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INTERIM REPORT AND UNAUDITED FINANCIAL STATEMENTS  
THREADNEEDLE INVESTMENT FUNDS ICVC  
SEPTEMBER 2019

# THREADNEEDLE INVESTMENT FUNDS ICVC

## Contents

<b>Company Information*</b> .....	<b>3</b>	<b>Pacific Basin &amp; Emerging Markets:</b>	
<b>Authorised Corporate Director's Report*</b> .....	<b>4</b>	Asia Fund.....	<b>113 – 117</b>
<b>UK:</b>		Latin America Fund.....	<b>118 – 120</b>
UK Fund.....	<b>5 – 10</b>	Emerging Market Bond Fund.....	<b>121 – 126</b>
UK Select Fund.....	<b>11 – 15</b>	<b>International:</b>	
UK Smaller Companies Fund.....	<b>16 – 20</b>	High Yield Bond Fund.....	<b>127 – 134</b>
UK Growth & Income Fund.....	<b>21 – 25</b>	Global Select Fund.....	<b>135 – 139</b>
UK Equity Income Fund.....	<b>26 – 33</b>	Global Bond Fund.....	<b>140 – 145</b>
UK Monthly Income Fund.....	<b>34 – 37</b>	<b>Institutional Funds:</b>	
Monthly Extra Income Fund.....	<b>38 – 42</b>	UK Institutional Fund.....	<b>146 – 149</b>
Sterling Corporate Bond Fund (formerly UK Corporate Bond Fund).....	<b>43 – 48</b>	UK Equity Opportunities Fund (formerly UK Overseas Earnings Fund).....	<b>150 – 153</b>
Sterling Bond Fund.....	<b>49 – 53</b>	<b>Portfolio Statements*:</b>	
Sterling Short-Term Money Market Fund (formerly Sterling Fund).....	<b>54 – 56</b>	UK Fund.....	<b>154 – 155</b>
<b>Europe:</b>		UK Select Fund.....	<b>156</b>
European Fund.....	<b>57 – 61</b>	UK Smaller Companies Fund.....	<b>157 – 158</b>
European Select Fund.....	<b>62 – 68</b>	UK Growth & Income Fund.....	<b>159</b>
European Smaller Companies Fund.....	<b>69 – 74</b>	UK Equity Income Fund.....	<b>160 – 161</b>
European Bond Fund.....	<b>75 – 79</b>	UK Monthly Income Fund.....	<b>162 – 163</b>
Strategic Bond Fund.....	<b>80 – 85</b>	Monthly Extra Income Fund.....	<b>164 – 167</b>
<b>US:</b>		Sterling Corporate Bond Fund (formerly UK Corporate Bond Fund).....	<b>168 – 171</b>
American Fund.....	<b>86 – 91</b>	Sterling Bond Fund.....	<b>172</b>
American Select Fund.....	<b>92 – 97</b>	Sterling Short-Term Money Market Fund (formerly Sterling Fund).....	<b>173</b>
American Smaller Companies Fund (US).....	<b>98 – 103</b>	European Fund.....	<b>174 – 175</b>
Dollar Bond Fund.....	<b>104 – 108</b>	European Select Fund.....	<b>176 – 177</b>
<b>Japan:</b>		European Smaller Companies Fund.....	<b>178 – 179</b>
Japan Fund.....	<b>109 – 112</b>	European Bond Fund.....	<b>180 – 184</b>

## Contents

*(continued)*

Strategic Bond Fund.....	185 – 191
American Fund .....	192 – 193
American Select Fund.....	194 – 195
American Smaller Companies Fund (US).....	196 – 197
Dollar Bond Fund.....	198 – 199
Japan Fund.....	200
Asia Fund.....	201 – 202
Latin America Fund.....	203 – 204
Emerging Market Bond Fund .....	205 – 208
High Yield Bond Fund .....	209 – 214
Global Select Fund.....	215 – 216
Global Bond Fund.....	217 – 219
UK Institutional Fund .....	220 – 221
UK Equity Opportunities Fund (formerly UK Overseas Earnings Fund) .....	222
<b>Performance Summary*</b> .....	<b>223 – 224</b>
<b>Risk and Reward Profiles*</b> .....	<b>225 – 228</b>
<b>Important Information*</b> .....	<b>229 – 234</b>
<b>Directory*</b> .....	<b>235 – 236</b>

Please note that the Sterling Short-Term Money Market Fund is currently registered for public offer in the UK only and it is not intended to be registered outside the UK unless otherwise decided by the Authorised Corporate Director (ACD). Shares in the Sterling Short-Term Money Market Fund must not be marketed to the public in any other jurisdiction.

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

## Company Information

### Company

Threadneedle Investment Funds ICVC (the Company)  
Registered Number IC000002

### 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)  
M Scrimgeour (Resigned from the Board on 26 April 2019)  
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 Investment Funds ICVC for the 6 months to 7 September 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



**P Stone**  
Director

16 October 2019

## Threadneedle UK Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve 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 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 are 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 the 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. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

The Fund typically invests in fewer than 80 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 – Income shares\*

Over the six months to 7 September 2019, the published share price of the Threadneedle UK Fund has risen from 134.36p to 139.92p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +5.68% as compared to a median return of +4.33% over the same period. (For information the FTSE All-Share Total Return Index returned +4.28% over the same period).

### Market Overview and Portfolio Activity

UK equities rallied over the review period, largely because of expectations of stimulus measures from key central banks. That said, the stock market's gains were periodically punctured by worries around Brexit, the US-China trade war and the global economic outlook.

In terms of UK politics, fears of a no-deal Brexit rose over the review period, especially after Prime Minister Theresa May announced her resignation in May. During the subsequent leadership campaign, frontrunner Boris Johnson pledged to take the UK out of the EU by the extended Article 50 deadline of 31 October 2019, with or without a deal. He duly became the new prime minister, and at the end of August, he unveiled plans to suspend parliament until just before the extended Brexit deadline. This lowered the likelihood that the UK and the EU would manage to agree on a deal before the end of October. However, the opposition subsequently managed to successfully rally MPs to pass a bill in favour of a further extension in the likely event of parliament again vetoing a no-deal Brexit.

Concerns around Brexit were particularly painful for small- and mid-caps, especially as they also weighed on the pound. However, the currency's fall buoyed sentiment towards export-oriented stocks and resulted in several overseas takeover bids being launched for UK companies such as Merlin Entertainments and Cobham.

On the economic front, UK GDP growth was strong in the first quarter of 2019, partly due to the boost to manufacturing from firms stockpiling inventories ahead of the original Brexit date of 29 March. However, subsequent data showed that this effect was wearing off, and the economy contracted in the second quarter. More encouragingly, consumption data held up reasonably well, thanks to the recovery in real wages over the last year. The Bank of England continued to signal that rate hikes were still possible this year, assuming that Brexit doesn't derail the economy, though investors remained sceptical that policymakers would tighten policy.

Over the review period, we topped up several holdings, chiefly Weir, Prudential, Reckitt Benckiser and ITV. Mining equipment firm Weir is a high-quality stock in our view, and currently trading at an attractive valuation discount to its peers as the market has overreacted to the difficulties facing a small part of the business. We also felt that Weir was a likely acquisition candidate within the UK market. Prudential is benefiting from robust growth

in Asia. The demerger of the company's UK unit could unlock more value. Reckitt Benckiser is soon to become the largest pure-play operator in the global consumer health market and is much more favourably valued than its overseas-listed rivals. We feel that the separation of health and hygiene/home segments is likely to create shareholder value. In our view, ITV's share price is not capturing the rush for content globally, or its attractiveness as a takeover target. We also believe that the company is of higher quality and much less vulnerable to the disruption than the bearish sentiment induced by Brexit would suggest.

We initiated positions in Berkeley and SSP. We believe that as competitors move out of the London land-buying market, Berkeley's unique position will enable it to accumulate sites at great prices which should boost profitability over the next five to six years. We also expect the company to retain its strong focus on balancing asset growth and cash returns. 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.

We profitably closed our position in Daily Mail & General Trust. We also exited Headlam Group and PZ Cussons, and reduced our overweight in Imperial Brands. Additionally, we realised some gains in stocks which have outperformed this year, such as Merlin Entertainments and London Stock Exchange.

While allocations and sentiment towards the UK market remain depressed, we are more constructive about the outlook for UK equities. Many non-commodity driven UK-listed companies with global exposure are trading at excessive discounts to their overseas-listed peers. UK domestics are trading at even cheaper valuations, owing to poor Brexit sentiment. This valuation dynamic creates opportunities for active managers, and should continue to entice activist investments and takeover bids from overseas firms.

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. This comes as the global monetary easing cycle seems to be restarting, which, along with any significant resolution to the US-China trade talks, could see the current economic cycle extended a while longer. However, we are monitoring the situation closely.

We will focus on company fundamentals and use volatile markets to top up and buy favoured stocks with a view to delivering solid risk-adjusted returns.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	72,081	49,824
Revenue	49,307	49,571
Expenses	(10,058)	(11,745)
Interest payable and similar charges	–	(3)
Net revenue before taxation	39,249	37,823
Taxation	–	–
Net revenue after taxation	39,249	37,823
<b>Total return before distributions</b>	<b>111,330</b>	<b>87,647</b>
Distributions	(39,249)	(37,823)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>72,081</b>	<b>49,824</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	1,955,635	2,128,050
<b>Current assets:</b>		
Debtors	23,089	20,058
Cash and bank balances	6,785	11,691
Cash equivalents**	19,677	125
<b>Total assets</b>	<b>2,005,186</b>	<b>2,159,924</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(19,991)	(15,473)
Other creditors	(7,182)	(15,468)
<b>Total liabilities</b>	<b>(27,173)</b>	<b>(30,941)</b>
<b>Net assets attributable to shareholders</b>	<b>1,978,013</b>	<b>2,128,983</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>2,128,983</b>	<b>2,118,533</b>
Amounts receivable on the issue of shares	423,619	194,077
Amounts payable on the cancellation of shares	(665,253)	(197,007)
	(241,634)	(2,930)
Dilution adjustment	44	35
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	72,081	49,824
Retained distribution on accumulation shares	18,528	12,387
Unclaimed distributions	11	7
<b>Closing net assets attributable to shareholders</b>	<b>1,978,013</b>	<b>2,177,856</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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>				
08/03/19 to 07/09/19	2.1531	–	2.1531	1.9939
<b>Group 2</b>				
08/03/19 to 07/09/19	1.8341	0.3190	2.1531	1.9939
<b>Total distributions in the period</b>			<b>2.1531</b>	<b>1.9939</b>

#### Class 1 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/09/19	2.0301	–	2.0301	1.8383
<b>Group 2</b>				
08/03/19 to 07/09/19	1.1373	0.8928	2.0301	1.8383
<b>Total distributions in the period</b>			<b>2.0301</b>	<b>1.8383</b>

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

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

## Threadneedle UK Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	2.5595	–	2.5595	2.4167
<b>Group 2</b> 08/03/19 to 07/09/19	1.5179	1.0416	2.5595	2.4167
<b>Total distributions in the period</b>			<b>2.5595</b>	<b>2.4167</b>

#### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	2.0028	–	2.0028	1.8389
<b>Group 2</b> 08/03/19 to 07/09/19	1.0345	0.9683	2.0028	1.8389
<b>Total distributions in the period</b>			<b>2.0028</b>	<b>1.8389</b>

#### Class X – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	2.6489	–	2.6489	2.5613
<b>Group 2</b> 08/03/19 to 07/09/19	1.7162	0.9327	2.6489	2.5613
<b>Total distributions in the period</b>			<b>2.6489</b>	<b>2.5613</b>

#### Class X – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	3.0446	–	3.0446	2.8314
<b>Group 2</b> 08/03/19 to 07/09/19	1.2967	1.7479	3.0446	2.8314
<b>Total distributions in the period</b>			<b>3.0446</b>	<b>2.8314</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	2.9859	–	2.9859	2.8270
<b>Group 2</b> 08/03/19 to 07/09/19	1.4164	1.5695	2.9859	2.8270
<b>Total distributions in the period</b>			<b>2.9859</b>	<b>2.8270</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	3.4939	–	3.4939	3.2203
<b>Group 2</b> 08/03/19 to 07/09/19	1.8856	1.6083	3.4939	3.2203
<b>Total distributions in the period</b>			<b>3.4939</b>	<b>3.2203</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	133.22	135.81	138.34	125.60	125.20	125.35
Return before operating charges (p)	7.77	2.73	2.19	7.32	2.48	1.95
Operating charges (p)	(1.13)	(2.24)	(2.30)	(1.06)	(2.08)	(2.10)
Return after operating charges (p)*	6.64	0.49	(0.11)	6.26	0.40	(0.15)
Distributions (p)	(2.15)	(3.08)	(2.42)	(2.03)	(2.86)	(2.20)
Retained distributions on accumulation shares (p)	–	–	–	2.03	2.86	2.20
Closing net asset value per share (p)	137.71	133.22	135.81	131.86	125.60	125.20
*after direct transaction costs of (p)	0.08	0.18	0.14	0.08	0.17	0.13
<b>Performance</b>						
Return after charges (%)	4.98	0.36	(0.08)	4.98	0.32	(0.12)
<b>Other information</b>						
Closing net asset value (£000)	230,271	487,399	450,191	1,874	1,980	1,717
Closing number of shares	167,208,700	365,854,211	331,491,703	1,421,173	1,576,857	1,371,644
Operating charges (%)**	1.64 <sup>†</sup>	1.63	1.63	1.63 <sup>†</sup>	1.63	1.63
Direct transaction costs (%)***	0.12	0.13	0.10	0.12	0.13	0.10
<b>Prices</b>						
Highest share price (p)	144.81	149.10	146.01	136.52	137.46	133.81
Lowest share price (p)	131.69	121.03	134.70	124.15	113.18	123.81
	Class 2 – Income shares			Class 2 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	133.43	136.02	138.58	104.44	103.51	103.03
Return before operating charges (p)	7.80	2.76	2.18	6.10	2.05	1.61
Operating charges (p)	(0.74)	(1.46)	(1.50)	(0.58)	(1.12)	(1.13)
Return after operating charges (p)*	7.06	1.30	0.68	5.52	0.93	0.48
Distributions (p)	(2.56)	(3.89)	(3.24)	(2.00)	(2.98)	(2.42)
Retained distributions on accumulation shares (p)	–	–	–	2.00	2.98	2.42
Closing net asset value per share (p)	137.93	133.43	136.02	109.96	104.44	103.51
*after direct transaction costs of (p)	0.08	0.18	0.14	0.06	0.14	0.10
<b>Performance</b>						
Return after charges (%)	5.29	0.96	0.49	5.29	0.90	0.47
<b>Other information</b>						
Closing net asset value (£000)	289,700	419,957	461,592	322,735	281,406	180,919
Closing number of shares	210,028,725	314,739,661	339,346,214	293,493,225	269,451,804	174,791,020
Operating charges (%)**	1.07 <sup>†</sup>	1.06	1.06	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.12	0.13	0.10	0.12	0.13	0.10
<b>Prices</b>						
Highest share price (p)	145.37	149.52	146.46	113.78	113.78	110.53
Lowest share price (p)	131.90	121.42	135.26	103.24	94.00	101.91



