(4)	–			Sell USD 2,428,834		
HUF	1,300,000,000	J.P. Morgan Interest Rate Swap Receive HUF .9725% Pay Bubor 6M 08/07/2024	41	0.05			Buy MYR 10,207,175 HSBC	(4,581)	(5.61)
PLN	17,800,000	J.P. Morgan Interest Rate Swap Receive PLN 1.821% Pay Wibor 6M 22/07/2024	7	0.01			Sell USD 2,534,293		
CLP	2,865,000,000	J.P. Morgan Interest Rate Swap Receive CLP 4.24% Pay 26 2027/P:Clp/lcp/1D 26/12/2027	353	0.43			Buy RON 10,930,674 Citigroup	(4,758)	(5.83)
CLP	12,170,000,000	J.P. Morgan Interest Rate Swap Receive CLP lcp 1D Pay 26 2019/P:Clp 2.83000 26/12/2019	(15)	(0.02)			Sell USD 3,167,703		
ZAR	15,600,000	UBS Interest Rate Swap Receive ZAR 8.8% Pay Jibar-Safex 03/06/2026	62	0.08			Buy CZK 74,317,439 Citigroup	(2,148)	(2.63)
<b>Forward Foreign Exchange Contracts 0.56% (-0.31%)</b>									
		Sell USD 3,416,252					Sell CZK 4,861,572		
		Buy BRL 14,126,885 Citigroup	3,689	4.52			Buy USD 211,619 UBS	515	0.63
		Sell CLP 168,956,657					Sell ZAR 52,007,452		
		Buy USD 233,098 HSBC	2,376	2.91			Buy USD 3,413,414 UBS	5,251	6.43
		Sell COP 1,570,252,703					Sell IDR 19,200,084,498		
		Buy USD 455,653 HSBC	758	0.93			Buy USD 1,349,647 Citigroup	1,936	2.37
		Sell CZK 4,861,572					Sell PHP 97,404,206		
		Buy USD 211,619 UBS	2,421	2.96			Buy USD 1,882,134 Barclays	2,398	2.94
		Sell RON 10,860,567					Sell ZAR 6,138,970		
		Buy EUR 2,272,137 Citigroup	1,849	2.27			Buy USD 415,478 HSBC	827	1.01
		Sell USD 4,496,587					Sell HUF 43,755,791		
		Buy HUF 1,356,561,091 HSBC	2,552	3.13			Buy USD 147,975 Goldman Sachs	294	0.36
		Sell ILS 3,900,579					Sell TRY 1,637,671		
		Buy USD 1,102,517 UBS	(3,309)	(4.05)			Buy USD 276,182 Citigroup	393	0.48
		Sell MXN 20,096,415					Sell MYR 665,084		
		Buy USD 1,021,175 HSBC	(12)	(0.02)			Buy USD 158,731 Bank of Scotland	(188)	(0.23)
		Sell MYR 665,084					Sell ZAR 52,007,452		
		Buy USD 158,731 Goldman Sachs	1,865	2.28			Buy USD 3,413,414 UBS	231	0.28
		Sell PEN 779,834					<b>Total Derivatives</b>	<b>1,110</b>	<b>1.36</b>
		Buy USD 233,349 Goldman Sachs	40	0.05					
		Sell PHP 97,404,206							
		Buy USD 1,882,134 Citigroup	(1,938)	(2.37)					
		Sell USD 6,840,884							
		Buy PLN 26,785,928 Citigroup	3,615	4.43					
		Sell USD 2,534,293							
		Buy RON 10,930,674 HSBC	1,564	1.92					
		Sell USD 5,838,391							
		Buy THB 177,411,173 Bank of Scotland	4,548	5.57					
		Sell USD 1,040,593							
		Buy TRY 6,271,569 HSBC	(3,866)	(4.74)					
		Sell USD 4,496,587							
		Buy HUF 1,356,561,091 HSBC	(4,669)	(5.72)					
		Sell USD 6,840,884							
		Buy PLN 26,785,928 J.P. Morgan	(6,286)	(7.70)					
		Sell USD 276,313							
<b>Total value of investments<sup>3</sup></b>								<b>74,039</b>	<b>90.68</b>
<b>Net other assets (10.75%)</b>								<b>7,606</b>	<b>9.32</b>
<b>Net assets</b>								<b>81,645</b>	<b>100.00</b>
<i>April 2019 comparatives in brackets.</i>									
<i><sup>1</sup>Cash equivalents.</i>									
<i><sup>2</sup>Less than £500, rounded to nil.</i>									
<i><sup>3</sup>Includes Cash equivalents.</i>									
<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>									
								<b>Value £000</b>	<b>% of Investment</b>
								72,910	98.47
								1,110	1.50
								19	0.03
<b>Total value of investments<sup>3</sup></b>								<b>74,039</b>	<b>100.00</b>
<b>Total Purchases and Sales</b>									
<i>for the accounting period 1 May 2019 to 31 October 2019</i>									
								<b>2019 £000</b>	<b>2018 £000</b>
								32,106	33,883
								32,391	39,224

## Threadneedle Global Extended Alpha Fund

### Portfolio Statement

as at 31 October 2019

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>BERMUDA 1.01% (1.09%)</b>		<b>Financial Services 1.01% (1.09%)</b>			<b>INDONESIA 1.34% (1.81%)</b>		<b>Banks 1.34% (1.81%)</b>		
	29,485	Ihs Markit	1,595	1.01		9,173,700	Bank Rakyat Indonesia	2,113	1.34
		<b>Total Bermuda</b>	<b>1,595</b>	<b>1.01</b>			<b>Total Indonesia</b>	<b>2,113</b>	<b>1.34</b>
<b>CANADA 0.98% (1.39%)</b>		<b>Oil &amp; Gas Producers 0.98% (1.39%)</b>			<b>JAPAN 5.22% (4.13%)</b>		<b>Electronic &amp; Electrical Equipment 1.71% (1.45%)</b>		
	66,321	Suncor Energy (USD)	1,546	0.98		5,500	Keyence	2,697	1.71
		<b>Total Canada</b>	<b>1,546</b>	<b>0.98</b>			<b>Industrial Engineering 0.00% (0.95%)</b>		
<b>CAYMAN ISLANDS 2.17% (5.49%)</b>		<b>General Retailers 0.41% (2.25%)</b>					<b>Leisure Goods 1.98% (0.67%)</b>		
	4,664	Alibaba Group ADR	639	0.41		4,100	Nintendo	1,129	0.71
		<b>Software &amp; Computer Services 1.76% (3.24%)</b>				42,300	Sony	1,997	1.27
	88,000	Tencent Holdings	2,778	1.76			<b>Technology Hardware &amp; Equipment 1.53% (1.06%)</b>		
		<b>Total Cayman Islands</b>	<b>3,417</b>	<b>2.17</b>		39,300	Rohm	2,419	1.53
<b>CHINA 0.51% (2.28%)</b>		<b>Life Insurance 0.51% (2.28%)</b>					<b>Total Japan</b>	<b>8,242</b>	<b>5.22</b>
	89,500	Ping An Insurance Group	799	0.51	<b>NETHERLANDS 5.19% (0.00%)</b>		<b>Chemicals 2.02% (0.00%)</b>		
		<b>Total China</b>	<b>799</b>	<b>0.51</b>		44,999	LyondellBasell Industries	3,185	2.02
<b>DENMARK 1.51% (1.29%)</b>		<b>Pharmaceuticals &amp; Biotechnology 1.51% (1.29%)</b>					<b>Aerospace &amp; Defence 1.04% (0.00%)</b>		
	56,313	Novo Nordisk	2,377	1.51		14,655	Airbus	1,636	1.04
		<b>Total Denmark</b>	<b>2,377</b>	<b>1.51</b>			<b>Technology Hardware &amp; Equipment 2.13% (0.00%)</b>		
<b>FINLAND 1.41% (0.00%)</b>		<b>Forestry &amp; Paper 1.41% (0.00%)</b>				37,947	NXP Semiconductors	3,362	2.13
	88,260	UPM	2,225	1.41			<b>Total Netherlands</b>	<b>8,183</b>	<b>5.19</b>
		<b>Total Finland</b>	<b>2,225</b>	<b>1.41</b>	<b>REPUBLIC OF IRELAND 9.08% (6.09%)</b>		<b>Construction &amp; Materials 1.74% (1.82%)</b>		
<b>FRANCE 2.05% (0.93%)</b>		<b>Beverages 1.05% (0.00%)</b>				97,914	CRH (Dublin Listing)	2,745	1.74
	11,634	Pernod Ricard	1,658	1.05			<b>Industrial Engineering 1.31% (1.61%)</b>		
		<b>Health Care Equipment &amp; Services 1.00% (0.93%)</b>				21,009	Ingersoll-Rand	2,072	1.31
	13,420	Essilor International	1,579	1.00			<b>Health Care Equipment &amp; Services 1.06% (0.00%)</b>		
		<b>Total France</b>	<b>3,237</b>	<b>2.05</b>		19,988	Medtronic	1,674	1.06
<b>GERMANY 1.56% (2.73%)</b>		<b>Electronic &amp; Electrical Equipment 0.00% (0.53%)</b>					<b>Liquidity Funds 4.97% (2.66%)<sup>1</sup></b>		
	10,260	Adidas	2,468	1.56			BlackRock Institutional Cash Series		
		<b>Total Germany</b>	<b>2,468</b>	<b>1.56</b>			US Dollar Liquidity Platinum	7,839	4.97
<b>HONG KONG 0.76% (1.82%)</b>		<b>Personal Goods 1.56% (2.20%)</b>					<b>Total Republic of Ireland</b>	<b>14,330</b>	<b>9.08</b>
	155,400	AIA Group	1,198	0.76	<b>SOUTH KOREA 3.13% (0.00%)</b>		<b>Technology Hardware &amp; Equipment 3.13% (0.00%)</b>		
		<b>Total Hong Kong</b>	<b>1,198</b>	<b>0.76</b>		147,837	Samsung Electronics	4,942	3.13
<b>INDIA 3.50% (3.87%)</b>		<b>Banks 3.37% (3.70%)</b>					<b>Total South Korea</b>	<b>4,942</b>	<b>3.13</b>
	397,902	HDFC Bank	5,324	3.37	<b>SPAIN 0.00% (0.26%)</b>		<b>General Retailers 0.00% (0.26%)</b>		
		<b>Software &amp; Computer Services 0.13% (0.17%)</b>					<b>Total Spain</b>	<b>-</b>	<b>-</b>
	36,952	Matrimony.Com	201	0.13	<b>SWITZERLAND 1.44% (1.90%)</b>		<b>Electronic &amp; Electrical Equipment 1.44% (1.13%)</b>		
		<b>Total India</b>	<b>5,525</b>	<b>3.50</b>		32,600	TE Connectivity	2,268	1.44
							<b>Support Services 0.00% (0.77%)</b>		
							<b>Total Switzerland</b>	<b>2,268</b>	<b>1.44</b>

## Threadneedle Global Extended Alpha Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED KINGDOM 6.92% (6.12%)</b>				<b>Media 2.33% (2.59%)</b>			
	<b>Mining 0.00% (0.82%)</b>			2,948	Charter Communications	1,066	0.68
	<b>Support Services 0.90% (0.00%)</b>			75,338	Comcast Corporation	2,598	1.65
21,681	Ferguson	1,423	0.90		<b>Banks 0.56% (0.92%)</b>		
	<b>Beverages 0.95% (0.00%)</b>			9,137	JPMorgan Chase	887	0.56
47,305	Diageo	1,500	0.95		<b>Nonlife Insurance 2.30% (2.01%)</b>		
	<b>Household Goods &amp; Home Construction 0.99% (0.00%)</b>			22,058	Berkshire Hathaway	3,630	2.30
26,334	Reckitt Benckiser Group	1,568	0.99		<b>Real Estate Investment Trusts 0.60% (1.24%)</b>		
	<b>Personal Goods 1.03% (1.31%)</b>			2,137	Equinix	942	0.60
35,034	Unilever	1,618	1.03		<b>Financial Services 6.84% (6.69%)</b>		
	<b>Media 1.54% (2.05%)</b>			35,323	Charles Schwab	1,126	0.71
129,573	RELX (UK Listing)	2,421	1.54	9,837	CME Group	1,555	0.98
	<b>Nonlife Insurance 1.51% (1.94%)</b>			12,996	MasterCard Class A	2,780	1.76
15,879	Aon	2,384	1.51	7,727	S&P Global	1,518	0.96
	<b>Total United Kingdom</b>	<b>10,914</b>	<b>6.92</b>	27,686	Visa 'A' Shares	3,829	2.43
<b>UNITED STATES OF AMERICA 50.12% (48.12%)</b>					<b>Software &amp; Computer Services 5.38% (4.90%)</b>		
	<b>Oil &amp; Gas Producers 3.80% (3.20%)</b>			5,624	Adobe Systems	1,208	0.77
58,448	Diamondback Energy	3,806	2.41	4,976	Alphabet Class A	4,840	3.07
40,689	EOG Resources	2,187	1.39	949	Facebook	138	0.09
	<b>Oil Equipment, Services &amp; Distribution 0.46% (0.40%)</b>			12,691	Microsoft	1,416	0.90
48,622	Halliburton	729	0.46	4,202	Tyler Technologies	872	0.55
	<b>Chemicals 1.20% (1.26%)</b>				<b>Technology Hardware &amp; Equipment 2.66% (2.62%)</b>		
12,674	ECOLAB	1,895	1.20	26,761	Nvidia	4,192	2.66
	<b>Construction &amp; Materials 0.64% (0.61%)</b>				<b>Total United States of America</b>	<b>79,076</b>	<b>50.12</b>
15,678	Trex Company	1,018	0.64	<b>DERIVATIVES 1.09% (1.32%)</b>			
	<b>Electronic &amp; Electrical Equipment 1.16% (1.09%)</b>			<b>Forward Foreign Exchange Contracts -0.01% (-0.02%)</b>			
23,562	Amphenol	1,833	1.16	Sell USD 772,400			
	<b>Industrial Transportation 2.85% (2.88%)</b>			Buy GBP 599,350 Barclays			
34,691	Union Pacific	4,496	2.85	Sell USD 93,674			
	<b>Support Services 1.65% (2.38%)</b>			Buy SGD 127,655 J.P. Morgan <sup>2</sup>			
16,834	Fidelity National Information Services	1,714	1.09	Sell USD 2,142			
14,021	TransUnion	886	0.56	Buy SGD 2,916 J.P. Morgan <sup>2</sup>			
	<b>Leisure Goods 2.94% (1.48%)</b>			Sell GBP 2,344,518			
71,671	Activision Blizzard	3,090	1.96	Buy USD 3,016,000 Barclays			
21,025	Electronic Arts	1,570	0.98				
	<b>Personal Goods 1.41% (1.91%)</b>			<b>Portfolio Swap 1.10% (1.34%)</b>			
14,883	Estee Lauder Companies Class A	2,224	1.41	UBS Portfolio Swap			
	<b>Health Care Equipment &amp; Services 4.87% (4.18%)</b>			<b>Total Derivatives</b>			
25,545	Baxter International	1,516	0.96	<b>1,734</b>			
5,438	Becton Dickinson	1,074	0.68	<b>1,720</b>			
58,240	Centene	2,429	1.54	<b>156,175</b>			
5,716	Cooper Cos	1,288	0.82	<b>98.99</b>			
6,963	UnitedHealth Group	1,370	0.87	<b>1,591</b>			
	<b>Pharmaceuticals &amp; Biotechnology 3.41% (3.53%)</b>			<b>100.00</b>			
55,144	Gilead Sciences	2,687	1.70	<b>Total value of investments<sup>3</sup></b>			
7,371	Illumina	1,686	1.07	<b>Net other assets (9.36%)</b>			
6,531	Vertex Pharmaceuticals	1,004	0.64	<b>1,591</b>			
	<b>General Retailers 5.06% (4.23%)</b>			<b>Net assets</b>			
4,454	Amazon.com	6,118	3.88	<b>157,766</b>			
52,972	Service Corporate International	1,859	1.18	<b>100.00</b>			
						<b>2019</b>	<b>2018</b>
						<b>£000</b>	<b>£000</b>
Total purchases for the period						77,197	44,010
Total sales for the period						56,498	55,903