## Threadneedle UK Fund

### Comparative Table Disclosure

(continued)

	Class X – Income shares			Class X – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	108.55	110.67	112.77	124.76	122.44	120.67
Return before operating charges (p)	6.35	2.24	1.77	7.31	2.40	1.84
Operating charges (p)	(0.03)	(0.07)	(0.07)	(0.04)	(0.08)	(0.07)
Return after operating charges (p)*	6.32	2.17	1.70	7.27	2.32	1.77
Distributions (p)	(2.65)	(4.29)	(3.80)	(3.04)	(4.80)	(4.09)
Retained distributions on accumulation shares (p)	–	–	–	3.04	4.80	4.09
Closing net asset value per share (p)	112.22	108.55	110.67	132.03	124.76	122.44
*after direct transaction costs of (p)	0.07	0.15	0.11	0.08	0.16	0.12
<b>Performance</b>						
Return after charges (%)	5.82	1.96	1.51	5.83	1.89	1.47
<b>Other information</b>						
Closing net asset value (£000)	69,798	60,197	57,625	337,501	46,842	28,362
Closing number of shares	62,196,718	55,453,153	52,069,718	255,620,027	37,546,067	23,164,007
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	0.12	0.13	0.10	0.12	0.13	0.10
<b>Prices</b>						
Highest share price (p)	118.73	121.90	119.47	136.47	134.87	130.57
Lowest share price (p)	107.31	99.08	110.54	123.34	112.09	119.49
	Class Z – Income shares			Class Z EUR – Income shares		
	07/09/2019	07/03/2019	07/03/2018	09/11/2018 <sup>†</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	146.65	149.45	152.26	162.69		
Return before operating charges (p)	8.57	3.06	2.39	(12.86)		
Operating charges (p)	(0.63)	(1.26)	(1.29)	(0.40)		
Return after operating charges (p)*	7.94	1.80	1.10	(13.26)		
Distributions (p)	(2.99)	(4.60)	(3.91)	(3.11)		
Retained distributions on accumulation shares (p)	–	–	–	–		
Closing net asset value per share (p)	151.60	146.65	149.45	146.32		
*after direct transaction costs of (p)	0.09	0.20	0.15	0.09		
<b>Performance</b>						
Return after charges (%)	5.41	1.20	0.72	(8.15)		
<b>Other information</b>						
Closing net asset value (£000)	475,619	487,696	525,499	–		
Closing number of shares	313,736,826	332,560,403	351,630,750	–		
Operating charges (%)**	0.83 <sup>†</sup>	0.83	0.83	–		
Direct transaction costs (%)***	0.12	0.13	0.10	–		
<b>Prices</b>						
Highest share price (p)	159.91	164.35	161.01	163.33		
Lowest share price (p)	144.96	133.54	148.75	142.11		

## Threadneedle UK Fund

### Comparative Table Disclosure

(continued)

	Class Z – Accumulation shares			Class Z CHF Hedged – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	09/11/2018 <sup>2</sup>	07/03/2018	07/03/2017
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	171.60	169.71	168.55	137.04	145.43	106.84
Return before operating charges (p)	10.03	3.33	2.60	(2.18)	(7.20)	39.62
Operating charges (p)	(0.74)	(1.44)	(1.44)	(0.66)	(1.19)	(1.03)
Return after operating charges (p)*	9.29	1.89	1.16	(2.84)	(8.39)	38.59
Distributions (p)	(3.49)	(5.27)	(4.35)	(2.81)	(3.63)	(3.17)
Retained distributions on accumulation shares (p)	3.49	5.27	4.35	2.81	3.63	3.17
Closing net asset value per share (p)	180.89	171.60	169.71	134.20	137.04	145.43
*after direct transaction costs of (p)	0.10	0.23	0.17	0.14	0.14	0.24
<b>Performance</b>						
Return after charges (%)	5.41	1.11	0.69	(2.07)	(5.77)	36.12
<b>Other information</b>						
Closing net asset value (£000)	250,515	343,506	371,361	–	5,507	5,874
Closing number of shares	138,490,490	200,173,868	218,822,439	–	4,018,724	4,039,078
Operating charges (%)**	0.83 <sup>1</sup>	0.83	0.83	–	0.83	0.82
Direct transaction costs (%)***	0.12	0.13	0.10	–	0.10	0.20
<b>Prices</b>						
Highest share price (p)	187.12	186.63	181.17	152.68	152.79	145.89
Lowest share price (p)	169.63	154.39	166.76	129.61	135.99	104.86
	Class Z EUR Hedged – Accumulation shares			Class Z USD Hedged – Accumulation shares		
	09/11/2018 <sup>2</sup>	07/03/2018	07/03/2017	09/11/2018 <sup>2</sup>	07/03/2018	07/03/2017
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	150.79	146.46	109.24	139.26	155.33	109.82
Return before operating charges (p)	(5.09)	5.60	38.27	10.38	(14.83)	46.55
Operating charges (p)	(0.72)	(1.27)	(1.05)	(0.71)	(1.24)	(1.04)
Return after operating charges (p)*	(5.81)	4.33	37.22	9.67	(16.07)	45.51
Distributions (p)	(3.09)	(3.82)	(3.23)	(3.00)	(3.78)	(3.24)
Retained distributions on accumulation shares (p)	3.09	3.82	3.23	3.00	3.78	3.24
Closing net asset value per share (p)	144.98	150.79	146.46	148.93	139.26	155.33
*after direct transaction costs of (p)	0.16	0.15	0.24	0.15	0.15	0.24
<b>Performance</b>						
Return after charges (%)	(3.85)	2.96	34.07	6.94	(10.35)	41.44
<b>Other information</b>						
Closing net asset value (£000)	–	17,534	12,438	–	18,226	19,910
Closing number of shares	–	11,627,814	8,492,277	–	13,087,364	12,817,700
Operating charges (%)**	–	0.83	0.82	–	0.83	0.82
Direct transaction costs (%)***	–	0.10	0.20	–	0.10	0.20
<b>Prices</b>						
Highest share price (p)	165.01	160.54	146.51	165.61	157.93	155.48
Lowest share price (p)	143.25	139.93	108.65	133.25	137.41	107.11

\*\*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>1</sup>Commenced 15 June 2018 and closed 9 November 2018.

<sup>2</sup>Closed 9 November 2018.

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

## Threadneedle UK Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	365,854,211
Shares issued	19,882,506
Shares redeemed	(217,018,387)
Net conversions	(1,509,630)
Closing shares	<u>167,208,700</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	1,576,857
Shares issued	29,375
Shares redeemed	(185,059)
Net conversions	–
Closing shares	<u>1,421,173</u>
<b>Class 2 – Income shares</b>	
Opening shares	314,739,661
Shares issued	15,026,545
Shares redeemed	(119,730,544)
Net conversions	(6,937)
Closing shares	<u>210,028,725</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	269,451,804
Shares issued	42,555,976
Shares redeemed	(18,514,555)
Net conversions	–
Closing shares	<u>293,493,225</u>
<b>Class X – Income shares</b>	
Opening shares	55,453,153
Shares issued	6,743,565
Shares redeemed	–
Net conversions	–
Closing shares	<u>62,196,718</u>
<b>Class X – Accumulation shares</b>	
Opening shares	37,546,067
Shares issued	233,659,431
Shares redeemed	(15,585,471)
Net conversions	–
Closing shares	<u>255,620,027</u>
<b>Class Z – Income shares</b>	
Opening shares	332,560,403
Shares issued	12,537,981
Shares redeemed	(32,056,255)
Net conversions	694,697
Closing shares	<u>313,736,826</u>

##### Class Z – Accumulation shares

Opening shares	200,173,868
Shares issued	1,679,113
Shares redeemed	(63,945,371)
Net conversions	582,880
Closing shares	<u>138,490,490</u>

2019

## Threadneedle UK Select 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 invests at least 90% of its assets in 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.

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 of any size, from any industry or economic sector, with significant sector and share weightings taken at the fund manager's discretion.

The FTSE All-Share Index is regarded as an appropriate performance measure of the UK stock market, with over 600 companies currently 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 – Income shares\*

Over the six months to 7 September 2019, the published share price of the Threadneedle UK Select Fund has risen from 122.47p to 125.75p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +4.01% as compared to a median return of +4.33% over the same period.

(For information the FTSE All-Share Total Return Index returned +4.28% over the same period).

#### Market Overview and Portfolio Activity

UK equities rallied over the review period, largely because of expectations of stimulus measures from key central banks. That said, the stock market's gains were periodically punctured by worries around Brexit, the US-China trade war and the global economic outlook.

In terms of UK politics, fears of a no-deal Brexit rose over the review period, especially after Prime Minister Theresa May announced her resignation in May. During the subsequent leadership campaign, frontrunner Boris Johnson pledged to take the UK out of the EU by the extended Article 50 deadline of 31 October 2019, with or without a deal. He duly became the new prime minister, and at the end of August, he unveiled plans to suspend parliament until just before the extended Brexit deadline. This lowered the likelihood that the UK and the EU would manage to agree on a deal before the end of October. However, the opposition subsequently managed to successfully rally MPs to pass a bill in favour of a further extension in the likely event of parliament again vetoing a no-deal Brexit.

Concerns around Brexit were particularly painful for small- and mid-caps, especially as they also weighed on the pound. However, the currency's fall buoyed sentiment towards export-oriented stocks and resulted in several overseas takeover bids being launched for UK companies such as Merlin Entertainments and Cobham.

On the economic front, UK GDP growth was strong in the first quarter of 2019, partly due to the boost to manufacturing from firms stockpiling inventories ahead of the original Brexit date of 29 March. However, subsequent data showed that this effect was wearing off, and the economy contracted in the second quarter. More encouragingly, consumption data held up reasonably well, thanks to the recovery in real wages over the last year. The Bank of England continued to signal that rate hikes were still possible this year, assuming that Brexit doesn't derail the economy, though investors remained sceptical that policymakers would tighten policy.

New additions to the portfolio over the review period included Schroders Non-voting, Reckitt Benckiser and Vodafone. We initiated a position in global asset manager Schroders via its non-voting shares, which traded at a meaningful

discount to the voting shares. We acquired this high-quality franchise on a single-digit price-to-earnings multiple and a dividend yield of over 5%. We felt that the valuation was appealing, given the strength of the firm's balance sheet and the cash generative nature of the business. Reckitt Benckiser is soon to become the largest pure-play operator in the global consumer health market and is much more favourably valued than its overseas-listed rivals. We are optimistic about the separation of its health and hygiene/home segments. Our purchase of telecom giant Vodafone on the premise that the spin-off of its European mobile-mast division will unlock value and help to repair the company's balance sheet. The move should also help to boost share price performance from a very low base following a turbulent period.

Over the review period, we also added to selected holdings, such as Associated British Foods (ABF) and Ascential. ABF's diverse range of subsidiaries are backed by a strong balance sheet and an impressive management focused on long-term value creation. Events-company Ascential recently announced it would acquire a stake in Jumpshot, the marketing analytics subsidiary of Avast.

We profitably closed our position in Micro Focus International. We also exited Imperial Brands and Domino's Pizza, and reduced exposure to a number of holdings such as DS Smith and Royal Dutch Shell 'B' Shares.

While allocations and sentiment towards the UK market remain depressed, we are more constructive about the outlook for UK equities. Many non-commodity driven UK-listed companies with global exposure are trading at excessive discounts to their overseas-listed peers. UK domestics are trading at even cheaper valuations, owing to poor Brexit sentiment. This valuation dynamic creates opportunities for active managers, and should continue to entice activist investments and takeover bids from overseas firms.

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. This comes as the global monetary easing cycle seems to be restarting, which, along with any significant resolution to the US-China trade talks, could see the current economic cycle extended a while longer. However, we are monitoring the situation closely.