April 2019 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

#### Total Purchases and Sales

for the accounting period 1 May 2019 to 31 October 2019

## Threadneedle Global Equity Income Fund

### Portfolio Statement

as at 31 October 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>AUSTRALIA 2.75% (4.90%)</b>				<b>GERMANY 5.08% (4.66%)</b>			
	<b>Construction &amp; Materials 0.00% (0.99%)</b>				<b>Chemicals 0.95% (1.07%)</b>		
	<b>General Industrials 0.77% (1.36%)</b>			131,942	Evonik Industries	2,675	0.95
290,994	Amcor	2,150	0.77		<b>Media 1.32% (0.97%)</b>		
	<b>Industrial Metals &amp; Mining 0.71% (0.70%)</b>			68,694	Axel Springer Se	3,693	1.32
1,651,491	Alumina	1,994	0.71		<b>Mobile Telecommunications 2.81% (2.62%)</b>		
	<b>Industrial Transportation 1.27% (1.85%)</b>			580,384	Deutsche Telekom	7,880	2.81
308,919	Sydney Airport	1,433	0.51		<b>Total Germany</b>	<b>14,248</b>	<b>5.08</b>
272,883	Transurban	2,142	0.76				
	<b>Total Australia</b>	<b>7,719</b>	<b>2.75</b>	<b>HONG KONG 1.72% (0.98%)</b>			
					<b>Fixed Line Telecommunications 0.71% (0.98%)</b>		
	<b>AUSTRIA 1.34% (1.26%)</b>			1,656,473	HKT Trust & HKT	1,990	0.71
	<b>Banks 1.34% (1.26%)</b>				<b>Financial Services 1.01% (0.00%)</b>		
137,269	Erste Group Bank	3,762	1.34	118,100	Hong Kong Exchanges and Clearing	2,847	1.01
	<b>Total Austria</b>	<b>3,762</b>	<b>1.34</b>		<b>Total Hong Kong</b>	<b>4,837</b>	<b>1.72</b>
				<b>INDONESIA 1.11% (0.99%)</b>			
	<b>BRAZIL 1.67% (1.39%)</b>				<b>Fixed Line Telecommunications 1.11% (0.99%)</b>		
	<b>Beverages 1.18% (0.90%)</b>			13,754,159	Telekomunikasi Indonesia	3,107	1.11
972,118	Ambev	3,312	1.18		<b>Total Indonesia</b>	<b>3,107</b>	<b>1.11</b>
	<b>General Retailers 0.49% (0.49%)</b>			<b>ISLE OF MAN 0.65% (0.48%)</b>			
736,218	Cogna Educacao	1,373	0.49		<b>Travel &amp; Leisure 0.65% (0.48%)</b>		
	<b>Total Brazil</b>	<b>4,685</b>	<b>1.67</b>	209,222	GVC Holdings	1,838	0.65
					<b>Total Isle of Man</b>	<b>1,838</b>	<b>0.65</b>
	<b>CANADA 5.25% (7.42%)</b>			<b>JAPAN 5.54% (7.66%)</b>			
	<b>Oil &amp; Gas Producers 1.10% (1.36%)</b>				<b>Automobiles &amp; Parts 1.84% (1.71%)</b>		
133,136	Suncor Energy CAD	3,093	1.10	159,976	Bridgestone	5,157	1.84
	<b>Oil Equipment, Services &amp; Distribution 0.88% (1.50%)</b>				<b>Leisure Goods 1.82% (1.72%)</b>		
63,826	TC Energy	2,474	0.88	18,582	Nintendo	5,115	1.82
	<b>Chemicals 1.95% (2.11%)</b>				<b>Real Estate Investment Trusts 0.72% (0.70%)</b>		
145,384	Nutrien	5,476	1.95	3,169	Japan Hotel Investment REIT	2,025	0.72
	<b>Life Insurance 1.32% (2.45%)</b>				<b>Financial Services 0.00% (1.18%)</b>		
255,189	Manulife Financial	3,693	1.32		<b>Technology Hardware &amp; Equipment 1.16% (2.35%)</b>		
	<b>Total Canada</b>	<b>14,736</b>	<b>5.25</b>	20,715	Tokyo Electron	3,257	1.16
					<b>Total Japan</b>	<b>15,554</b>	<b>5.54</b>
	<b>CHINA 0.48% (1.57%)</b>			<b>NETHERLANDS 2.03% (2.43%)</b>			
	<b>Life Insurance 0.48% (1.57%)</b>				<b>Personal Goods 1.25% (2.43%)</b>		
150,003	Ping An Insurance Group	1,340	0.48	77,340	Unilever (EUR)	3,518	1.25
	<b>Total China</b>	<b>1,340</b>	<b>0.48</b>		<b>Banks 0.78% (0.00%)</b>		
				251,164	ING Groep	2,191	0.78
	<b>FINLAND 2.88% (1.45%)</b>				<b>Total Netherlands</b>	<b>5,709</b>	<b>2.03</b>
	<b>Forestry &amp; Paper 1.10% (0.00%)</b>			<b>REPUBLIC OF IRELAND 1.38% (0.88%)</b>			
122,701	UPM	3,093	1.10		<b>Liquidity Funds 1.38% (0.88%)<sup>1</sup></b>		
	<b>Nonlife Insurance 1.78% (1.45%)</b>				BlackRock Institutional Cash Series		
157,902	Sampo	4,980	1.78	5,001,290	US Dollar Liquidity Platinum	3,859	1.38
	<b>Total Finland</b>	<b>8,073</b>	<b>2.88</b>		<b>Total Republic of Ireland</b>	<b>3,859</b>	<b>1.38</b>
	<b>FRANCE 1.82% (1.20%)</b>						
	<b>Electronic &amp; Electrical Equipment 0.78% (0.00%)</b>						
30,375	Schneider Electric	2,186	0.78				
	<b>Banks 1.04% (1.20%)</b>						
72,639	BNP Paribas	2,909	1.04				
	<b>Total France</b>	<b>5,095</b>	<b>1.82</b>				

## Threadneedle Global Equity Income Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>SOUTH KOREA 3.36% (1.71%)</b>					<b>Financial Services 0.49% (0.00%)</b>				
		<b>Technology Hardware &amp; Equipment 3.36% (1.71%)</b>			638,874	M&G Prudential	1,361	0.49	
	281,779	Samsung Electronics	9,419	3.36		<b>Total United Kingdom</b>	<b>41,139</b>	<b>14.66</b>	
		<b>Total South Korea</b>	<b>9,419</b>	<b>3.36</b>	<b>UNITED STATES OF AMERICA 40.46% (36.67%)</b>				
<b>SPAIN 0.99% (1.82%)</b>					<b>Oil &amp; Gas Producers 2.53% (1.75%)</b>				
		<b>Construction &amp; Materials 0.99% (1.82%)</b>			52,178	Occidental Petroleum	1,665	0.59	
	122,834	Ferrovial	2,790	0.99	71,217	Valero Energy	5,429	1.94	
		<b>Total Spain</b>	<b>2,790</b>	<b>0.99</b>	<b>Oil Equipment, Services &amp; Distribution 2.53% (2.85%)</b>				
<b>SWEDEN 0.84% (0.87%)</b>					262,318	Enterprise Products Partners	5,332	1.90	
		<b>Industrial Engineering 0.84% (0.87%)</b>			69,102	Schlumberger	1,765	0.63	
	172,151	Sandvik	2,347	0.84	<b>Construction &amp; Materials 0.60% (0.53%)</b>				
		<b>Total Sweden</b>	<b>2,347</b>	<b>0.84</b>	12,306	Watsco	1,673	0.60	
<b>SWITZERLAND 2.97% (3.67%)</b>					<b>Aerospace &amp; Defence 1.17% (1.55%)</b>				
		<b>Pharmaceuticals &amp; Biotechnology 1.61% (1.92%)</b>			11,281	Lockheed Martin	3,295	1.17	
	66,854	Novartis	4,513	1.61	<b>General Industrials 1.05% (1.17%)</b>				
		<b>Banks 1.36% (1.75%)</b>			22,780	3M	2,959	1.05	
	422,250	UBS Group	3,823	1.36	<b>Electronic &amp; Electrical Equipment 1.58% (1.55%)</b>				
		<b>Total Switzerland</b>	<b>8,336</b>	<b>2.97</b>	80,879	Emerson Electric	4,433	1.58	
<b>TAIWAN 2.97% (3.81%)</b>					<b>Industrial Transportation 0.70% (0.00%)</b>				
		<b>Personal Goods 1.15% (1.81%)</b>			21,799	United Parcel Service	1,966	0.70	
	311,163	Eclat Textile Company	3,230	1.15	<b>Support Services 0.82% (1.29%)</b>				
		<b>Technology Hardware &amp; Equipment 1.82% (2.00%)</b>			35,322	Paychex	2,306	0.82	
	675,113	Taiwan Semiconductor Manufacturing	5,100	1.82	<b>Automobiles &amp; Parts 1.37% (1.42%)</b>				
		<b>Total Taiwan</b>	<b>8,330</b>	<b>2.97</b>	131,002	General Motors	3,832	1.37	
<b>UNITED KINGDOM 14.66% (13.68%)</b>					<b>Beverages 3.78% (3.38%)</b>				
		<b>Oil &amp; Gas Producers 1.19% (1.28%)</b>			131,207	Coca-Cola	5,461	1.95	
	149,187	Royal Dutch Shell 'A' Shares (London Listing)	3,344	1.19	48,558	PepsiCo	5,129	1.83	
		<b>Mining 2.25% (1.99%)</b>			<b>Tobacco 1.46% (2.45%)</b>				
	155,175	Anglo American	3,048	1.09	51,790	Altria Group	1,837	0.65	
	81,527	Rio Tinto	3,262	1.16	36,172	Philip Morris International	2,267	0.81	
		<b>Aerospace &amp; Defence 1.86% (1.29%)</b>			<b>Pharmaceuticals &amp; Biotechnology 8.06% (5.66%)</b>				
	907,845	BAE Systems	5,229	1.86	100,117	Bristol-Myers Squibb	4,396	1.57	
		<b>Household Goods &amp; Home Construction 1.44% (0.00%)</b>			83,974	Gilead Sciences	4,092	1.46	
	68,022	Reckitt Benckiser Group	4,051	1.44	40,894	Johnson & Johnson	4,191	1.49	
		<b>Tobacco 1.90% (2.04%)</b>			44,278	Merck & Co	2,947	1.05	
	194,848	British American Tobacco	5,329	1.90	235,016	Pfizer	6,980	2.49	
		<b>Pharmaceuticals &amp; Biotechnology 1.85% (1.58%)</b>			<b>Travel &amp; Leisure 1.10% (0.81%)</b>				
	292,311	GlaxoSmithKline	5,193	1.85	64,000	Las Vegas Sands	3,089	1.10	
		<b>Media 1.24% (2.00%)</b>			<b>Electricity 2.70% (1.51%)</b>				
	185,425	RELX (UK Listing)	3,465	1.24	43,539	American Electric Power	3,162	1.13	
		<b>Fixed Line Telecommunications 0.93% (1.02%)</b>			90,251	Xcel Energy	4,408	1.57	
	1,268,622	BT Group	2,611	0.93	<b>Banks 4.79% (4.41%)</b>				
		<b>Life Insurance 1.51% (2.48%)</b>			107,692	BB&T	4,460	1.59	
	314,211	Prudential	4,246	1.51	223,744	Wells Fargo	8,985	3.20	
					<b>Real Estate Investment Trusts 0.97% (1.30%)</b>				
					25,262	Crown Castle International	2,714	0.97	