We will focus on company fundamentals and use volatile markets to top up and buy favoured stocks with a view to delivering solid risk-adjusted returns.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	12,381	233
Revenue	10,294	11,656
Expenses	(1,343)	(1,829)
Interest payable and similar charges	(2)	(2)
Net revenue before taxation	8,949	9,825
Taxation	–	–
Net revenue after taxation	8,949	9,825
Total return before distributions	21,330	10,058
Distributions	(8,949)	(9,825)
Change in net assets attributable to shareholders from investment activities	12,381	233

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	382,890	465,048
<b>Current assets:</b>		
Debtors	14,523	6,402
Cash and bank balances	4,348	9,070
Cash equivalents**	3,061	5,023
Total assets	404,822	485,543
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(2,531)	(2,226)
Other creditors	(7,059)	(666)
Total liabilities	(9,590)	(2,892)
<b>Net assets attributable to shareholders</b>	<b>395,232</b>	<b>482,651</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Opening net assets attributable to shareholders	482,651	491,228
Amounts receivable on the issue of shares	76,961	59,217
Amounts payable on the cancellation of shares	(182,456)	(20,483)
	(105,495)	38,734
Dilution adjustment	42	56
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	12,381	233
Retained distribution on accumulation shares	5,651	6,425
Unclaimed distributions	2	3
Closing net assets attributable to shareholders	395,232	536,679

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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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>					
08/03/19 to 07/09/19	1.8728	–	1.8728	1.7689	
<b>Group 2</b>					
08/03/19 to 07/09/19	1.1348	0.7380	1.8728	1.7689	
<b>Total distributions in the period</b>			<b>1.8728</b>	<b>1.7689</b>	
Class 2 – Income shares					
Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018	
<b>Group 1</b>					
08/03/19 to 07/09/19	2.2527	–	2.2527	2.1664	
<b>Group 2</b>					
08/03/19 to 07/09/19	1.4420	0.8107	2.2527	2.1664	
<b>Total distributions in the period</b>			<b>2.2527</b>	<b>2.1664</b>	

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

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

## Threadneedle UK Select Fund

### DISTRIBUTION TABLE

(continued)

#### Class D – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	4.0603	–	4.0603	3.7974
<b>Group 2</b> 08/03/19 to 07/09/19	2.0768	1.9835	4.0603	3.7974
<b>Total distributions in the period</b>			<b>4.0603</b>	<b>3.7974</b>

#### Class L – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	5.6700	–	5.6700	5.3409
<b>Group 2</b> 08/03/19 to 07/09/19	3.0369	2.6331	5.6700	5.3409
<b>Total distributions in the period</b>			<b>5.6700</b>	<b>5.3409</b>

#### Class X – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	2.7594	–	2.7594	2.6169
<b>Group 2</b> 08/03/19 to 07/09/19	0.5975	2.1619	2.7594	2.6169
<b>Total distributions in the period</b>			<b>2.7594</b>	<b>2.6169</b>

#### Class X2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	9.3208	–	9.3208	8.8315
<b>Group 2</b> 08/03/19 to 07/09/19	1.0228	8.2980	9.3208	8.8315
<b>Total distributions in the period</b>			<b>9.3208</b>	<b>8.8315</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	2.8352	–	2.8352	2.7404
<b>Group 2</b> 08/03/19 to 07/09/19	1.6975	1.1377	2.8352	2.7404
<b>Total distributions in the period</b>			<b>2.8352</b>	<b>2.7404</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Select Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 2 – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	121.34	127.47	128.11	121.79	127.95	128.61
Return before operating charges (p)	5.39	(1.22)	3.50	5.41	(1.23)	3.50
Operating charges (p)	(1.03)	(2.08)	(2.20)	(0.67)	(1.35)	(1.40)
Return after operating charges (p)*	4.36	(3.30)	1.30	4.74	(2.58)	2.10
Distributions (p)	(1.87)	(2.83)	(1.94)	(2.25)	(3.58)	(2.76)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	123.83	121.34	127.47	124.28	121.79	127.95
*after direct transaction costs of (p)	0.27	0.56	0.52	0.27	0.56	0.52
<b>Performance</b>						
Return after charges (%)	3.59	(2.59)	1.01	3.89	(2.02)	1.63
<b>Other information</b>						
Closing net asset value (£000)	34,380	103,644	122,790	97,389	97,754	89,589
Closing number of shares	27,764,948	85,416,963	96,327,173	78,363,150	80,267,218	70,017,489
Operating charges (%)**	1.64 <sup>†</sup>	1.63	1.67	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.42	0.44	0.39	0.42	0.44	0.39
<b>Prices</b>						
Highest share price (p)	130.79	139.69	136.15	131.58	140.39	136.95
Lowest share price (p)	120.13	111.87	125.89	120.57	112.48	126.70
	Class D – Accumulation shares			Class L – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018 <sup>†</sup>	07/09/2019	07/03/2019	07/03/2018 <sup>†</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	220.61	225.35	229.57	271.79	276.34	280.45
Return before operating charges (p)	9.80	(2.31)	(2.57)	12.09	(2.84)	(2.95)
Operating charges (p)	(1.23)	(2.43)	(1.65)	(0.87)	(1.71)	(1.16)
Return after operating charges (p)*	8.57	(4.74)	(4.22)	11.22	(4.55)	(4.11)
Distributions (p)	(4.06)	(6.32)	(2.88)	(5.67)	(9.06)	(4.60)
Retained distributions on accumulation shares (p)	4.06	6.32	2.88	5.67	9.06	4.60
Closing net asset value per share (p)	229.18	220.61	225.35	283.01	271.79	276.34
*after direct transaction costs of (p)	0.49	0.99	0.75	0.60	1.22	0.91
<b>Performance</b>						
Return after charges (%)	3.88	(2.10)	(1.84)	4.13	(1.65)	(1.47)
<b>Other information</b>						
Closing net asset value (£000)	8,481	8,541	9,352	2,366	2,978	4,058
Closing number of shares	3,700,481	3,871,487	4,149,947	836,089	1,095,750	1,468,352
Operating charges (%)**	1.07 <sup>†</sup>	1.07	1.06 <sup>†</sup>	0.61 <sup>†</sup>	0.61	0.61 <sup>†</sup>
Direct transaction costs (%)***	0.42	0.44	0.39	0.42	0.44	0.39
<b>Prices</b>						
Highest share price (p)	238.32	247.24	239.94	294.15	303.48	294.00
Lowest share price (p)	218.41	201.42	221.98	269.08	247.92	272.11

## Threadneedle UK Select Fund

### Comparative Table Disclosure

(continued)

	Class X – Accumulation shares			Class X2 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	116.23	117.53	114.54	392.30	396.67	400.80
Return before operating charges (p)	5.17	(1.23)	3.06	17.44	(4.13)	(3.97)
Operating charges (p)	(0.04)	(0.07)	(0.07)	(0.12)	(0.24)	(0.16)
Return after operating charges (p)*	5.13	(1.30)	2.99	17.32	(4.37)	(4.13)
Distributions (p)	(2.76)	(4.52)	(3.67)	(9.32)	(15.25)	(8.40)
Retained distributions on accumulation shares (p)	2.76	4.52	3.67	9.32	15.25	8.40
Closing net asset value per share (p)	121.36	116.23	117.53	409.62	392.30	396.67
*after direct transaction costs of (p)	0.26	0.51	0.47	0.87	1.75	1.31
<b>Performance</b>						
Return after charges (%)	4.41	(1.11)	2.61	4.41	(1.10)	(1.03)
<b>Other information</b>						
Closing net asset value (£000)	70,441	848	272	169,256	254,263	239,766
Closing number of shares	58,043,801	730,044	231,352	41,320,297	64,814,029	60,444,332
Operating charges (%)**	0.06 <sup>1</sup>	0.06	0.06	0.06 <sup>1</sup>	0.06	0.06 <sup>1</sup>
Direct transaction costs (%)***	0.42	0.44	0.39	0.42	0.44	0.39
<b>Prices</b>						
Highest share price (p)	126.06	129.22	124.93	425.49	436.13	421.66
Lowest share price (p)	115.07	105.91	113.44	388.39	357.47	390.48
<b>Class Z – Income shares</b>						
	07/09/2019	07/03/2019	07/03/2018			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	146.03	153.42	154.20			
Return before operating charges (p)	6.50	(1.47)	4.21			
Operating charges (p)	(0.67)	(1.36)	(1.40)			
Return after operating charges (p)*	5.83	(2.83)	2.81			
Distributions (p)	(2.84)	(4.56)	(3.59)			
Retained distributions on accumulation shares (p)	–	–	–			
Closing net asset value per share (p)	149.02	146.03	153.42			
*after direct transaction costs of (p)	0.32	0.67	0.62			
<b>Performance</b>						
Return after charges (%)	3.99	(1.84)	1.82			
<b>Other information</b>						
Closing net asset value (£000)	12,919	14,623	25,401			
Closing number of shares	8,669,336	10,013,751	16,556,554			
Operating charges (%)**	0.88 <sup>1</sup>	0.88	0.88			
Direct transaction costs (%)***	0.42	0.44	0.39			
<b>Prices</b>						
Highest share price (p)	157.87	168.39	164.31			
Lowest share price (p)	144.57	134.94	152.03			

\*\*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 12 May 2017.

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

## Threadneedle UK Select Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	85,416,963
Shares issued	229,172
Shares redeemed	(57,774,276)
Net conversions	(106,911)
Closing shares	<u>27,764,948</u>
<b>Class 2 – Income shares</b>	
Opening shares	80,267,218
Shares issued	3,784,107
Shares redeemed	(5,688,175)
Net conversions	–
Closing shares	<u>78,363,150</u>
<b>Class D – Accumulation shares</b>	
Opening shares	3,871,487
Shares issued	22,808
Shares redeemed	(193,814)
Net conversions	–
Closing shares	<u>3,700,481</u>
<b>Class L – Accumulation shares</b>	
Opening shares	1,095,750
Shares issued	5,033
Shares redeemed	(264,694)
Net conversions	–
Closing shares	<u>836,089</u>
<b>Class X – Accumulation shares</b>	
Opening shares	730,044
Shares issued	57,575,804
Shares redeemed	(262,047)
Net conversions	–
Closing shares	<u>58,043,801</u>
<b>Class X2 – Accumulation shares</b>	
Opening shares	64,814,029
Shares issued	438,834
Shares redeemed	(23,932,566)
Net conversions	–
Closing shares	<u>41,320,297</u>
<b>Class Z – Income shares</b>	
Opening shares	10,013,751
Shares issued	112,683
Shares redeemed	(1,545,828)
Net conversions	88,730
Closing shares	<u>8,669,336</u>



## Threadneedle UK Smaller Companies Fund

### Investment Report

#### Investment Objective and Policy

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

The Fund is actively managed, and invests at least 90% of its assets in the shares of companies listed on the London Stock Exchange; predominantly smaller companies traded on the Alternative Investment Market (AIM) or included within the Numis Smaller Companies Index ex Investment Companies, that are UK domiciled, or have significant UK business operations.

The Fund selects companies considered to have good prospects for share price growth, from any industry or economic sector, with smaller companies providing potential exposure to niche growth areas that often cannot be accessed by large companies.

The Fund typically invests in shares of fewer than 70 companies. 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.

The Numis Smaller Companies Index ex Investment Companies is a widely used benchmark for monitoring the performance of UK smaller companies. It consists of companies that make up the smallest 10% of the UK main listed market by value (excluding investment companies). 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 7 September 2019, the published share price of the Threadneedle UK Smaller Companies Fund has risen from 308.70p to 323.98p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +5.71% as compared to a median return of +3.38% over the same period. (For information the Numis Smaller Companies Index ex Investment Companies returned -0.39% over the same period).

#### Market Overview and Portfolio Activity

In an environment of positive stock-market returns, UK small caps underperformed as perceived domestic risks offset the boost to sentiment from the prospect of stimulus measures by key central banks. Globally, the strong performance of equity markets was periodically punctured by worries around Brexit, the US-China trade war and the world economic outlook.

In terms of UK politics, fears of a no-deal Brexit rose over the review period, especially after Prime Minister Theresa May announced her resignation in May. During the subsequent leadership campaign, front-runner Boris Johnson pledged to take the UK out of the EU by the extended Article 50 deadline of 31 October 2019, with or without a deal. He duly became the new prime minister, and at the end of August, he unveiled plans to suspend Parliament until just before the extended Brexit deadline. This lowered the likelihood that the UK and the EU would manage to agree a deal before the end of October. However, the opposition subsequently managed to rally MPs to pass a bill in favour of a further extension in the likely event of Parliament again vetoing a no-deal Brexit.

Against this backdrop, UK small caps underperformed the broader market. The Brexit-induced slump in the pound was an additional headwind for small caps, given the perceived vulnerability of the asset class to higher inflation.

On the economic front, UK GDP growth was strong in the first quarter of 2019, partly due to the boost to manufacturing from firms stockpiling inventories ahead of the original Brexit date of 29 March. However, subsequent data showed that this effect was wearing off, and GDP contracted in the second quarter. Many areas of the economy are showing strain, with the construction and manufacturing sectors suffering notably. Investment has declined too, largely due to the political turmoil. More encouragingly, consumption data held up reasonably well, thanks to the recovery in real wages over the last year.

Over the review period, we initiated several new positions. Notable examples included Spectris and Cineworld. We have monitored both

firms for many years. We initiated positions in these stocks following sharp corrections on short-term concerns. We believe the shares offer significant value and, as mid-cap names, help to increase the liquidity of the portfolio. Spectris, a global leader in test and measurement equipment, is undertaking an efficiency drive that should boost shareholder returns. A strong balance sheet offers the potential for accretive takeover activity deals and, with Spectris' valuation below the long-run average, we believe the shares are an attractive proposition. Cineworld is the second-largest cinema operator globally. The firm recently concluded a round of returns-enhancing refurbishments, and cashflows should start to build as the balance sheet rapidly de-levers.

Other new additions to the portfolio included outsourcing business Marlowe, foreign-exchange service provider Argentex and financial information firm Euromoney Institutional Investor, which was recently spun off from Daily Mail. Argentex has been generating profits each year since its launch in 2012. We are positive about the company's plans to expand its trading capacity.