## Threadneedle Global Equity Income Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED STATES OF AMERICA 40.46% (36.67%) (continued)</b>			
<b>Financial Services 1.16% (1.58%)</b>			
20,498	CME Group	3,241	1.16
<b>Software &amp; Computer Services 1.10% (0.76%)</b>			
29,705	International Business Machines	3,099	1.10
<b>Technology Hardware &amp; Equipment 2.99% (2.70%)</b>			
107,161	Cisco Systems	3,932	1.40
98,235	Maxim Integrated Products	4,461	1.59
<b>Total United States of America</b>		<b>113,506</b>	<b>40.46</b>
<b>DERIVATIVES 0.00% (0.00%)</b>			
<b>Forward Foreign Exchange Contracts 0.00% (0.00%)</b>			
	Sell USD 14,977		
	Buy CHF 14,820 J.P. Morgan <sup>2</sup>	–	–
	Sell USD 15,470		
	Buy CHF 15,308 J.P. Morgan <sup>2</sup>	–	–
	Sell USD 123,692		
	Buy EUR 111,081 J.P. Morgan <sup>2</sup>	–	–
	<b>Total Derivatives</b>	<b>–</b>	<b>–</b>
<b>Total value of investments<sup>3</sup></b>		<b>280,429</b>	<b>99.95</b>
<b>Net other assets (0.50%)</b>		<b>139</b>	<b>0.05</b>
<b>Net assets</b>		<b>280,568</b>	<b>100.00</b>

April 2019 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

### Total Purchases and Sales

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Total purchases for the period	76,821	419,255
Total sales for the period	197,376	501,695

## Threadneedle Global Focus Fund

### Portfolio Statement

as at 31 October 2019

		Value	% of			Value	% of
		£000	Net Asset Value			£000	Net Asset Value
Holding	Investment			Holding	Investment		
<b>AUSTRALIA 0.48% (0.00%)</b>				<b>Health Care Equipment &amp; Services 1.81% (0.00%)</b>			
<b>Pharmaceuticals &amp; Biotechnology 0.48% (0.00%)</b>				12,779	Medtronic	1,071	1.81
2,095	CSL	285	0.48	<b>Total Republic of Ireland</b>			
<b>Total Australia</b>				<b>2,726 4.62</b>			
<b>CAYMAN ISLANDS 0.00% (0.98%)</b>				<b>SOUTH KOREA 0.99% (0.00%)</b>			
<b>General Retailers 0.00% (0.98%)</b>				<b>Technology Hardware &amp; Equipment 0.99% (0.00%)</b>			
<b>Total Cayman Islands</b>				17,411	Samsung Electronics	582	0.99
<b>– –</b>				<b>Total South Korea</b>			
				<b>582 0.99</b>			
<b>FRANCE 4.86% (1.52%)</b>				<b>SWEDEN 0.92% (1.58%)</b>			
<b>Beverages 2.71% (1.52%)</b>				<b>Industrial Engineering 0.92% (1.58%)</b>			
11,227	Pernod Ricard	1,600	2.71	22,637	Atlas Copco 'B' Shares	544	0.92
<b>Personal Goods 2.15% (0.00%)</b>				<b>Total Sweden</b>			
3,845	LVMH Moet Hennessy Vuitton	1,267	2.15	<b>544 0.92</b>			
<b>Total France</b>							
<b>2,867 4.86</b>							
<b>GERMANY 1.52% (1.96%)</b>				<b>TAIWAN 1.33% (1.08%)</b>			
<b>Personal Goods 1.52% (1.96%)</b>				<b>Technology Hardware &amp; Equipment 1.33% (1.08%)</b>			
3,711	Adidas	893	1.52	104,000	Taiwan Semiconductor Manufacturing	786	1.33
<b>Total Germany</b>				<b>Total Taiwan</b>			
<b>893 1.52</b>				<b>786 1.33</b>			
<b>HONG KONG 1.75% (5.05%)</b>				<b>UNITED KINGDOM 6.37% (8.10%)</b>			
<b>Life Insurance 1.75% (5.05%)</b>				<b>Media 3.99% (4.30%)</b>			
134,000	AIA Group	1,033	1.75	125,983	RELX (UK Listing)	2,354	3.99
<b>Total Hong Kong</b>				<b>Travel &amp; Leisure 0.87% (0.99%)</b>			
<b>1,033 1.75</b>				<b>Intercontinental Hotels Group</b>			
				<b>514 0.87</b>			
<b>INDIA 5.50% (6.81%)</b>				<b>Nonlife Insurance 1.51% (1.81%)</b>			
<b>Banks 5.50% (6.81%)</b>				<b>Aon</b>			
124,652	HDFC Bank	1,668	2.83	<b>887 1.51</b>			
92,520	Kotak Mahindra Bank	1,577	2.67	<b>Financial Services 0.00% (1.00%)</b>			
<b>Total India</b>				<b>Total United Kingdom</b>			
<b>3,245 5.50</b>				<b>3,755 6.37</b>			
<b>INDONESIA 0.50% (0.57%)</b>				<b>UNITED STATES OF AMERICA 64.92% (62.95%)</b>			
<b>Banks 0.50% (0.57%)</b>				<b>Support Services 8.77% (5.48%)</b>			
170,200	Bank Central Asia	294	0.50	12,617	Automatic Data Processing	1,598	2.71
<b>Total Indonesia</b>				<b>22,466 Fidelity National Information Services</b>			
<b>294 0.50</b>				<b>2,288 3.88</b>			
				<b>20,383 TransUnion</b>			
				<b>1,288 2.18</b>			
<b>JAPAN 3.39% (2.72%)</b>				<b>Leisure Goods 1.98% (0.95%)</b>			
<b>Electronic &amp; Electrical Equipment 2.41% (2.72%)</b>				<b>Activision Blizzard</b>			
2,900	Keyence	1,422	2.41	<b>584 0.99</b>			
<b>Leisure Goods 0.98% (0.00%)</b>				<b>7,816 Electronic Arts</b>			
2,100	Nintendo	578	0.98	<b>584 0.99</b>			
<b>Total Japan</b>				<b>Personal Goods 2.58% (2.09%)</b>			
<b>2,000 3.39</b>				<b>10,171 Estee Lauder Companies Class A</b>			
				<b>1,520 2.58</b>			
<b>NETHERLANDS 1.19% (2.60%)</b>				<b>Health Care Equipment &amp; Services 12.90% (13.49%)</b>			
<b>Personal Goods 1.19% (2.60%)</b>				<b>Baxter International</b>			
15,443	Unilever (EUR)	702	1.19	<b>19,332 1,147 1.94</b>			
<b>Total Netherlands</b>				<b>6,157 Becton Dickinson</b>			
<b>702 1.19</b>				<b>1,216 2.06</b>			
				<b>54,923 Boston Scientific</b>			
				<b>1,780 3.02</b>			
				<b>8,439 Thermo Fisher Scientific</b>			
				<b>1,966 3.33</b>			
				<b>7,650 UnitedHealth Group</b>			
				<b>1,505 2.55</b>			
<b>REPUBLIC OF IRELAND 4.62% (2.15%)</b>				<b>Pharmaceuticals &amp; Biotechnology 2.07% (3.64%)</b>			
<b>Chemicals 0.81% (0.00%)</b>				<b>Abbott Laboratories</b>			
3,104	Linde	475	0.81	<b>18,817 1,220 2.07</b>			
<b>Industrial Engineering 2.00% (2.15%)</b>							
11,961	Ingersoll-Rand	1,180	2.00				

## Threadneedle Global Focus Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED STATES OF AMERICA 64.92% (62.95%) (continued)</b>			
<b>General Retailers 2.48% (3.00%)</b>			
1,064	Amazon.com	1,461	2.48
<b>Financial Services 14.07% (13.88%)</b>			
6,005	CME Group	949	1.61
15,109	MasterCard Class A	3,232	5.48
9,460	S&P Global	1,858	3.15
16,341	Visa 'A' Shares	2,260	3.83
<b>Software &amp; Computer Services 17.95% (19.38%)</b>			
14,041	Adobe Systems	3,016	5.11
2,878	Alphabet Class A	2,800	4.75
3,332	ANSYS	579	0.98
37,612	Microsoft	4,195	7.11
<b>Technology Hardware &amp; Equipment 2.12% (1.04%)</b>			
3,136	Lam Research	672	1.14
6,327	Texas Instruments	575	0.98
<b>Total United States of America</b>		<b>38,293</b>	<b>64.92</b>
<b>Total value of investments</b>		<b>58,005</b>	<b>98.34</b>
<b>Net other assets (1.93%)</b>		<b>980</b>	<b>1.66</b>
<b>Net assets</b>		<b>58,985</b>	<b>100.00</b>

April 2019 comparatives in brackets.

### Total Purchases and Sales

for the accounting period 1 May 2019 to 31 October 2019

	2019 £000	2018 £000
Total purchases for the period	32,836	1,658
Total sales for the period	6,039	416

## Performance Summary for the six months ended 31 October 2019 – UK Universe

Funds	Sector	Index	Class 1 Net Return %	Class 2 Net Return %	Sector Median Net Return %	Index Total Return %
UK Mid 250 Fund	IA UK All Companies	FTSE 250 ex Investment Trusts	-2.06	-1.78	+0.25	+3.02
UK Sustainable Equity Fund <sup>1</sup>	IA UK All Companies*	FTSE All Share Composite*	+3.17	+3.39	+0.25	+1.08
UK Extended Alpha Fund	IA UK All Companies	FTSE All-Share	+0.31	+0.59	+0.25	+0.41
UK Equity Alpha Income Fund	IA UK Equity Income*	FTSE All-Share*	+2.08	+2.37	+0.02	+0.41
UK Absolute Alpha Fund	Morningstar Category Alt – Long/Short Equity – UK	ICE BofAML British Pound 3 Month Deposit offered Rate Constant Maturity	+1.13	+1.43	+1.43	+0.39
Sterling Medium and Long-Dated Corporate Bond Fund <sup>4</sup>	–	iBoxx GBP Non-Gilts 5+ Years	+7.74	+7.52	–	+7.40
Sterling Short-Dated Corporate Bond Fund	–	iBoxx GBP Non-Gilts 5+ Years	+1.99	+2.05	–	+1.83
UK Fixed Interest Fund <sup>3</sup>	IA UK Gilts	FTSE Actuaries UK Conventional Gilts All Stocks	+6.89	+6.97	+7.05	+7.27
UK Index Linked Fund	IA UK Index Linked Gilts	FTSE Actuaries UK Index Linked All Stocks	+3.84	+3.93	+4.66	+5.43
Pan European Focus Fund	IA Europe including UK	MSCI Europe	+8.48	+8.79	+2.60	+3.34
American Extended Alpha Fund	IA North America	S&P 500	+2.24	+3.62	+3.45	+4.93
US Equity Income Fund	IA North America*	S&P 500 Composite	+6.04	+6.36	+3.45	+4.93
China Opportunities Fund	IA China – Greater China	MSCI China 10/40	-3.74	-3.46	-2.54	-5.23
Global Emerging Markets Equity Fund	IA Global Emerging Markets	MSCI EM (Emerging Markets)	+3.15	+3.38	-0.17	-0.67
Emerging Market Local Fund	Morningstar Category Global Emerging Markets Bond – Local Currency	JPM GBI-EM Global Diversified Composite	+7.67	+8.06	+7.97	+8.83
Global Extended Alpha Fund	IA Global	MSCI AC World	+3.61	+3.90	+2.97	+4.01
Global Equity Income Fund	IA Global Equity Income	MSCI AC World*	+2.64	+2.90	+4.13	+4.01
Global Focus Fund <sup>2</sup>	IA Global	MSCI AC World	+6.79	+6.83	+2.97	+4.01

The Fund Sector is taken from the UK Unit Trusts/OEICs universe. Comparing the fund's performance to this Fund Sector is only relevant for UK Investors.

\*Denotes official benchmark of the fund.

<sup>1</sup>Class 1 is showing T Income and Class 2 is showing Z Accumulation.

<sup>2</sup>Class 1 is showing Z Gross Accumulation.

<sup>3</sup>Class 2 is showing Z Accumulation.

<sup>4</sup>Class 1 is showing Institutional X Accumulation.

Net returns (Source: Morningstar) are calculated using official noon prices, bid to bid basis with net income reinvested and are net of assumed fees and expenses but does not include any initial charges. Gross returns (Source: Factset) represent the fund at total level and are calculated using global close authorised valuations based on in-house calculated transactions with cash flow at the start of the day and are gross of total expenses to facilitate comparison with the index. All data shown in GBP.

## Risk and Reward Profiles

Fund	Share Class	SRRI*
<b>UK Mid 250 Fund</b>	Class 1 – Accumulation shares	5
	Class 2 – Accumulation shares	5
	Class X – Accumulation shares	5
	Class Z – Accumulation shares	5
<b>UK Sustainable Equity Fund</b>	**Class 2 – Gross accumulation shares	5
	Class T – Income shares	5
	Class Z – Accumulation shares	5
<b>UK Extended Alpha Fund</b>	Class 1 – Accumulation shares	5
	Class 2 – Accumulation shares	5
	Class X – Accumulation shares	5
<b>UK Equity Alpha Income Fund</b>	Class 1 – Income shares	5
	Class 2 – Income shares	5
	Class X – Income shares	5
	**Class X – Gross accumulation shares	5
	Class Z – Income shares	5
<b>UK Absolute Alpha Fund</b>	Class 1 – Accumulation shares	5
	Class 2 – Income shares	5
	Class 2 – Accumulation shares	5
	Class X – Accumulation shares	5
	Class Z – Income shares	5
	Class Z – Accumulation shares	5
	Class Z USD Hedged – Accumulation shares	5
<b>Sterling Medium and Long-Dated Corporate Bond Fund</b>	Class 2 – Gross income shares	4
	Class X – Gross accumulation shares	4
<b>Sterling Short-Dated Corporate Bond Fund</b>	Class 1 – Accumulation shares	2
	Class 1 – Gross accumulation shares	2
	Class 1 EUR Hedged – Gross accumulation shares	2
	Class 2 – Income shares	2
	Class 2 – Gross income shares	2
	Class 2 – Gross accumulation shares	2
	Class 2 EUR Hedged – Gross accumulation shares	2
	Class X – Gross income shares	2
	Class X – Gross accumulation shares	2
Class Y – Gross income shares	2	
<b>UK Fixed Interest Fund</b>	Class 1 – Income shares	4
	Class 1 – Accumulation shares	4
	Class 2 – Income shares	4
	Class 2 – Gross income shares	4
	**Class X – Gross accumulation shares	4
<b>UK Index Linked Fund</b>	Class Z – Accumulation shares	4
	Class 1 – Income shares	5
	Class 1 – Gross accumulation shares	5
	Class 2 – Income shares	5
	Class 2 – Accumulation shares	5
	Class 2 – Gross income shares	5
<b>Pan European Focus Fund</b>	Class D – Accumulation shares	5
	Class X – Gross accumulation shares	5
	Class 1 – Income shares	5
	Class 1 – Accumulation shares	5
	Class 2 – Accumulation shares	5
	Class X – Accumulation shares	5
<b>American Extended Alpha Fund</b>	Class Z – Accumulation shares	5
	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	5
	**Class X – Gross accumulation shares	5
	Class Z – Accumulation shares	5

## Risk and Reward Profiles

(continued)

Fund	Share Class	SRRI*
<b>US Equity Income Fund</b>	Class 1 – Income shares	5
	Class 1 – Accumulation shares	5
	Class 1 EUR Hedged – Accumulation shares	5
	Class 2 – Income shares	5
	Class 2 EUR Hedged – Income shares	5
	Class 2 EUR Hedged – Accumulation shares	5
	Class L – Income shares	5
	Class X – Income shares	5
	Class Z – Income shares	5
	Class Z CHF Hedged – Income shares	6
	Class Z – Accumulation shares	5
	Class Z CHF Hedged – Accumulation shares	5
	Class Z EUR Hedged – Accumulation shares	5
<b>China Opportunities Fund</b>	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	**Class X – Gross accumulation shares	6
	Class Z – Accumulation shares	6
<b>Global Emerging Markets Equity Fund</b>	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Income shares	6
	Class X – Accumulation shares	6
	Class Z – Accumulation shares	6
<b>Emerging Market Local Fund</b>	Class 1 – Income shares	5
	Class 1 – Gross accumulation shares	5
	Class 2 – Gross accumulation shares	5
	Class X – Gross income shares	5
	Class X – Gross accumulation shares	5
	Class Z – Income shares	5
Class Z – Gross accumulation shares	5	
<b>Global Extended Alpha Fund</b>	Class 1 – Income shares	5
	Class 1 – Accumulation shares	6
	Class A – Accumulation shares	5
	Class A SGD Hedged – Accumulation shares	5
	Class 2 – Accumulation shares	5
	Class P – Accumulation shares	5
	Class X – Accumulation shares	5
	Class Z – Accumulation shares	5
<b>Global Equity Income Fund</b>	Class 1 – Income shares	5
	Class 1 – Monthly Income shares	5
	Class 1 – Accumulation shares	5
	Class 1 CHF Hedged – Accumulation shares	5
	Class 2 – Income shares	5
	Class 2 EUR Hedged – Income shares	5
	Class 2 – Accumulation shares	5
	Class X – Income shares	5
	Class X – Accumulation shares	5
	Class Z – Income shares	5
	Class Z – Accumulation shares	5
	Class Z CHF Hedged – Accumulation shares	5
<b>Global Focus Fund</b>	Class 2 – Gross accumulation shares	5
	Class Q – Gross accumulation shares	5
	**Class X – Gross accumulation shares	5
	Class Z – Gross accumulation shares	5

\*As at 31 October 2019 the synthetic risk and reward indicator (SRRI) is explained in the table below:

The risk and reward profile of the American Extended Alpha Fund changed to 6 for the Class 1 – Accumulation share on 23 August 2019.

\*\*For launch dates, refer to the footnotes after the fund's comparative table.

## Risk and Reward Profiles

(continued)

SRRI	
1	The fund is in this specific category because historically it has shown a low level of volatility (how much the value of the fund went up and down compared to other categories).
2	The fund is in this specific category because historically it has shown a relatively low level of volatility (how much the value of the fund went up and down compared to other categories).
3	The fund is in this specific category because historically it has shown a medium to low level of volatility (how much the value of the fund went up and down compared to other categories).
4	The fund is in this specific category because historically it has shown a medium level of volatility (how much the value of the fund went up and down compared to other categories).
5	The fund is in this specific category because historically it has shown a medium to high level of volatility (how much the value of the fund went up and down compared to other categories).
6	The fund is in this specific category because historically it has shown a high level of volatility (how much the value of the fund went up and down compared to other categories).
7	The fund is in this specific category because historically it has shown a very high level of volatility (how much the value of the fund went up and down compared to other categories).