During the period, we also topped up some existing holdings. We closed our positions in Balfour Beatty and Alliance Pharma, and realised some gains in stocks which have performed well this year, such as publishing company Future.

On the macroeconomic front, while there are widespread concerns about slowing global growth, these are not necessarily indicative that a recession is likely. Rather, they are the effects of central banks' earlier moves towards normalising monetary policy. Against this backdrop, UK small caps have underperformed in the last year.

In the UK, the last few months have seen significant volatility and political uncertainty. As a result of this, shares have been pushed to levels that show some considerable value, assuming that the UK does not have a hard Brexit. Meanwhile, the market turbulence is enabling the fund to pick up proven franchises.

We think the outlook for global growth is not as bad as the market expects, but corporate profitability could be pressured. Hence, we believe it is increasingly imperative to own businesses with pricing power, innovation and an ability to grow market share in difficult operating environments.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	7,985	3,515
Revenue	1,305	2,185
Expenses	(962)	(1,338)
Interest payable and similar charges	–	(2)
Net revenue before taxation	343	845
Taxation	–	–
Net revenue after taxation	343	845
<b>Total return before distributions</b>	<b>8,328</b>	<b>4,360</b>
Distributions	(367)	(845)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>7,961</b>	<b>3,515</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	157,527	164,420
<b>Current assets:</b>		
Debtors	1,502	342
Cash and bank balances	6,107	228
<b>Total assets</b>	<b>165,136</b>	<b>164,990</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Bank overdrafts	–	(115)
Distribution payable	(243)	(130)
Other creditors	(1,124)	(722)
<b>Total liabilities</b>	<b>(1,367)</b>	<b>(967)</b>
<b>Net assets attributable to shareholders</b>	<b>163,769</b>	<b>164,023</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>164,023</b>	<b>212,557</b>
Amounts receivable on the issue of shares	34,265	21,198
Amounts payable on the cancellation of shares	(42,770)	(21,170)
	(8,505)	28
Dilution adjustment	131	68
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	7,961	3,515
Retained distribution on accumulation shares	159	100
<b>Closing net assets attributable to shareholders</b>	<b>163,769</b>	<b>216,268</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 2019

Dividend distribution in pence per share

#### Class 1 – Income shares

There is no distribution for the accounting period 8 March 2019 to 7 September 2019, as expenses exceed revenue (2018: 0.525).

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/09/19	0.8174	–	0.8174	1.6443
<b>Group 2</b>				
08/03/19 to 07/09/19	0.5130	0.3044	0.8174	1.6443
<b>Total distributions in the period</b>			<b>0.8174</b>	<b>1.6443</b>

#### Class X – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/09/19	1.0763	–	1.0763	1.4688
<b>Group 2</b>				
08/03/19 to 07/09/19	1.0763	–	1.0763	1.4688
<b>Total distributions in the period</b>			<b>1.0763</b>	<b>1.4688</b>

## Threadneedle UK Smaller Companies Fund

### DISTRIBUTION TABLE

(continued)

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

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2019
<b>Group 1</b> 08/03/19 to 07/09/19	0.4462	–	0.4462
<b>Group 2</b> 08/03/19 to 07/09/19	0.1662	0.2800	0.4462
<b>Total distributions in the period</b>			<b>0.4462</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	0.7491	–	0.7491	1.3268
<b>Group 2</b> 08/03/19 to 07/09/19	0.3497	0.3994	0.7491	1.3268
<b>Total distributions in the period</b>			<b>0.7491</b>	<b>1.3268</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	0.6410	–	0.6410	1.1275
<b>Group 2</b> 08/03/19 to 07/09/19	0.2735	0.3675	0.6410	1.1275
<b>Total distributions in the period</b>			<b>0.6410</b>	<b>1.1275</b>

#### Class Z CHF Hedged – Gross accumulation shares\*

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	0.3360	–	0.3360	0.2960
<b>Group 2</b> 08/03/19 to 07/09/19	0.3360	–	0.3360	0.2960
<b>Total distributions in the period</b>			<b>0.3360</b>	<b>0.2960</b>

Group 2: shares purchased during a distribution period.

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

## Threadneedle UK Smaller Companies Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 2 – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	306.06	343.90	282.40	311.38	349.17	286.00
Return before operating charges (p)	18.04	(31.75)	67.67	18.36	(32.22)	68.58
Operating charges (p)	(2.74)	(5.56)	(5.63)	(1.77)	(3.60)	(3.62)
Return after operating charges (p)*	15.30	(37.31)	62.04	16.59	(35.82)	64.96
Distributions (p)	–	(0.53)	(0.54)	(0.82)	(1.97)	(1.79)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	321.36	306.06	343.90	327.15	311.38	349.17
*after direct transaction costs of (p)	0.32	0.39	0.78	0.32	0.40	0.79
<b>Performance</b>						
Return after charges (%)	5.00	(10.85)	21.97	5.33	(10.26)	22.71
<b>Other information</b>						
Closing net asset value (£000)	38,119	57,849	66,294	68,429	73,500	91,964
Closing number of shares	11,861,738	18,900,821	19,277,211	20,916,680	23,604,216	26,338,001
Operating charges (%)**	1.69 <sup>†</sup>	1.68	1.68	1.07 <sup>†</sup>	1.07	1.07
Direct transaction costs (%)***	0.20	0.12	0.23	0.20	0.12	0.23
<b>Prices</b>						
Highest share price (p)	337.95	369.07	372.05	344.26	375.36	377.64
Lowest share price (p)	302.93	281.19	285.90	308.22	286.03	289.55
	Class X – Income shares			Class X – Gross accumulation shares <sup>§</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019 <sup>†</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	132.16	148.20	121.35	100.00		
Return before operating charges (p)	7.79	(13.67)	29.15	(2.73)		
Operating charges (p)	(0.01)	(0.09)	(0.10)	(0.02)		
Return after operating charges (p)*	7.78	(13.76)	29.05	(2.75)		
Distributions (p)	(1.08)	(2.28)	(2.20)	(0.45)		
Retained distributions on accumulation shares (p)	–	–	–	0.45		
Closing net asset value per share (p)	138.86	132.16	148.20	97.25		
*after direct transaction costs of (p)	0.14	0.17	0.34	0.10		
<b>Performance</b>						
Return after charges (%)	5.89	(9.28)	23.94	(2.75)		
<b>Other information</b>						
Closing net asset value (£000)	4	4	40	31,769		
Closing number of shares	3,000	3,000	26,664	32,667,508		
Operating charges (%)**	0.02 <sup>†</sup>	0.06	0.07	0.07 <sup>†</sup>		
Direct transaction costs (%)***	0.20	0.12	0.23	0.20		
<b>Prices</b>						
Highest share price (p)	146.43	159.75	160.83	101.77		
Lowest share price (p)	130.83	121.77	122.86	94.64		

## Threadneedle UK Smaller Companies Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	210.69	236.26	193.51	180.40	200.80	163.34
Return before operating charges (p)	12.41	(21.81)	46.42	10.62	(18.63)	39.17
Operating charges (p)	(0.99)	(2.03)	(2.06)	(0.85)	(1.77)	(1.71)
Return after operating charges (p)*	11.42	(23.84)	44.36	9.77	(20.40)	37.46
Distributions (p)	(0.75)	(1.73)	(1.61)	(0.64)	(1.47)	(1.36)
Retained distributions on accumulation shares (p)	–	–	–	0.64	1.47	1.36
Closing net asset value per share (p)	221.36	210.69	236.26	190.17	180.40	200.80
*after direct transaction costs of (p)	0.22	0.27	0.54	0.19	0.24	0.45
<b>Performance</b>						
Return after charges (%)	5.42	(10.09)	22.92	5.42	(10.16)	22.93
<b>Other information</b>						
Closing net asset value (£000)	21,374	27,120	41,193	4,073	5,549	13,066
Closing number of shares	9,655,727	12,871,930	17,435,342	2,141,890	3,076,037	6,506,994
Operating charges (%)**	0.89 <sup>†</sup>	0.89	0.89	0.89 <sup>†</sup>	0.89	0.89
Direct transaction costs (%)***	0.20	0.12	0.23	0.20	0.12	0.23
<b>Prices</b>						
Highest share price (p)	233.02	254.11	255.68	199.52	215.97	216.97
Lowest share price (p)	208.56	193.64	195.91	178.57	165.48	165.37

	Class Z CHF Hedged – Gross accumulation shares	
	07/09/2019	07/03/2019 <sup>2</sup>
<b>Change in net assets per share</b>		
Opening net asset value per share (p)	85.64	100.00
Return before operating charges (p)	11.73	(13.77)
Operating charges (p)	(0.39)	(0.59)
Return after operating charges (p)*	11.34	(14.36)
Distributions (p)	(0.34)	(0.48)
Retained distributions on accumulation shares (p)	0.34	0.48
Closing net asset value per share (p)	96.98	85.64
*after direct transaction costs of (p)	0.09	0.11
<b>Performance</b>		
Return after charges (%)	13.24	(14.36)
<b>Other information</b>		
Closing net asset value (£000)	1	1
Closing number of shares	1,000	1,000
Operating charges (%)**	0.83 <sup>†</sup>	0.81 <sup>†</sup>
Direct transaction costs (%)***	0.20	0.12
<b>Prices</b>		
Highest share price (p)	100.97	106.58
Lowest share price (p)	85.14	81.94

\*\*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 9 May 2019.

<sup>2</sup>Commenced 30 May 2018.

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

## Threadneedle UK Smaller Companies Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	18,900,821
Shares issued	163,702
Shares redeemed	(7,188,335)
Net conversions	(14,450)
Closing shares	<u>11,861,738</u>
<b>Class 2 – Income shares</b>	
Opening shares	23,604,216
Shares issued	158,440
Shares redeemed	(2,842,678)
Net conversions	(3,298)
Closing shares	<u>20,916,680</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	32,667,509
Shares redeemed	(1)
Net conversions	–
Closing shares	<u>32,667,508</u>
<b>Class Z – Income shares</b>	
Opening shares	12,871,930
Shares issued	154,495
Shares redeemed	(3,396,531)
Net conversions	25,833
Closing shares	<u>9,655,727</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	3,076,037
Shares issued	221,560
Shares redeemed	(1,155,707)
Net conversions	–
Closing shares	<u>2,141,890</u>
<b>Class Z CHF Hedged – Gross accumulation shares</b>	
Opening shares	1,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>1,000</u>

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

## Threadneedle UK Growth & Income Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide a return over the long term, through the combination of capital growth and income. 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 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 offer good total return opportunities (the combination of share price growth and dividend income), from any industry or economic sector. Whilst there is no restriction on size, investment focuses on the largest 150 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. It provides a suitable target benchmark against which the performance of the Fund 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 (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 7 September 2019, the published share price of the Threadneedle UK Growth & Income Fund has risen from 89.61p to 94.10p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +7.21% as compared to a median return of +4.33% over the same period. (For information the FTSE All-Share Total Return Index returned +4.28% over the same period).

### Market Overview and Portfolio Activity

UK equities rallied over the review period, largely because of expectations of stimulus measures from key central banks. That said, the stock market's gains were periodically punctured by worries around Brexit, the US-China trade war and the global economic outlook.

In terms of UK politics, fears of a no-deal Brexit rose over the review period, especially after Prime Minister Theresa May announced her resignation in May. During the subsequent leadership campaign, frontrunner Boris Johnson pledged to take the UK out of the EU by the extended Article 50 deadline of 31 October 2019, with or without a deal. He duly became the new prime minister, and at the end of August, he unveiled plans to suspend parliament until just before the extended Brexit deadline. This lowered the likelihood that the UK and the EU would manage to agree on a deal before the end of October. However, the opposition subsequently managed to successfully rally MPs to pass a bill in favour of a further extension in the likely event of parliament again vetoing a no-deal Brexit.

Concerns around Brexit were particularly painful for small- and mid-caps, especially as they also weighed on the pound. However, the currency's fall buoyed sentiment towards export-oriented stocks and resulted in several overseas takeover bids being launched for UK companies such as Merlin Entertainments and Cobham.

On the economic front, UK GDP growth was strong in the first quarter of 2019, partly due to the boost to manufacturing from firms stockpiling inventories ahead of the original Brexit date of 29 March. However, subsequent data showed that this effect was wearing off, and the economy contracted in the second quarter. More encouragingly, consumption data held up reasonably well, thanks to the recovery in real wages over the last year. The Bank of England continued to signal that rate hikes were still possible this year, assuming that Brexit doesn't derail the economy, though investors remained sceptical that policymakers would tighten policy.

We focused on adding to our existing holdings over the review period, chiefly Restaurant Group, Marks & Spencer, Pearson and GlaxoSmithKline.

In our view, Restaurant Group's current valuation does not fully capture the possible upside from rolling out new Wagamama outlets across the still under-penetrated UK market – especially in airport hubs where the

company already boasts a strong presence. Moreover, the existing pubs and concessions segment continues to make solid progress.

We added to Marks & Spencer via a rights issue, which was launched to fund the company's 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.

Pearson's steady pace of cost efficiencies should continue to strengthen the balance sheet. We are also positive about the company's increasing focus on going digital.

GlaxoSmithKline is one of several globally diversified companies in the fund which is trading at an attractive valuation relative to overseas-listed peers. We are optimistic about the transformation of the pharmaceutical pipeline, the company's more focused approach to Research and Development and recent portfolio decisions.

We took some profits in Legal & General Group, Rentokil Initial and RELX, which have outperformed this year.

Despite concerns about the UK's political and economic prospects, we are more constructive about the outlook for UK equities.

Many non-commodity driven UK-listed companies with global exposure are trading at excessive discounts to their overseas-listed peers, partly as a consequence of the sheer weight of money re-allocated away from the UK stock market. UK domestics are trading at even cheaper valuations, owing to the poor sentiment around Brexit. This environment creates opportunities for active managers, and should continue to entice activist investments and takeover activity in the UK.