The Risk and Reward Profile is based on past performance data in pound sterling. If your investment in the fund is not in pound sterling, please check the figure for the risk and reward profile disclosed on our website ([columbiathreadneedle.com](http://columbiathreadneedle.com)) according to the currency of your investment in the fund.

Historical data may not be a reliable indication of the future risk profile of the funds.

The SRRI category shown is not guaranteed to remain unchanged and that the categorisation of the funds may shift over time. The KIID contains the current SRRI.

The lowest category does not mean a risk-free investment.

No form of capital protection or capital guarantee applies to any of the classes.

## Important Information

Threadneedle Specialist Investment Funds ICVC (the Company) is an open-ended investment company with variable capital incorporated in England and Wales under regulation 14 (Authorisation) of the Open-Ended Investment Companies Regulations 2001 (as amended) and the shareholders are not liable for the debts of the Company.

The Company is structured as an umbrella company in which different sub-funds (funds) may be established from time to time by the ACD with the approval of the Financial Conduct Authority (FCA) and the agreement of the Depositary.

References in this document to any fund do not constitute an offer or invitation to subscribe to shares in such a fund. We recommend you obtain detailed information before the purchase of shares. Subscriptions to a fund may only be made on the basis of the current Prospectus or Key Investor Information document (KIID) and the latest annual and interim reports. Please refer also to the Risk Factors in the Prospectus.

Past performance is not a guide to future returns. The value of investments and any income from them is not guaranteed and may fall as well as rise and the investor may not get back the original investment. Exchange rate movements could increase or decrease the value of underlying investments/holdings. The dealing price of the funds may include a dilution adjustment. Further details are available in the Prospectus.

The mention of any specific shares or bonds should not be taken as a recommendation to deal and anyone considering dealing in these financial instruments should consult a stockbroker or financial adviser. The research and analysis included in this document has been produced by Threadneedle for its own investment management activities, may have been acted upon prior to publication and is made available here incidentally. Any opinions expressed are made as at the date of publication but are subject to change without notice.

### Prospectus

A prospectus (the Prospectus), which describes each fund in detail, is available from Threadneedle Investment Services Limited, International Financial Data Services, P.O. Box 10033, Chelmsford, Essex CM99 2AL and from the paying agents and distributors in the countries where the fund is distributed.

The funds are segregated portfolios of assets and, accordingly, the assets of a fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the umbrella, or any other fund, and shall not be available for any such purpose.

Each fund has the investment powers equivalent to those of a UCITS scheme (as defined in the FCA rules).

Other funds may be launched in the future.

### Key Investor Information Document – Subscription requirements

The KIID is a pre contractual document and investors have to confirm that they have read the latest KIID before making a subscription. Threadneedle has the right to reject a subscription if the investor does not confirm that they have read the latest KIID at the time of application. Investors can obtain the latest KIID from [columbiathreadneedle.com](http://columbiathreadneedle.com).

### Changes to the management of the ACD

The following changes have been made to the directors of the ACD:

- Appointment of R Vincent on 12 August 2019;
- Appointment of J Griffiths on 24 September 2019.

### Changes to the Prospectus

The following changes were made to the prospectus of the Company during the period from 1 May 2019 to 31 October 2019:

- Change to the investment manager of the Global Emerging Markets Equity Fund to Columbia Management Investment Advisers, LLC (effective 21 May 2019);
- Introduction of co-management for the China Opportunities Fund (co-management between Threadneedle Asset Management Limited and Threadneedle Investments Singapore (Pte.) Limited (effective 21 May 2019);
- Change of name and investment policy for the UK Sustainable Equity Fund (formerly Ethical UK Equity Fund) (effective 1 July 2019);
- Changes to the following funds in respect of changes required in response to the FCA Asset Management Market Study (including addition of a target benchmark or comparator benchmark(s), where relevant):
  - American Extended Alpha Fund;
  - China Opportunities Fund;
  - Emerging Market Local Fund;
  - Global Emerging Markets Equity Fund;
  - Global Equity Income Fund;
  - Global Extended Alpha Fund;
  - Global Focus Fund;
  - Pan European Focus Fund;
  - Sterling Medium and Long-Dated Corporate Bond Fund;
  - Sterling Short-Dated Corporate Bond Fund;
  - UK Absolute Alpha Fund;
  - UK Equity Alpha Income Fund;
  - UK Extended Alpha Fund;
  - UK Fixed Interest Fund;
  - UK Index Linked Fund;
  - UK Mid 250;
  - US Equity Income Fund;
- Removal of the following funds:
  - Absolute Return Bond Fund
  - Pan European Equity Dividend Fund
  - Global Opportunities Bond Fund
- Update to the directors of the ACD and funds managed by the ACD;
- General updates including information on taxation, performance figures including target benchmark performance (where applicable) and dilution adjustments

## Important Information

(continued)

### Changes to the Instrument of Incorporation

The following changes were made to the instrument of incorporation of the Company during the period from 1 May 2019 to 31 October 2019:

- Change of name and investment policy for the UK Sustainable Equity Fund (formerly Ethical UK Equity Fund) (effective 1 July 2019);
- Changes to the following funds in respect of changes required in response to the FCA Asset Management Market Study (including addition of a target benchmark or comparator benchmark(s), where relevant):
  - American Extended Alpha Fund;
  - China Opportunities Fund;
  - Emerging Market Local Fund;
  - Global Emerging Markets Equity Fund;
  - Global Equity Income Fund;
  - Global Extended Alpha Fund;
  - Global Focus Fund;
  - Pan European Focus Fund;
  - Sterling Medium and Long-Dated Corporate Bond Fund;
  - Sterling Short-Dated Corporate Bond Fund;
  - UK Absolute Alpha Fund;
  - UK Equity Alpha Income Fund;
  - UK Extended Alpha Fund;
  - UK Fixed Interest Fund;
  - UK Index Linked Fund;
  - UK Mid 250;
  - US Equity Income Fund;
- Removal of the following funds:
  - Absolute Return Bond Fund
  - Pan European Equity Dividend Fund
  - Global Opportunities Bond Fund

### Emerging Market Local Fund

From 1 January 2020, the Emerging Market Local Fund will be able to invest directly in mainland Chinese bonds on the China Interbank Bond Market. This is in readiness for the inclusion of Chinese Bonds from February 2020 in the Fund's benchmark, the J.P. Morgan Government Bond Index - Emerging Markets (GBI-EM) Global Diversified index.

The Fund will be able to invest up to a maximum of 20% of its assets in Chinese bonds.

Investments on the China Interbank Bond Market are placed using a programme called Hong Kong Bond Connect ("Bond Connect") which aims to make it easier and more efficient for foreign investors, such as the Fund, to trade bonds in the China interbank bond market.

As with any investment, investing in the mainland Chinese bond market using Bond Connect may involve certain specific risks, relating to areas such as operations, regulations, taxation and transactions including selling and settlement costs. However, we do not expect the use of Bond Connect to have a significant impact on the overall risk levels associated with the Funds.

Further information is available at [columbiathreadneedle.com/changes](http://columbiathreadneedle.com/changes).

### Brexit

At the referendum held in June 2016, the United Kingdom voted to leave the European Union (known as "Brexit"). The UK invoked Article 50 of the Lisbon Treaty to negotiate the exit from the European Union. There is a significant degree of uncertainty about how negotiations relating to the UK's withdrawal will be concluded, as well as the potential consequences and precise timeframe for this.

The full scope of the changes and the consequences on the legal framework is currently not known. Depending on the outcome of the UK's negotiations with the European Union, and the existence or otherwise of any formal implementation period, it is possible that the funds may no longer be eligible to enjoy the rights set out in the UCITS Directive. Ceasing to be so eligible may affect the ability of non-UK domiciled investors to make new investments in the Company.

### Characteristics of Shares

The Company is structured as an umbrella company and currently consists of 18 different sub-funds. Several classes of share may be issued in respect of the fund, distinguished by their criteria for subscription and fee structure.