This valuation dynamic can also be understood in the broader context of an extremely polarised global market in which cheap stocks are becoming cheaper and those deemed 'strong' are growing more expensive. We are not attempting to predict the timing of a reappraisal of this situation, but to ensure our portfolios are best prepared to weather the turbulence and seize the opportunities when that 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 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	15,670	22,726
Revenue	6,611	7,454
Expenses	(1,709)	(2,123)
Interest payable and similar charges	–	(1)
Net revenue before taxation	4,902	5,330
Taxation	–	–
Net revenue after taxation	4,902	5,330
<b>Total return before distributions</b>	<b>20,572</b>	<b>28,056</b>
Distributions	(6,432)	(7,239)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>14,140</b>	<b>20,817</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	309,918	304,381
<b>Current assets:</b>		
Debtors	1,833	1,644
Cash and bank balances	1,622	1,199
Total assets	313,373	307,224
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(5,562)	(4,845)
Other creditors	(558)	(1,247)
Total liabilities	(6,120)	(6,092)
<b>Net assets attributable to shareholders</b>	<b>307,253</b>	<b>301,132</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>301,132</b>	<b>400,634</b>
Amounts receivable on the issue of shares	48,380	14,152
Amounts payable on the cancellation of shares	(56,922)	(110,967)
	(8,542)	(96,815)
Dilution adjustment	–	109
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	14,140	20,817
Retained distribution on accumulation shares	509	67
Unclaimed distributions	14	7
<b>Closing net assets attributable to shareholders</b>	<b>307,253</b>	<b>324,819</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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> 08/03/19 to 07/09/19	1.9024	–	1.9024	2.0066
<b>Group 2</b> 08/03/19 to 07/09/19	1.3077	0.5947	1.9024	2.0066
<b>Total distributions in the period</b>			<b>1.9024</b>	<b>2.0066</b>

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	2.1612	–	2.1612	2.2683
<b>Group 2</b> 08/03/19 to 07/09/19	1.2007	0.9605	2.1612	2.2683
<b>Total distributions in the period</b>			<b>2.1612</b>	<b>2.2683</b>

## Threadneedle UK Growth & Income Fund

### DISTRIBUTION TABLE

(continued)

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

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2019
<b>Group 1</b> 08/03/19 to 07/09/19	1.3940	–	1.3940
<b>Group 2</b> 08/03/19 to 07/09/19	1.3940	–	1.3940
<b>Total distributions in the period</b>			<b>1.3940</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	3.1106	–	3.1106	3.2560
<b>Group 2</b> 08/03/19 to 07/09/19	1.6291	1.4815	3.1106	3.2560
<b>Total distributions in the period</b>			<b>3.1106</b>	<b>3.2560</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	2.1196	–	2.1196	2.1387
<b>Group 2</b> 08/03/19 to 07/09/19	0.5999	1.5197	2.1196	2.1387
<b>Total distributions in the period</b>			<b>2.1196</b>	<b>2.1387</b>

Group 2: shares purchased during a distribution period.

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

## Threadneedle UK Growth & Income Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 2 – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	88.12	88.67	93.34	98.20	98.32	102.98
Return before operating charges (p)	6.64	4.38	0.21	7.42	4.85	0.22
Operating charges (p)	(0.74)	(1.51)	(1.54)	(0.54)	(1.09)	(1.11)
Return after operating charges (p)*	5.90	2.87	(1.33)	6.88	3.76	(0.89)
Distributions (p)	(1.90)	(3.42)	(3.34)	(2.16)	(3.88)	(3.77)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	92.12	88.12	88.67	102.92	98.20	98.32
*after direct transaction costs of (p)	0.01	0.01	0.05	0.01	0.02	0.06
<b>Performance</b>						
Return after charges (%)	6.70	3.24	(1.42)	7.01	3.82	(0.86)
<b>Other information</b>						
Closing net asset value (£000)	75,756	120,366	154,559	51,949	49,995	40,329
Closing number of shares	82,239,346	136,595,549	174,316,681	50,475,320	50,910,602	41,019,411
Operating charges (%)**	1.64 <sup>†</sup>	1.63	1.63	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.01	0.01	0.06	0.01	0.01	0.06
<b>Prices</b>						
Highest share price (p)	95.46	100.48	100.21	106.63	111.69	110.71
Lowest share price (p)	86.55	82.88	88.22	96.59	92.29	97.82
	Class X – Gross accumulation shares		Class Z – Income shares			
	07/09/2019 <sup>†</sup>		07/09/2019	07/03/2019	07/03/2018	
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	100.00		143.81	143.61	150.04	
Return before operating charges (p)	5.70		10.86	7.08	0.29	
Operating charges (p)	(0.02)		(0.65)	(1.32)	(1.34)	
Return after operating charges (p)*	5.68		10.21	5.76	(1.05)	
Distributions (p)	(1.39)		(3.11)	(5.56)	(5.38)	
Retained distributions on accumulation shares (p)	1.39		–	–	–	
Closing net asset value per share (p)	105.68		150.91	143.81	143.61	
*after direct transaction costs of (p)	0.01		0.01	0.02	0.08	
<b>Performance</b>						
Return after charges (%)	5.68		7.10	4.01	(0.70)	
<b>Other information</b>						
Closing net asset value (£000)	38,502		140,993	130,734	202,806	
Closing number of shares	36,433,741		93,429,614	90,907,105	141,221,346	
Operating charges (%)**	0.06 <sup>†</sup>		0.88 <sup>†</sup>	0.88	0.88	
Direct transaction costs (%)***	0.01		0.01	0.01	0.06	
<b>Prices</b>						
Highest share price (p)	107.12		156.25	163.27	161.37	
Lowest share price (p)	96.88		141.48	135.06	142.80	



## Threadneedle UK Growth & Income Fund

### Comparative Table Disclosure

(continued)

	Class Z – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018 <sup>2</sup>
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	98.00	94.33	100.00
Return before operating charges (p)	7.41	4.57	(5.21)
Operating charges (p)	(0.45)	(0.90)	(0.46)
Return after operating charges (p)*	6.96	3.67	(5.67)
Distributions (p)	(2.12)	(3.68)	(2.08)
Retained distributions on accumulation shares (p)	2.12	3.68	2.08
Closing net asset value per share (p)	104.96	98.00	94.33
*after direct transaction costs of (p)	0.01	0.02	0.04
<b>Performance</b>			
Return after charges (%)	7.10	3.89	(5.67)
<b>Other information</b>			
Closing net asset value (£000)	53	37	2,940
Closing number of shares	50,854	37,131	3,116,610
Operating charges (%)**	0.88 <sup>1</sup>	0.88	0.88 <sup>1</sup>
Direct transaction costs (%)***	0.01	0.01	0.06
<b>Prices</b>			
Highest share price (p)	106.48	107.24	101.62
Lowest share price (p)	96.42	90.59	92.49

\*\*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 9 May 2019.

<sup>2</sup>Commenced 15 June 2017.

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

## Threadneedle UK Growth & Income Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	136,595,549
Shares issued	1,007,738
Shares redeemed	(54,939,803)
Net conversions	(424,138)
Closing shares	<u>82,239,346</u>
<b>Class 2 – Income shares</b>	
Opening shares	50,910,602
Shares issued	2,967,462
Shares redeemed	(3,402,744)
Net conversions	–
Closing shares	<u>50,475,320</u>
<b>Class X – Gross accumulation shares*</b>	
Opening shares	–
Shares issued	36,433,742
Shares redeemed	(1)
Net conversions	–
Closing shares	<u>36,433,741</u>
<b>Class Z – Income shares</b>	
Opening shares	90,907,105
Shares issued	5,411,323
Shares redeemed	(3,148,450)
Net conversions	259,636
Closing shares	<u>93,429,614</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	37,131
Shares issued	13,723
Shares redeemed	–
Net conversions	–
Closing shares	<u>50,854</u>

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

## Threadneedle UK 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 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 the 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. These companies may be selected from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on the 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 typically invests in fewer than 60 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 – Income shares\*

Over the six months to 7 September 2019, the published share price of the Threadneedle UK Equity Income Fund has risen from 92.82p to 94.92p. Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, +4.63% as compared to a median return of +1.95% over the same period.

(For information the FTSE All-Share Total Return Index returned +4.28% over the same period).

#### Market Overview and Portfolio Activity

UK equities rallied over the review period, largely because of expectations of stimulus measures from key central banks. That said, the stock market's gains were periodically punctured by worries around Brexit, the US-China trade war and the global economic outlook.

In terms of UK politics, fears of a no-deal Brexit rose over the review period, especially after Prime Minister Theresa May announced her resignation in May. During the subsequent leadership campaign, frontrunner Boris Johnson pledged to take the UK out of the EU by the extended Article 50 deadline of 31 October 2019, with or without a deal. He duly became the new prime minister, and at the end of August, he unveiled plans to suspend parliament until just before the extended Brexit deadline. This lowered the likelihood that the UK and the EU would manage to agree on a deal before the end of October. However, the opposition subsequently managed to successfully rally MPs to pass a bill in favour of a further extension in the likely event of parliament again vetoing a no-deal Brexit.

Concerns around Brexit were particularly painful for small- and mid-caps, especially as they also weighed on the pound. However, the currency's fall buoyed sentiment towards export-oriented stocks and resulted in several overseas takeover bids being launched for UK companies such as Merlin Entertainments and Cobham.

On the economic front, UK GDP growth was strong in the first quarter of 2019, partly due to the boost to manufacturing from firms stockpiling inventories ahead of the original Brexit date of 29 March. However, subsequent data showed that this effect was wearing off, and the economy contracted in the second quarter. More encouragingly, consumption data held up reasonably well, thanks to the recovery in real wages over the last year. The Bank of England continued to signal that rate hikes were still possible this year, assuming that Brexit doesn't derail the economy, though investors remained sceptical that policymakers would tighten policy.

We focused on adding to our existing holdings over the review period, chiefly BT, Marks & Spencer, GlaxoSmithKline and ITV.

BT's shares have been hurt by concerns about the capital expenditure involved in the implementation of the fibre-to-the-home network. However, the outlay is part of BT's plans to target long-term growth and

improve its relationship with the regulator, which should pave the way for the firm to earn a reasonable return on its investment.

We added to Marks & Spencer via a rights issue, which was launched to fund the company's 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.

GlaxoSmithKline is one of several globally diversified companies in the fund which is trading at an attractive valuation relative to overseas-listed peers. We are optimistic about the transformation of the pharmaceutical pipeline, the company's more focused approach to Research and Development and recent portfolio decisions.

In our view, ITV's share price is not capturing the rush for content globally, or its attractiveness as a takeover target. We also believe that the company is of higher quality and much less vulnerable to the disruption than the bearish sentiment induced by Brexit would suggest.

We closed our residual position in Rolls-Royce Holdings to fund higher-conviction ideas, and took some profits in RELX.

Despite concerns about the UK's political and economic prospects, we are more constructive about the outlook for UK equities.

Many non-commodity driven UK-listed companies with global exposure are trading at excessive discounts to their overseas-listed peers, partly as a consequence of the sheer weight of money re-allocated away from the UK stock market. UK domestics are trading at even cheaper valuations, owing to the poor sentiment around Brexit. This environment creates opportunities for active managers, and should continue to entice activist investments and takeover activity in the UK.

This valuation dynamic can also be understood in the broader context of an extremely polarised global market in which cheap stocks are becoming cheaper and those deemed 'strong' are growing more expensive. We are not attempting to predict the timing of a reappraisal of this situation, but to ensure our portfolios are best prepared to weather the turbulence and seize the opportunities when that 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 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	114,930	273,306
Revenue	102,171	95,635
Expenses	(18,636)	(19,476)
Interest payable and similar charges	–	(7)
Net revenue before taxation	83,535	76,152
Taxation	–	–
Net revenue after taxation	83,535	76,152
<b>Total return before distributions</b>	<b>198,465</b>	<b>349,458</b>
Distributions	(100,656)	(94,067)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>97,809</b>	<b>255,391</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	4,139,083	4,039,368
<b>Current assets:</b>		
Debtors	91,963	28,788
Cash and bank balances	106	10
Cash equivalents**	30,595	25,006
<b>Total assets</b>	<b>4,261,747</b>	<b>4,093,172</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Bank overdrafts	–	(927)
Distribution payable	(26,251)	(19,945)
Other creditors	(67,699)	(11,384)
<b>Total liabilities</b>	<b>(93,950)</b>	<b>(32,256)</b>
<b>Net assets attributable to shareholders</b>	<b>4,167,797</b>	<b>4,060,916</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>4,060,916</b>	<b>3,946,115</b>
Amounts receivable on the issue of shares	209,799	152,462
Amounts payable on the cancellation of shares	(240,652)	(247,726)
	(30,853)	(95,264)
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	97,809	255,391
Retained distribution on accumulation shares	39,912	33,662
Unclaimed distributions	13	14
<b>Closing net assets attributable to shareholders</b>	<b>4,167,797</b>	<b>4,139,918</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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>				
08/03/19 to 07/06/19	1.2668	–	1.2668	1.2493
08/06/19 to 07/09/19	0.9321	–	0.9321	0.9699
<b>Group 2</b>				
08/03/19 to 07/06/19	0.5831	0.6837	1.2668	1.2493
08/06/19 to 07/09/19	0.6578	0.3343	0.9921	0.9699
<b>Total distributions in the period</b>			<b>2.2589</b>	<b>2.2192</b>

#### Class 1 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	1.8500	–	1.8500	1.7524
08/06/19 to 07/09/19	1.4691	–	1.4691	1.3774
<b>Group 2</b>				
08/03/19 to 07/06/19	0.9817	0.8683	1.8500	1.7524
08/06/19 to 07/09/19	0.7887	0.6804	1.4691	1.3774
<b>Total distributions in the period</b>			<b>3.3191</b>	<b>3.1298</b>