Share Class	Currency	Minimum Investment	Eligibility
Class 1	Class 1 GBP	GBP 2,000	Available to retail and institutional investors seeking income or growth (or a combination of both) over the medium to long-term.
	Class 1 EUR (including Class 1 Hedged Shares)	EUR 2,500 – EUR 3,000	
	Class 1 USD (including Class 1 Hedged Shares)	USD 2,500 – USD 3,000	
	Class 1 CHF (including Class 1 Hedged Shares)	CHF 4,000	
	Class 1 SGD (including Class 1 Hedged Shares)	SGD 4,000	
Class 2	Class 2 GBP	GBP 50,000 – GBP 500,000	Available at the ACD's discretion to eligible distributors which have entered into separate fee arrangements with their clients
	Class 2 EUR (including Class 2 Hedged Shares)	EUR 100,000 – EUR 800,000	
	Class 2 USD (including Class 1 Hedged Shares)	USD 750,000 – USD 800,000	

## Important Information

(continued)

Share Class	Currency	Minimum Investment	Eligibility
Class A	Class A GBP Class A USD Class A SGD	GBP 2,000 USD 3,000 SGD 4,000	Available to retail and institutional investors in the Global Extended Alpha Fund seeking income or growth (or a combination of both) over the medium to long term (no performance fee)
Class D	Class D GBP	GBP 2,000	Available only to certain investors in the UK Index Linked Fund
Class L	Class L GBP	GBP 100 million	Available only to certain investors in the US Equity Income Fund
Class M	Class M GBP Class M AUD (including Class M Hedge Shares) Class M SGD (including Class M Hedge Shares) Class M USD (including Class M Hedge Shares)	GBP 2,000 AUD 3,000 SGD 4,000 USD 3,000	Available to retail and institutional investors (distributions paid monthly) seeking income or growth (or a combination of both) over the medium to long-term.
Class P	Class P GBP Class P USD	GBP 50 million USD 80 million	Available to non-retail investors in the Global Extended Alpha Fund (no performance fee)
Class Q	Class Q GBP	GBP 3 million	Available only to Eligible Shareholders in the Global Focus Fund
Class T	Class T GBP	GBP 2,000	Available only to certain investors in the UK Sustainable Equity Fund
Class W	Class W GBP Class W EUR	GBP 80 million EUR 100 million	Available only to Eligible Shareholders in the Global Equity Income Fund

Share Class	Currency	Minimum Investment	Eligibility
Class X	Class X GBP Class X EUR Class X USD Class X AUD (Hedged Share Class)	GBP 3 million EUR 5 million USD 5 million AUD 5 million	Available only to Eligible Shareholders
Class Y	Class Y GBP	GBP 150 million	Available to Eligible Shareholders in the Sterling Short-Dated Corporate Bond Fund
Class Z	Class Z GBP Class Z EUR (including Class Z Hedged Shares) Class Z USD (including Class Z Hedged Shares) Class Z CHF (including Class Z Hedged Shares) Class Z SGD (including Class Z Hedged Shares)	GBP 1 million EUR 1.5 million USD 1.5 million CHF 1.5 million SGD 2 million	Available at the ACD's discretion to eligible distributors which have entered into separate fee arrangements with their clients

The limits for minimum initial investment, minimum subsequent investment and minimum holding of shares may be waived at the discretion of the ACD. The level of net income attributable to each share class will differ. For further information please refer to the Prospectus.

### Hedged Share Classes (HSCs)

HSCs use currency hedging transactions to try to reduce the exposure to the Reference Currency and replace it with an exposure to the hedged Currency. The terms Reference Currency, Portfolio Currency and Hedged Currency are defined as follows:

- "Reference Currency" or "Reference Currencies" means (according to the context) the primary investment currency of the share class against which the currency hedging transaction will be applied in order to reduce any exchange rate fluctuation with the Hedged Currency;
- "Portfolio Currency" or "Portfolio Currencies" means (according to the context) the currency or currencies in which the underlying assets of the fund are invested in line with the investment objectives applicable to the fund;
- "Hedged Currency" is the currency in which the Hedged Share Class is denominated.

## Important Information

*(continued)*

These HSCs should not be confused with other share classes that may be denominated in other currencies but will not be hedged. For full details of the HSCs available, including details of the Reference Currency or Portfolio Currency of each fund for which HSCs are available, please refer to the latest version of the Prospectus.

### Income Equalisation

Since each Fund operates equalisation, the first allocation made after the acquisition of shares will include an amount of equalisation. This amount represents the ACD's best estimate of the income included in the price at which the shares were acquired (subject to grouping where appropriate) and represents a capital repayment for UK tax purposes which should be deducted from the cost of shares in arriving at any capital gain realised on their subsequent disposal.

### Performance

For the period under review, where applicable, fund performance has been compared to the relevant peer group. We show a peer group comparison as this more accurately reflects the way the fund is managed. We continue to show stock market indices for information purposes and for those funds where The Investment Association sector is not felt to be a representative peer group. Audited peer group information is only available from Morningstar's Fund Services at month end points.

### Report and Financial Statements

Annual long-form reports and financial statements of the Company will be made available and published within four months of the close of each annual accounting period and half-yearly long report and financial statements will be published within two months of the close of each interim accounting period. At the end of each reporting period short form reports are available on our website [www.columbiathreadneedle.com/shortform](http://www.columbiathreadneedle.com/shortform) and from Threadneedle Investment Services Limited P.O. Box 10033, Chelmsford, Essex CM99 2AL.

The annual accounting period for the funds shall end on 30 April and the interim reporting period shall end on 31 October.

The documents will also be available from the paying agents in the countries where the funds are registered. The reports will provide information on the performance of the funds, the market background, and details of each of the portfolios.

### Foreign Account Tax Compliance Act (FATCA)

Threadneedle and its funds (Threadneedle) have registered with the US Internal Revenue Service in accordance with FATCA and other current related legislation. Threadneedle has put in place appropriate processes and procedures to maintain its compliance with the statutory requirements, including ensuring that Threadneedle obtain the required certification from its clients and investors as necessary to mitigate any requirement upon Threadneedle to withhold or report such clients under the legislation. This registration and compliance process will ensure that Threadneedle will not suffer withholding tax under FATCA.

### Common reporting standard (CRS)

The Common Reporting Standard ('CRS') has come into effect in stages, starting from 1 January 2016, was developed by the Organisation for Economic Co operation and Development ('OECD'). The CRS has been adopted in the UK by The International Tax Compliance Regulations 2015, and may require Threadneedle funds to report account holder information to HMRC about their shareholdings. HMRC will in turn pass this information onto the competent authorities with which it has an agreement.

### Holdings in shares of other funds of the Company

None of the funds of the Company held shares in other funds of the Company (listed on the contents page on page 1) at the end of the period.

## Important Information

(continued)

### Securities Financing Transaction Regulation (unaudited)

The Securities Financing Transaction Regulation ("SFTR") introduces reporting requirements for securities financing transactions ("SFTs") and total return swaps. A SFT is defined as per Article 3(11) of the SFTR as:

- a repurchase/reverse repurchase agreement;
- securities or commodities lending and securities or commodities borrowing;
- a buy-sell back transaction or sell-buy back transaction; or
- a margin lending transaction.

As at 31 October 2019 the ICVC held Portfolio Swaps which are a type of instrument in scope of the SFTR.

### Global data

Name of Portfolio	Type of asset	Unrealised gain and loss in the portfolio base currency and in absolute value	% of Net Assets
Threadneedle UK Extended Alpha Fund	Portfolio Swap	735,975	0.47
Threadneedle UK Absolute Alpha Fund	Portfolio Swap	216,664	0.08
Threadneedle American Extended Alpha Fund	Portfolio Swap	26,172	0.04
Threadneedle Global Extended Alpha Fund	Portfolio Swap	1,733,576	1.10

### Data on collateral reuse

There was no collateral reuse during the period ended 31 October 2019.

### Concentration data

All collateral received in respect of Portfolio Swap as at 31 October 2019 is cash collateral. The ten largest issuers disclosure is therefore not applicable.

The following table provides details of the top ten counterparties (based on gross volume of outstanding transactions) in respect of the Portfolio Swaps held per Portfolio as at 31 October 2019:

Name of Portfolio	Type of asset	Counterparty	Unrealised gain and loss in the portfolio base currency and in absolute value
Threadneedle UK Extended Alpha Fund	Portfolio Swap	UBS	735,975
Threadneedle UK Absolute Alpha Fund	Portfolio Swap	UBS	216,664
Threadneedle American Extended Alpha Fund	Portfolio Swap	Merill Lynch	26,172
Threadneedle Global Extended Alpha Fund	Portfolio Swap	UBS	1,733,576

### Safekeeping of collateral received

Cash collateral is received on each Portfolio's cash account at Citibank Europe plc, London Branch.

The amount of collateral received for Portfolio Swaps as at 31 October 2019 is as follows:

Name of Portfolio	Type of collateral	Counterparty	Currency of collateral	Amount of collateral
Threadneedle UK Extended Alpha Fund	Cash	UBS	GBP	560,000
		<b>Total</b>	<b>GBP</b>	<b>560,000</b>
Threadneedle Global Extended Alpha Fund	Cash	UBS	USD	1,670,000
		<b>Total</b>	<b>USD</b>	<b>1,670,000</b>

## Important Information

(continued)

### Aggregate transaction data

Name of Portfolio	Type of collateral	Maturity tenor (collateral)	Currency of collateral	Maturity tenor (SFT/TRS)	Country of establishment (counterparty)	Settlement and clearing	Quality of collateral
Threadneedle UK Extended Alpha Fund	Cash	Open maturity	GBP	Less than 1 month	UK	Bilateral	N/A – Cash
Threadneedle UK Absolute Alpha Fund	Cash	Open maturity	GBP	Less than 1 month	UK	Bilateral	N/A – Cash
Threadneedle American Extended Alpha Fund	Cash	Open maturity	USD	Less than 1 month	UK	Bilateral	N/A – Cash
Threadneedle Global Extended Alpha Fund	Cash	Open maturity	USD	Less than 1 month	UK	Bilateral	N/A – Cash

### Safekeeping of collateral granted

Cash and security collateral paid to the counterparties is delivered to segregated accounts at the counterparty.