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

## Threadneedle UK Equity Income Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	1.4301	–	1.4301	1.4038
08/06/19 to 07/09/19	1.1239	–	1.1239	1.0946
<b>Group 2</b>				
08/03/19 to 07/06/19	0.7124	0.7177	1.4301	1.4038
08/06/19 to 07/09/19	0.7756	0.3483	1.1239	1.0946
<b>Total distributions in the period</b>			<b>2.5540</b>	<b>2.4984</b>

#### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	1.6984	–	1.6984	1.6008
08/06/19 to 07/09/19	1.3536	–	1.3536	1.2639
<b>Group 2</b>				
08/03/19 to 07/06/19	0.0732	1.6252	1.6984	1.6008
08/06/19 to 07/09/19	1.1189	0.2347	1.3536	1.2639
<b>Total distributions in the period</b>			<b>3.0520</b>	<b>2.8647</b>

#### Class D – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	2.5073	–	2.5073	2.4578
08/06/19 to 07/09/19	1.9634	–	1.9634	1.9068
<b>Group 2</b>				
08/03/19 to 07/06/19	1.5885	0.9188	2.5073	2.4578
08/06/19 to 07/09/19	1.2743	0.6891	1.9634	1.9068
<b>Total distributions in the period</b>			<b>4.4707</b>	<b>4.3646</b>

#### Class L – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	2.4285	–	2.4285	2.3734
08/06/19 to 07/09/19	1.9108	–	1.9108	1.8526
<b>Group 2</b>				
08/03/19 to 07/06/19	1.1493	1.2792	2.4285	2.3734
08/06/19 to 07/09/19	1.1663	0.7445	1.9108	1.8526
<b>Total distributions in the period</b>			<b>4.3393</b>	<b>4.2260</b>

#### Class L – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	4.0559	–	4.0559	3.8055
08/06/19 to 07/09/19	3.2363	–	3.2363	3.0078
<b>Group 2</b>				
08/03/19 to 07/06/19	2.3970	1.6589	4.0559	3.8055
08/06/19 to 07/09/19	1.5955	1.6408	3.2363	3.0078
<b>Total distributions in the period</b>			<b>7.2922</b>	<b>6.8133</b>

#### Class X – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	1.5959	–	1.5959	1.5513
08/06/19 to 07/09/19	1.2575	–	1.2575	1.2124
<b>Group 2</b>				
08/03/19 to 07/06/19	1.0649	0.5310	1.5959	1.5513
08/06/19 to 07/09/19	0.4775	0.7800	1.2575	1.2124
<b>Total distributions in the period</b>			<b>2.8534</b>	<b>2.7637</b>

#### Class X – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	4.2795	–	4.2795	3.9931
08/06/19 to 07/09/19	3.4191	–	3.4191	3.1604
<b>Group 2</b>				
08/03/19 to 07/06/19	4.2795	–	4.2795	3.9931
08/06/19 to 07/09/19	1.7344	1.6847	3.4191	3.1604
<b>Total distributions in the period</b>			<b>7.6986</b>	<b>7.1535</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	1.9106	–	1.9106	1.8705
08/06/19 to 07/09/19	1.5007	–	1.5007	1.4569
<b>Group 2</b>				
08/03/19 to 07/06/19	1.0370	0.8736	1.9106	1.8705
08/06/19 to 07/09/19	0.8712	0.6295	1.5007	1.4569
<b>Total distributions in the period</b>			<b>3.4113</b>	<b>3.3274</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	2.4712	–	2.4712	2.3233
08/06/19 to 07/09/19	1.9682	–	1.9682	1.8322
<b>Group 2</b>				
08/03/19 to 07/06/19	1.5487	0.9225	2.4712	2.3233
08/06/19 to 07/09/19	1.2162	0.7520	1.9682	1.8322
<b>Total distributions in the period</b>			<b>4.4394</b>	<b>4.1555</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Equity Income Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	92.03	92.01	97.70	134.39	129.06	131.73
Return before operating charges (p)	4.85	5.38	(0.23)	7.18	7.49	(0.48)
Operating charges (p)	(0.74)	(1.52)	(1.60)	(1.09)	(2.16)	(2.19)
Return after operating charges (p)*	4.11	3.86	(1.83)	6.09	5.33	(2.67)
Distributions (p)	(2.26)	(3.84)	(3.86)	(3.32)	(5.47)	(5.28)
Retained distributions on accumulation shares (p)	–	–	–	3.32	5.47	5.28
Closing net asset value per share (p)	93.88	92.03	92.01	140.48	134.39	129.06
*after direct transaction costs of (p)	0.01	0.03	0.07	0.02	0.05	0.10
<b>Performance</b>						
Return after charges (%)	4.47	4.20	(1.87)	4.53	4.13	(2.03)
<b>Other information</b>						
Closing net asset value (£000)	284,479	330,425	368,909	190,183	222,901	230,892
Closing number of shares	303,031,894	359,047,835	400,926,969	135,382,232	165,857,368	178,900,787
Operating charges (%)**	1.59 <sup>†</sup>	1.59	1.63	1.59 <sup>†</sup>	1.59	1.63
Direct transaction costs (%)***	0.03	0.03	0.07	0.03	0.03	0.07
<b>Prices</b>						
Highest share price (p)	96.96	102.82	104.06	143.57	146.01	140.32
Lowest share price (p)	89.18	85.24	90.54	130.24	123.49	126.07
	Class 1 CHF Hedged – Accumulation shares			Class 1 EUR Hedged – Accumulation shares		
	09/11/2018 <sup>†</sup>	07/03/2018	07/03/2017	09/11/2018 <sup>†</sup>	07/03/2018	07/03/2017
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	134.04	146.12	108.88	128.53	128.18	96.96
Return before operating charges (p)	5.50	(9.76)	39.38	2.06	2.51	33.08
Operating charges (p)	(1.04)	(2.32)	(2.14)	(0.99)	(2.16)	(1.86)
Return after operating charges (p)*	4.46	(12.08)	37.24	1.07	0.35	31.22
Distributions (p)	(3.96)	(5.64)	(5.16)	(3.79)	(5.18)	(4.57)
Retained distributions on accumulation shares (p)	3.96	5.64	5.16	3.79	5.18	4.57
Closing net asset value per share (p)	138.50	134.04	146.12	129.60	128.53	128.18
*after direct transaction costs of (p)	0.02	0.11	0.03	0.02	0.10	0.03
<b>Performance</b>						
Return after charges (%)	3.33	(8.27)	34.20	0.83	0.27	32.20
<b>Other information</b>						
Closing net asset value (£000)	–	403	544	–	2,095	919
Closing number of shares	–	300,658	372,574	–	1,629,997	717,119
Operating charges (%)**	–	1.62	1.62	–	1.63	1.61
Direct transaction costs (%)***	–	0.07	0.03	–	0.07	0.03
<b>Prices</b>						
Highest share price (p)	154.75	154.79	146.20	145.72	139.49	129.07
Lowest share price (p)	125.62	131.18	106.17	121.27	122.87	95.82

## Threadneedle UK Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class 1 USD Hedged – Accumulation shares			Class 2 – Income shares		
	09/11/2018 <sup>1</sup>	07/03/2018	07/03/2017	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	150.78	172.93	124.24	102.96	102.42	108.20
Return before operating charges (p)	19.34	(19.47)	51.13	5.43	6.00	(0.26)
Operating charges (p)	(1.24)	(2.68)	(2.44)	(0.55)	(1.12)	(1.15)
Return after operating charges (p)*	18.10	(22.15)	48.69	4.88	4.88	(1.41)
Distributions (p)	(4.72)	(6.49)	(5.84)	(2.55)	(4.34)	(4.37)
Retained distributions on accumulation shares (p)	4.72	6.49	5.84	–	–	–
Closing net asset value per share (p)	168.88	150.78	172.93	105.29	102.96	102.42
*after direct transaction costs of (p)	0.02	0.12	0.04	0.01	0.04	0.08
<b>Performance</b>						
Return after charges (%)	12.00	(12.81)	39.19	4.74	4.76	(1.30)
<b>Other information</b>						
Closing net asset value (£000)	–	1,053	1,122	173,215	181,990	210,343
Closing number of shares	–	698,723	648,658	164,512,030	176,765,510	205,367,961
Operating charges (%)**	–	1.63	1.62	1.05 <sup>†</sup>	1.05	1.06
Direct transaction costs (%)***	–	0.07	0.03	0.03	0.03	0.07
<b>Prices</b>						
Highest share price (p)	185.98	177.28	173.03	108.69	114.70	115.42
Lowest share price (p)	142.57	146.68	120.02	99.91	95.27	100.76
	Class 2 – Accumulation shares			Class D – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018 <sup>2</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	122.27	116.79	118.53	183.00	181.90	196.90
Return before operating charges (p)	6.54	6.76	(0.47)	9.66	10.59	(7.94)
Operating charges (p)	(0.65)	(1.28)	(1.27)	(0.95)	(1.93)	(1.34)
Return after operating charges (p)*	5.89	5.48	(1.74)	8.71	8.66	(9.28)
Distributions (p)	(3.05)	(5.02)	(4.85)	(4.47)	(7.56)	(5.72)
Retained distributions on accumulation shares (p)	3.05	5.02	4.85	–	–	–
Closing net asset value per share (p)	128.16	122.27	116.79	187.24	183.00	181.90
*after direct transaction costs of (p)	0.02	0.04	0.09	0.02	0.06	0.12
<b>Performance</b>						
Return after charges (%)	4.82	4.69	(1.47)	4.76	4.76	(4.71)
<b>Other information</b>						
Closing net asset value (£000)	16,846	17,355	274	1,175	1,150	1,719
Closing number of shares	13,144,901	14,193,793	234,626	627,344	628,455	944,993
Operating charges (%)**	1.05 <sup>†</sup>	1.07	1.05	1.02 <sup>†</sup>	1.02	1.03 <sup>†</sup>
Direct transaction costs (%)***	0.03	0.03	0.07	0.03	0.03	0.07
<b>Prices</b>						
Highest share price (p)	130.90	132.44	126.43	193.24	203.77	202.89
Lowest share price (p)	118.65	112.24	114.04	177.59	169.32	178.92

## Threadneedle UK Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class L – Income shares			Class L – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018 <sup>2</sup>	07/09/2019	07/03/2019	07/03/2018 <sup>2</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	174.72	173.04	186.77	291.80	277.45	290.42
Return before operating charges (p)	9.24	10.10	(7.43)	15.64	16.11	(11.80)
Operating charges (p)	(0.53)	(1.08)	(0.75)	(0.89)	(1.76)	(1.17)
Return after operating charges (p)*	8.71	9.02	(8.18)	14.75	14.35	(12.97)
Distributions (p)	(4.34)	(7.34)	(5.55)	(7.29)	(11.94)	(8.72)
Retained distributions on accumulation shares (p)	–	–	–	7.29	11.94	8.72
Closing net asset value per share (p)	179.09	174.72	173.04	306.55	291.80	277.45
*after direct transaction costs of (p)	0.02	0.06	0.11	0.04	0.10	0.17
<b>Performance</b>						
Return after charges (%)	4.99	5.21	(4.38)	5.05	5.17	(4.47)
<b>Other information</b>						
Closing net asset value (£000)	256,423	219,604	15,412	317,145	263,452	139,416
Closing number of shares	143,180,636	125,690,839	8,906,635	103,457,798	90,284,756	50,248,860
Operating charges (%)**	0.60 <sup>†</sup>	0.60	0.61 <sup>†</sup>	0.60 <sup>†</sup>	0.60	0.61 <sup>†</sup>
Direct transaction costs (%)***	0.03	0.03	0.07	0.03	0.03	0.07
<b>Prices</b>						
Highest share price (p)	184.78	194.16	192.49	312.94	315.23	299.33
Lowest share price (p)	169.73	161.54	170.18	283.46	267.63	270.83
	Class X – Income shares			Class X – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018 <sup>2</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	114.73	113.00	118.18	307.62	290.89	303.13
Return before operating charges (p)	6.07	6.60	(0.33)	16.52	16.88	(12.12)
Operating charges (p)	(0.03)	(0.06)	(0.06)	(0.08)	(0.15)	(0.12)
Return after operating charges (p)*	6.04	6.54	(0.39)	16.44	16.73	(12.24)
Distributions (p)	(2.85)	(4.81)	(4.79)	(7.70)	(12.56)	(9.12)
Retained distributions on accumulation shares (p)	–	–	–	7.70	12.56	9.12
Closing net asset value per share (p)	117.92	114.73	113.00	324.06	307.62	290.89
*after direct transaction costs of (p)	0.02	0.04	0.09	0.04	0.10	0.18
<b>Performance</b>						
Return after charges (%)	5.26	5.79	(0.33)	5.34	5.75	(4.04)
<b>Other information</b>						
Closing net asset value (£000)	5,270	3,858	1,053	45,700	42,122	50,321
Closing number of shares	4,469,032	3,363,326	932,013	14,102,387	13,692,572	17,298,673
Operating charges (%)**	0.05 <sup>†</sup>	0.05	0.05	0.05 <sup>†</sup>	0.05	0.06 <sup>†</sup>
Direct transaction costs (%)***	0.03	0.03	0.07	0.03	0.03	0.07
<b>Prices</b>						
Highest share price (p)	121.60	127.09	126.36	330.63	331.28	312.51
Lowest share price (p)	111.60	105.96	111.08	299.23	281.55	283.84