The amount of collateral granted for Portfolio Swaps as at 31 October 2019 is as follows:

Name of Portfolio	Type of collateral	Counterparty	Currency of collateral	Amount of collateral*	% of collateral held at period-end by category
Threadneedle UK Extended Alpha Fund	Cash	UBS	GBP	560,000	0.36
		<b>Total</b>	<b>GBP</b>	<b>560,000</b>	<b>0.36</b>
Threadneedle UK Absolute Alpha Fund	Cash	UBS	GBP	1,314,000	0.50
		<b>Total</b>	<b>GBP</b>	<b>1,314,000</b>	<b>0.50</b>
Threadneedle American Extended Alpha Fund	Cash	Merill Lynch	USD	40,000	0.04
		<b>Total</b>	<b>USD</b>	<b>40,000</b>	<b>0.04</b>
Threadneedle Global Extended Alpha Fund	Cash	UBS	USD	1,670,000	0.82
		<b>Total</b>	<b>USD</b>	<b>1,670,000</b>	<b>0.82</b>

### Return/Costs

Return and costs of Portfolio Swap transactions for the period ended 31 October 2019 are disclosed in the Statement of Total Return of the relevant Fund under the headings, "Net capital gains/(losses)", "Revenue" and "Interest payable and similar charges".

\*This collateral amount may be related to transactions other than TRS which are not covered by SFTR disclosure.

## Important Information

(continued)

### Key Risks of the Fund:

The following table below shows the key risks applying to each Fund. A definition of the key risks can be found overleaf.

Funds/ Key risks	Investment	Currency	No Capital Guarantee	Counterparty	Issuer	Political and Financial	Liquidity	Effect of Portfolio Concentration	Inflation	Interest Rate	Valuation	Short Selling	Investment in Derivatives	Leverage	Derivatives for EPM/ Hedging	Volatility	High Volatility	China-Hong Kong Stock Connect	China Interbank Bond Market - Hong Kong Bond Connect	Sustainable Investment Criteria
UK Mid 250 Fund	X	X													X	X				
UK Sustainable Equity Fund	X														X	X				X
UK Extended Alpha Fund	X	X		X							X	X	X	X		X				
UK Equity Alpha Income Fund	X	X						X							X	X				
UK Absolute Alpha Fund	X	X	X	X							X	X	X	X		X				
Sterling Medium and Long-Dated Corporate Bond Fund	X	X			X		X		X	X					X					
Sterling Short-Dated Corporate Bond Fund	X	X			X		X		X	X					X					
UK Fixed Interest Fund	X	X			X		X		X	X					X					
UK Index Linked Fund	X	X			X					X					X					
Pan European Focus Fund	X	X						X							X		X			
American Extended Alpha Fund	X	X		X							X	X	X	X		X				
US Equity Income Fund	X	X													X		X			
China Opportunities Fund	X	X				X	X								X		X	X		
Global Emerging Markets Equity Fund	X	X				X	X								X		X	X		
Emerging Market Local Fund	X	X		X	X	X	X		X	X	X	X	X	X		X			X	
Global Extended Alpha Fund	X	X		X		X					X	X	X	X		X				
Global Equity Income Fund	X	X													X	X				
Global Focus Fund	X	X						X							X	X				

#### Description of the Key Risks:

**Investment Risk:** The value of investments can fall as well as rise and investors might not get back the sum originally invested.

**Currency Risk:** Where investments are in assets that are denominated in multiple currencies, or currencies other than your own, changes in exchange rates may affect the value of the investments.

**No Capital Guarantee Risk:** Positive returns are not guaranteed and no form of capital protection applies.

**Counterparty Risk:** The fund may enter into financial transactions with selected counterparties. Any financial difficulties arising at these counterparties could significantly affect the availability and the value of fund assets.

**Issuer Risk:** The Fund invests in securities whose value would be significantly affected if the issuer refused, was unable to or was perceived to be unable to pay.

**Political and Financial Risk:** The fund invests in markets where economic and regulatory risk can be significant. These factors can affect liquidity, settlement and asset values. Any such event can have a negative effect on the value of your investment.

**Liquidity Risk:** The fund holds assets which could prove difficult to sell. The fund may have to lower the selling price, sell other investments or forego more appealing investment opportunities.

**Effect of Portfolio Concentration Risk:** The Fund has a concentrated portfolio (holds a limited number of investments and/or has a restricted investment universe) and if one or more of these investments declines or is otherwise affected, it may have a pronounced effect on the fund's value.

**Inflation Risk:** Most bond and cash funds offer limited capital growth potential and an income that is not linked to inflation. Inflation is likely to affect the value of capital and income over time.

## Important Information

*(continued)*

**Interest Rate Risk:** Changes in interest rates are likely to affect the fund's value. In general, as interest rates rise, the price of a fixed rate bond will fall, and vice versa.

**Valuation Risk:** The fund's assets may sometimes be difficult to value objectively and the actual value may not be recognised until assets are sold.

**Short Selling Risk:** Short selling intends to make a profit from falling prices. However if the value of the underlying investment increases, the value of the short position will decrease. The potential losses are unlimited as the prices of the underlying investments can increase very significantly in a short space of time.

**Investment in Derivatives Risk:** The Investment Policy of the fund allows it to invest materially in derivatives.

**Leverage Risk:** Leverage amplifies the effect that a change in the price of an investment has on the fund's value. As such, leverage can enhance returns to investors but can also increase losses, including losses in excess of the amount invested.

**Derivatives for EPM/Hedging Risk:** The investment policy of the fund allows it to invest in derivatives for the purposes of reducing risk or minimising the cost of transactions.

**Volatility Risk:** The fund may exhibit significant price volatility.

**High Volatility Risk:** The fund typically carries a risk of high volatility due to its portfolio composition or the portfolio management techniques used. This means that the fund's value is likely to fall and rise more frequently and this could be more pronounced than with other funds.

**China-Hong Kong Stock Connect:** The Fund may invest through the China-Hong Kong Stock Connect programmes which have significant operational constraints including quota limits and are subject to regulatory change and increased counterparty risk.

**China Interbank Bond Market - Hong Kong Bond Connect:** The Fund may invest in the China Interbank Bond Market (CIBM) via Hong Kong Bond Connect which is subject to regulatory, volatility and liquidity risk, as well as risks associated with settlement, default of counterparties and market suspension. Furthermore, the Fund may incur significant trading, taxation and realisation costs.

**Sustainable Investment Criteria:** The Fund aims to invest in companies which deliver sustainable outcomes and in doing so adheres to a set of Sustainable Investment Guidelines. The Guidelines will affect the Fund's exposure to certain sectors, which may impact the performance of the Fund positively or negatively relative to a benchmark or other funds without such restrictions.

Further risks applicable to the fund can be found in the Prospectus.

## Directory

### Registered Office

Cannon Place  
78 Cannon Street  
London EC4N 6AG

### Authorised Corporate Director (ACD)

Threadneedle Investment Services Limited  
Cannon Place  
78 Cannon Street  
London EC4N 6AG

### Registrar

Threadneedle Investment Services Limited  
Delegated to:  
DST Financial Services Europe Limited  
(Authorised and regulated by the Financial Conduct Authority (FCA))  
St Nicholas Lane  
Basildon  
Essex SS15 5FS

### Investment Manager

(for all Funds other than the Global Emerging Markets Equity Fund)  
Threadneedle Asset Management Limited  
Cannon Place  
78 Cannon Street  
London EC4N 6AG

### Investment Manager

(for the Global Emerging Markets Equity Fund)  
Columbia Management Investment Advisers, LLC  
225 Franklin Street  
Boston  
MA 02110  
United States of America

### Depository

Citibank Europe plc, UK branch  
(Authorised by the Prudential Regulatory Authority (PRA)  
and regulated by the FCA and PRA)  
Citigroup Centre  
33 Canada Square  
Canary Wharf  
London E14 5LB

### Legal Advisers

Eversheds Sutherland (International) LLP  
One Wood Street  
London EC2V 7WS

### Independent Auditor

PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street  
Edinburgh EH3 8EX

### Authorised Corporate Director Client Services Details UK Investors

**Address:** Threadneedle Investment Services Limited  
PO Box 10033  
Chelmsford  
Essex CM99 2AL  
**Telephone** (dealing & customer enquiries): 0800 953 0134\*  
**Fax** (dealing): 0845 113 0274  
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### Asian Investors

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### All Other Investors

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**Fax** (dealing): +352 2452 9807  
**Email** (enquiries): questions@service.columbiathreadneedle.co.uk  
**Website:** columbiathreadneedle.com

### Paying Agents Austria:

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Belgium

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Ireland

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Italy  
  
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20125 Milan  
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20124 Milan  
Italy

### Luxembourg:

State Street Bank Luxembourg S.A.  
49, avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

### Information Agent in Spain

Threadneedle Specialist Investment Funds ICVC is duly authorised for its marketing in Spain under registered number 481 for such purposes with the Register of Foreign Collective Investment Schemes of the Comisión Nacional del Mercado de Valores (CNMV), in accordance with section 15. 2 of Law 35/2003 of 4 November 2003 on Collective Investment Schemes, as amended.  
A list of the appointed local distributors and Funds and share classes available for public distribution in Spain is available at the CNMV web page ([www.cnmv.es](http://www.cnmv.es)).

\*Calls will be recorded.

## Directory

*(continued)*

### **Sweden:**

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Kungsträdgårdsgatan  
SE-10640 Stockholm

### **Swiss representative and paying agent**

BNP Paribas Securities Services, Paris, Zurich Branch  
Selnastrasse 16  
8002 Zurich  
Switzerland

To find out more visit [columbiathreadneedle.com](https://columbiathreadneedle.com)



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