## Threadneedle UK Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	138.14	137.08	144.45	178.67	170.26	172.41
Return before operating charges (p)	7.29	8.00	(0.36)	9.56	9.88	(0.68)
Operating charges (p)	(0.57)	(1.17)	(1.21)	(0.75)	(1.47)	(1.47)
Return after operating charges (p)*	6.72	6.83	(1.57)	8.81	8.41	(2.15)
Distributions (p)	(3.41)	(5.77)	(5.80)	(4.44)	(7.28)	(7.02)
Retained distributions on accumulation shares (p)	–	–	–	4.44	7.28	7.02
Closing net asset value per share (p)	141.45	138.14	137.08	187.48	178.67	170.26
*after direct transaction costs of (p)	0.02	0.05	0.11	0.02	0.06	0.13
<b>Performance</b>						
Return after charges (%)	4.86	4.98	(1.09)	4.93	4.94	(1.25)
<b>Other information</b>						
Closing net asset value (£000)	1,752,339	1,745,600	1,955,410	1,125,022	1,032,459	959,094
Closing number of shares	1,238,863,202	1,263,689,987	1,426,492,453	600,072,455	577,868,081	563,301,037
Operating charges (%)**	0.82 <sup>†</sup>	0.82	0.83	0.82 <sup>†</sup>	0.82	0.83
Direct transaction costs (%)***	0.03	0.03	0.07	0.03	0.03	0.07
<b>Prices</b>						
Highest share price (p)	145.97	153.67	154.16	191.44	193.26	184.00
Lowest share price (p)	134.12	127.76	134.82	173.47	163.94	166.23
	Class Z CHF Hedged – Accumulation shares			Class Z EUR Hedged – Accumulation shares		
	09/11/2018 <sup>†</sup>	07/03/2018	07/03/2017	09/11/2018 <sup>†</sup>	07/03/2018	07/03/2017
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	137.57	148.79	109.89	135.32	133.92	100.49
Return before operating charges (p)	4.85	(10.00)	40.02	2.36	2.55	34.41
Operating charges (p)	(0.55)	(1.22)	(1.12)	(0.54)	(1.15)	(0.98)
Return after operating charges (p)*	4.30	(11.22)	38.90	1.82	1.40	33.43
Distributions (p)	(4.10)	(5.83)	(5.29)	(4.02)	(5.50)	(4.81)
Retained distributions on accumulation shares (p)	4.10	5.83	5.29	4.02	5.50	4.81
Closing net asset value per share (p)	141.87	137.57	148.79	137.14	135.32	133.92
*after direct transaction costs of (p)	0.02	0.11	0.03	0.02	0.10	0.03
<b>Performance</b>						
Return after charges (%)	3.13	(7.54)	35.40	1.34	1.05	33.27
<b>Other information</b>						
Closing net asset value (£000)	–	465	714	–	6,645	12,484
Closing number of shares	–	337,940	479,914	–	4,910,832	9,321,764
Operating charges (%)**	–	0.83	0.82	–	0.83	0.82
Direct transaction costs (%)***	–	0.07	0.03	–	0.07	0.03
<b>Prices</b>						
Highest share price (p)	159.39	157.98	148.88	153.98	146.27	134.41
Lowest share price (p)	128.98	134.56	107.34	127.71	128.49	99.47



## Threadneedle UK Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class Z USD Hedged – Accumulation shares		
	09/11/2018 <sup>1</sup>	07/03/2018	07/03/2017
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	155.55	176.96	126.10
Return before operating charges (p)	20.26	(20.01)	52.10
Operating charges (p)	(0.66)	(1.40)	(1.24)
Return after operating charges (p)*	19.60	(21.41)	50.86
Distributions (p)	(4.91)	(6.75)	(6.03)
Retained distributions on accumulation shares (p)	4.91	6.75	6.03
Closing net asset value per share (p)	175.15	155.55	176.96
*after direct transaction costs of (p)	0.02	0.12	0.04
<b>Performance</b>			
Return after charges (%)	12.60	(12.10)	40.33
<b>Other information</b>			
Closing net asset value (£000)	–	2,611	2,009
Closing number of shares	–	1,678,459	1,135,384
Operating charges (%)**	–	0.83	0.82
Direct transaction costs (%)***	–	0.07	0.03
<b>Prices</b>			
Highest share price (p)	192.51	181.81	177.07
Lowest share price (p)	147.15	151.23	121.97

\*\*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>Closed 9 November 2018.

<sup>2</sup>Commenced 12 May 2017.

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

# Threadneedle UK Equity Income Fund

## Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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		2019
<b>Class 1 – Income shares</b>		<b>Class X – Accumulation shares</b>	
Opening shares	359,047,835	Opening shares	13,692,572
Shares issued	6,030,819	Shares issued	1,911,241
Shares redeemed	(59,500,419)	Shares redeemed	(1,501,426)
Net conversions	(2,546,341)	Net conversions	–
Closing shares	<u>303,031,894</u>	Closing shares	<u>14,102,387</u>
<b>Class 1 – Accumulation shares</b>		<b>Class Z – Income shares</b>	
Opening shares	165,857,368	Opening shares	1,263,689,987
Shares issued	2,428,871	Shares issued	14,567,425
Shares redeemed	(32,208,770)	Shares redeemed	(35,974,387)
Net conversions	(695,237)	Net conversions	(3,419,823)
Closing shares	<u>135,382,232</u>	Closing shares	<u>1,238,863,202</u>
<b>Class 2 – Income shares</b>		<b>Class Z – Accumulation shares</b>	
Opening shares	176,765,510	Opening shares	577,868,081
Shares issued	4,871,961	Shares issued	37,846,212
Shares redeemed	(16,366,879)	Shares redeemed	(11,687,610)
Net conversions	(758,562)	Net conversions	(3,954,228)
Closing shares	<u>164,512,030</u>	Closing shares	<u>600,072,455</u>
<b>Class 2 – Accumulation shares</b>			
Opening shares	14,193,793		
Shares issued	39,583		
Shares redeemed	(1,072,157)		
Net conversions	(16,318)		
Closing shares	<u>13,144,901</u>		
<b>Class D – Income shares</b>			
Opening shares	628,455		
Shares issued	78,160		
Shares redeemed	(79,271)		
Net conversions	–		
Closing shares	<u>627,344</u>		
<b>Class L – Income shares</b>			
Opening shares	125,690,839		
Shares issued	16,091,878		
Shares redeemed	(3,337,268)		
Net conversions	4,735,187		
Closing shares	<u>143,180,636</u>		
<b>Class L – Accumulation shares</b>			
Opening shares	90,284,756		
Shares issued	23,699,309		
Shares redeemed	(13,125,456)		
Net conversions	2,599,189		
Closing shares	<u>103,457,798</u>		
<b>Class X – Income shares</b>			
Opening shares	3,363,326		
Shares issued	1,187,406		
Shares redeemed	(81,700)		
Net conversions	–		
Closing shares	<u>4,469,032</u>		

## Threadneedle UK Monthly Income Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide a monthly 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 focuses on selecting companies that exhibit strong potential for paying attractive and sustainable dividend income. These companies may be chosen from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on the 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 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 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 7 September 2019, the published share price of the Threadneedle UK Monthly Income Fund has risen from 70.18p to 70.21p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested

income, is +3.33% as compared to a median return of +1.95% over the same period. (For information the FTSE All-Share Total Return Index returned +4.28% over the same period).

#### Market Overview and Portfolio Activity

Expectations for global growth continued to moderate over the review period, except in the US, where domestic demand remained strong. The aggregate forecast for global economic growth for 2019 is now expected to be the weakest since the financial crisis. The prime reason for this reduction was the escalating trade tensions between the US and China. Towards the end of the period, the US increased the quantum of tariffs it intended to raise on Chinese imports by 50%, to the extent that all such trade between the two countries would now be subject to at least some form of tariff. Given what had been the broadly uninterrupted trend towards free trade since World War II, this raised serious issues about whether the economic benefits of globalisation had peaked and could reverse.

The other major issue weighing on both economies and markets was the course of US monetary policy. Having put through an eighth, then ninth and a final 0.25% rate increase in December (taking rates to 2.25-2.5%), the US Federal Reserve then controversially changed tack in the first quarter of this year, and talked about potentially easing rates. The central bank also slowed the pace at which it unwound quantitative easing (QE) to zero by the end of the period, despite having reversed only about 15% of the cumulative outstanding QE over the preceding two years. Such an abrupt U-turn in policy from the world's most important central bank raised serious questions about its credibility, as well as concerns about the outlook for global growth and the world's true risk-free rate. This last factor became especially pertinent as global bond yields continued their relentless fall, to the extent that about one-third of all outstanding global bonds now offer negative yields. These concerns were magnified during the summer when the 'yield curve' inverted, i.e. the difference between 10-year and 2-year Treasury rates turned negative. This phenomenon has historically been one of the most prescient indicators of the US economy going into recession.

Domestically, Brexit continued to dominate markets. The official exit date was postponed from the end of March to the end of October, as no withdrawal agreement could be passed by Parliament despite three attempts. This led to Prime Minister Theresa May being replaced by Boris Johnson. But as the

October extension deadline itself became mired in controversy, the inevitability of another general election increased as Johnson lost his parliamentary working majority due to a combination of defections and expulsions from the Conservative Party. Fortunately, the domestic economy, accounting for only circa 25% of UK corporate profitability, remained relatively robust.

During the period the market (as measured by the FTSE All-Share index) rose by 1.8%, despite a sharp sell-off in August as trade fears intensified.

The fund's activity returned to its traditionally modest levels, with only about 10% of the portfolio changing during the period. Five positions were exited, with two of these being Manx Telecom and KCOM; both were successfully bid for. The fund also exited TUI, Galliford Try and De La Rue. There were four additions to the portfolio: Direct Line Insurance Group, Spectris, Reckitt Benckiser and Royal Bank of Scotland Group; hence, the number of stocks held reduced by one, to 57. Elsewhere, activity was very stock-specific, the biggest additions being to Legal & General Group, Shell and SSE; all are trading at sustainable yields above 6% which we feel should grow. The biggest reduction was the continued selling of DS Smith; this is consistent with our desire to maintain a meaningfully underweight position in the popular but economically-sensitive industrials. Elsewhere, the biggest sector overweights remain in life assurance and pharmaceuticals.

The dividend cover across the market remained unchanged at circa 1.7x. However, growth prospects again continue to be constrained by concerns around the global economic outlook, Brexit, trade and a volatile sterling-dollar exchange rate.

For the ninth consecutive year, the fund's monthly distributions on the majority Class 1 units increased by 0.01 pence per unit, from 0.26 pence to 0.27 pence. The 2 class units saw a broadly similar rate of increase, from 0.45 pence per unit to 0.47 pence.

However, for the reasons referenced above, it feels prudent to continue to prioritise improving the quality of the fund's dividend, rather than its quantity. Therefore, it is anticipated that the fund's 12th and final dividend payment for the year will be slightly reduced for a third consecutive year, so as to moderate the rate of dividend growth for the year for the Class 1 distributions to approximately 2.5%. This would be the 19th year in the fund's 21-year history as an OEIC that the dividend had been increased.

At the end of the half year, the yield on both these share classes was 5.0%.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	2,129	14,108
Revenue	13,813	14,353
Expenses	(3,331)	(3,828)
Interest payable and similar charges	–	(1)
Net revenue before taxation	10,482	10,524
Taxation	–	–
Net revenue after taxation	10,482	10,524
<b>Total return before distributions</b>	<b>12,611</b>	<b>24,632</b>
Distributions	(10,146)	(10,602)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>2,465</b>	<b>14,030</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
<b>Investments</b>	416,221	439,307
<b>Current assets:</b>		
Debtors	6,806	7,483
Cash and bank balances	40	1,174
Cash equivalents**	10,023	5,016
<b>Total assets</b>	<b>433,090</b>	<b>452,980</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Bank overdrafts	(377)	–
Distribution payable	(1,655)	(3,841)
Other creditors	(1,975)	(6,351)
<b>Total liabilities</b>	<b>(4,007)</b>	<b>(10,192)</b>
<b>Net assets attributable to shareholders</b>	<b>429,083</b>	<b>442,788</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>442,788</b>	<b>497,135</b>
Amounts receivable on the issue of shares	6,258	6,867
Amounts payable on the cancellation of shares	(22,536)	(28,654)
	(16,278)	(21,787)
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	2,465	14,030
Unclaimed distributions	108	90
<b>Closing net assets attributable to shareholders</b>	<b>429,083</b>	<b>489,468</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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>				
08/03/19 to 07/04/19	0.2700	–	0.2700	0.2600
08/04/19 to 07/05/19	0.2700	–	0.2700	0.2600
08/05/19 to 07/06/19	0.2700	–	0.2700	0.2600
08/06/19 to 07/07/19	0.2700	–	0.2700	0.2600
08/07/19 to 07/08/19	0.2700	–	0.2700	0.2600
08/08/19 to 07/09/19	0.2700	–	0.2700	0.2600
<b>Group 2</b>				
08/03/19 to 07/04/19	0.0031	0.2669	0.2700	0.2600
08/04/19 to 07/05/19	–	0.2700	0.2700	0.2600
08/05/19 to 07/06/19	–	0.2700	0.2700	0.2600
08/06/19 to 07/07/19	–	0.2700	0.2700	0.2600
08/07/19 to 07/08/19	0.0187	0.2513	0.2700	0.2600
08/08/19 to 07/09/19	–	0.2700	0.2700	0.2600
<b>Total distributions in the period</b>			<b>1.6200</b>	<b>1.5600</b>

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

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

## Threadneedle UK Monthly Income Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.4100	–	0.4100	0.3900
08/04/19 to 07/05/19	0.4100	–	0.4100	0.3900
08/05/19 to 07/06/19	0.4100	–	0.4100	0.3900
08/06/19 to 07/07/19	0.4100	–	0.4100	0.3900
08/07/19 to 07/08/19	0.4100	–	0.4100	0.3900
08/08/19 to 07/09/19	0.4100	–	0.4100	0.3900
<b>Group 2</b>				
08/03/19 to 07/04/19	0.4100	–	0.4100	0.3900
08/04/19 to 07/05/19	0.4100	–	0.4100	0.3900
08/05/19 to 07/06/19	0.4100	–	0.4100	0.3900
08/06/19 to 07/07/19	0.4100	–	0.4100	0.3900
08/07/19 to 07/08/19	0.4100	–	0.4100	0.3900
08/08/19 to 07/09/19	0.4100	–	0.4100	0.3900
<b>Total distributions in the period</b>			<b>2.4600</b>	<b>2.3400</b>

#### Class X – Gross income shares\*

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019
<b>Group 1</b>			
08/05/19 to 07/06/19	–	–	–
08/06/19 to 07/07/19	0.3900	–	0.3900
08/07/19 to 07/08/19	0.3900	–	0.3900
08/08/19 to 07/09/19	0.3900	–	0.3900
<b>Group 2</b>			
08/05/19 to 07/06/19	–	–	–
08/06/19 to 07/07/19	0.3900	–	0.3900
08/07/19 to 07/08/19	0.3900	–	0.3900
08/08/19 to 07/09/19	0.3900	–	0.3900
<b>Total distributions in the period</b>			<b>1.1700</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.4700	–	0.4700	0.4500
08/04/19 to 07/05/19	0.4700	–	0.4700	0.4500
08/05/19 to 07/06/19	0.4700	–	0.4700	0.4500
08/06/19 to 07/07/19	0.4700	–	0.4700	0.4500
08/07/19 to 07/08/19	0.4700	–	0.4700	0.4500
08/08/19 to 07/09/19	0.4700	–	0.4700	0.4500
<b>Group 2</b>				
08/03/19 to 07/04/19	0.2539	0.2161	0.4700	0.4500
08/04/19 to 07/05/19	0.0895	0.3805	0.4700	0.4500
08/05/19 to 07/06/19	–	0.4700	0.4700	0.4500
08/06/19 to 07/07/19	–	0.4700	0.4700	0.4500
08/07/19 to 07/08/19	0.1047	0.3653	0.4700	0.4500
08/08/19 to 07/09/19	–	0.4700	0.4700	0.4500
<b>Total distributions in the period</b>			<b>2.8200</b>	<b>2.7000</b>

Group 2: shares purchased during a distribution period.

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

## Threadneedle UK Monthly Income Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 2 – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	69.50	71.88	77.99	102.34	105.32	113.70
Return before operating charges (p)	2.55	2.26	(1.48)	3.75	3.30	(2.17)
Operating charges (p)	(0.58)	(1.18)	(1.26)	(0.55)	(1.12)	(1.20)
Return after operating charges (p)*	1.97	1.08	(2.74)	3.20	2.18	(3.37)
Distributions (p)	(1.62)	(3.46)	(3.37)	(2.46)	(5.16)	(5.01)
Closing net asset value per share (p)	69.85	69.50	71.88	103.08	102.34	105.32
*after direct transaction costs of (p)	0.05	0.07	0.13	0.07	0.10	0.19
<b>Performance</b>						
Return after charges (%)	2.83	1.50	(3.51)	3.13	2.07	(2.96)
<b>Other information</b>						
Closing net asset value (£000)	358,015	367,747	406,560	87	86	80
Closing number of shares	512,574,685	529,162,282	565,574,075	84,409	84,409	75,616
Operating charges (%)**	1.63 <sup>†</sup>	1.63	1.63	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.13	0.09	0.17	0.13	0.09	0.17
<b>Prices</b>						
Highest share price (p)	73.05	77.94	81.71	107.77	114.31	119.27
Lowest share price (p)	68.01	64.46	71.45	100.35	94.83	104.68

  

	Class X – Gross income shares		Class Z – Income shares		
	07/09/2019 <sup>†</sup>		07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	100.00		122.23	125.48	135.11
Return before operating charges (p)	1.86		4.48	3.93	(2.59)
Operating charges (p)	–		(0.55)	(1.12)	(1.18)
Return after operating charges (p)*	1.86		3.93	2.81	(3.77)
Distributions (p)	(1.17)		(2.82)	(6.06)	(5.86)
Closing net asset value per share (p)	100.69		123.34	122.23	125.48
*after direct transaction costs of (p)	0.07		0.08	0.12	0.22
<b>Performance</b>					
Return after charges (%)	1.86		3.22	2.24	(2.79)
<b>Other information</b>					
Closing net asset value (£000)	1		70,980	74,955	90,495
Closing number of shares	1,000		57,547,106	61,324,814	72,121,364
Operating charges (%)**	0.00 <sup>†</sup>		0.88 <sup>†</sup>	0.88	0.88
Direct transaction costs (%)***	0.13		0.13	0.09	0.17
<b>Prices</b>					
Highest share price (p)	105.13		128.89	136.27	141.81
Lowest share price (p)	97.72		120.04	113.25	124.70

\*\*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 Monthly Income Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	529,162,282
Shares issued	8,197,308
Shares redeemed	(22,944,700)
Net conversions	(1,840,205)
Closing shares	<u>512,574,685</u>
<b>Class 2 – Income shares</b>	
Opening shares	84,409
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>84,409</u>
<b>Class X – Gross income shares*</b>	
Opening shares	–
Shares issued	1,000
Shares redeemed	–
Net conversions	–
Closing shares	<u>1,000</u>
<b>Class Z – Income shares</b>	
Opening shares	61,324,814
Shares issued	382,330
Shares redeemed	(5,205,221)
Net conversions	1,045,183
Closing shares	<u>57,547,106</u>

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

## Threadneedle Monthly Extra Income Fund

### Investment Report Investment Objective and Policy

The Fund aims to provide a monthly income 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 in a combination of company shares and bonds; typically, between 70-80% in UK company shares and 20%-30% in bonds. The Fund considers UK companies to mean companies listed on the London Stock Exchange; predominantly those 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. These companies may be chosen from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on the larger companies included in the FTSE All-Share Index. The bonds selected are usually investment grade corporate bonds, but may also include government bonds. These bonds are denominated in sterling (or hedged back to sterling, if a different currency).

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

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 7 September 2019, the published share price of the Threadneedle Monthly Extra Income Fund has risen from 78.72p to 81.73p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +6.48% as compared to a median return of +3.98% over the same period. In view of the nature of the fund, and its investment remit, there is no directly comparable market index.

### Market Overview and Portfolio Activity

UK equities and corporate bonds rallied over the review period, largely because of expectations of stimulus measures from key central banks. That said, risk assets were periodically buffeted by worries around Brexit, the US-China trade war and the global economic outlook. This also soured sentiment towards corporate bonds; however, the asset class still posted a positive return, as yields (interest rates) on government bonds dropped as the uncertain political and economic backdrop led investors to favour safe-havens.

Fears that the UK could end up leaving the EU without a deal rose over the review period, especially following Theresa May's resignation as prime minister due to the prospect, then reality, that she would be succeeded by leading Brexit Boris Johnson. Political uncertainty rose further in August, when Johnson decided to suspend Parliament ahead of the revised Brexit deadline of 31 October 2019.

Concerns around Brexit were particularly painful for small- and mid-caps. The associated weakness in the pound was a further headwind for these stocks. However, the currency's fall buoyed sentiment towards export-oriented stocks and resulted in several overseas takeover bids being launched for UK companies such as Merlin Entertainments and Cobham.

On the economic front, UK GDP growth was strong in the first quarter of 2019, partly due to the boost to manufacturing from firms stockpiling inventories ahead of the original Brexit date of 29 March. However, subsequent data showed that this effect was wearing off, and the economy contracted in the second quarter. More encouragingly, consumption data held up reasonably well, thanks to the recovery in real wages over the last year. The Bank of England continued to signal that rate hikes were still possible this year, assuming that Brexit doesn't derail the economy, though investors remained sceptical that policymakers would tighten policy.

Over the review period, within equities, we topped up several holdings, chiefly IMI, BT and ITV. We are encouraged by the fresh leadership of IMI's new CEO. For BT, we feel the implementation of the fibre-to-the-home network will help it make progress on its plans to target long-term growth and improve its relationship with the regulator, which should pave the way for the firm to earn a reasonable return on its investment. In our view, ITV's share price is not capturing the rush for content globally, or its attractiveness as a takeover target. We also believe that the company is of higher quality and much less vulnerable to the disruption than the bearish sentiment induced by Brexit would suggest.

We also added to Marks & Spencer, via a rights issue, which was launched to fund the company's 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.

We closed our residual position in Rolls-Royce Holdings to fund higher-conviction ideas.

In fixed income, we took part in a broad range of new issues, including two tranches each from Fidelity National Information Services, Fiserv and, in its first ever sterling deal, Berkshire Hathaway Finance. We also participated in new issues from Total Capital Unilever and BP Capital Markets. In the secondary market, we initiated positions in LafargeHolcim Sterling Finance and Rolls-Royce Holdings. Sales included Vonovia Finance, Clydesdale Bank, Bank of America and ING. Overall, the fixed income segment of the portfolio retained a broadly neutral duration position and modest overweight exposure to credit-market risk.

Despite concerns about the UK's political and economic prospects, we are more constructive about the outlook for UK equities.

Many non-commodity-driven, UK-listed companies with global exposure are trading at excessive discounts to their overseas-listed peers, partly as a consequence of the sheer weight of money re-allocated away from the UK stock market. UK domestics are trading at even cheaper valuations, owing to the poor sentiment around Brexit. This environment creates opportunities for active managers, and should continue to entice activist investments and takeover activity in the UK.

This valuation dynamic can also be understood in the broader context of an extremely polarised global market in which cheap stocks are becoming cheaper and those deemed 'strong' are growing more expensive. We are not attempting to predict the timing of a reappraisal of this situation, but to ensure our portfolios are best prepared to weather the turbulence and seize the opportunities when that 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.

In terms of credit, spreads (the yield premiums offered by corporate bonds over comparable-maturity "risk-free" government bonds) on investment-grade (IG) debt are reasonable and close to long-term averages. Corporate earnings have been reasonably strong recently but are not leading to improved credit metrics. Overall, the low-growth, low-inflation backdrop, which allows central banks to keep policy accommodative, creates a supportive environment for IG corporate bonds. The fund remains overweight in defensive sectors, such as regulated utilities and infrastructure, and UK operating company (opco) bank debt, which becomes more attractive as banks issue more holding company (holdco) debt. These areas should be more resilient given the late stage of the credit cycle and the level of credit spreads.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	12,858	19,854
Revenue	7,377	8,008
Expenses	(1,379)	(1,706)
Interest payable and similar charges	(1)	(1)
Net revenue before taxation	5,997	6,301
Taxation	–	–
Net revenue after taxation	5,997	6,301
<b>Total return before distributions</b>	<b>18,855</b>	<b>26,155</b>
Distributions	(5,718)	(6,369)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>13,137</b>	<b>19,786</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	308,553	314,191
<b>Current assets:</b>		
Debtors	3,787	3,278
Cash and bank balances	961	13
<b>Total assets</b>	<b>313,301</b>	<b>317,482</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(38)	(57)
<b>Creditors:</b>		
Bank overdrafts	–	(120)
Distribution payable	(795)	(1,510)
Other creditors	(1,840)	(943)
<b>Total liabilities</b>	<b>(2,673)</b>	<b>(2,630)</b>
<b>Net assets attributable to shareholders</b>	<b>310,628</b>	<b>314,852</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>314,852</b>	<b>351,896</b>
Amounts receivable on the issue of shares	36,553	12,961
Amounts payable on the cancellation of shares	(54,483)	(44,469)
	(17,930)	(31,508)
Dilution adjustment	–	15
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	13,137	19,786
Retained distribution on accumulation shares	566	321
Unclaimed distributions	3	1
<b>Closing net assets attributable to shareholders</b>	<b>310,628</b>	<b>340,511</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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>				
08/03/19 to 07/04/19	0.2400	–	0.2400	0.2450
08/04/19 to 07/05/19	0.2500	–	0.2500	0.2450
08/05/19 to 07/06/19	0.2450	–	0.2450	0.2450
08/06/19 to 07/07/19	0.2450	–	0.2450	0.2450
08/07/19 to 07/08/19	0.2450	–	0.2450	0.2450
08/08/19 to 07/09/19	0.2450	–	0.2450	0.2450
<b>Group 2</b>				
08/03/19 to 07/04/19	0.1521	0.0879	0.2400	0.2450
08/04/19 to 07/05/19	0.0844	0.1656	0.2500	0.2450
08/05/19 to 07/06/19	–	0.2450	0.2450	0.2450
08/06/19 to 07/07/19	–	0.2450	0.2450	0.2450
08/07/19 to 07/08/19	–	0.2450	0.2450	0.2450
08/08/19 to 07/09/19	–	0.2450	0.2450	0.2450
<b>Total distributions in the period</b>			<b>1.4700</b>	<b>1.4700</b>

## Threadneedle Monthly Extra Income Fund

### DISTRIBUTION TABLE

(continued)

#### Class 1 EUR Hedged – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.3615	–	0.3615	0.3846
08/04/19 to 07/05/19	0.4986	–	0.4986	0.4915
08/05/19 to 07/06/19	0.6440	–	0.6440	0.6792
08/06/19 to 07/07/19	0.2956	–	0.2956	0.3398
08/07/19 to 07/08/19	0.1268	–	0.1268	0.1146
08/08/19 to 07/09/19	0.8773	–	0.8773	0.7784
<b>Group 2</b>				
08/03/19 to 07/04/19	0.2191	0.1424	0.3615	0.3846
08/04/19 to 07/05/19	0.2431	0.2555	0.4986	0.4915
08/05/19 to 07/06/19	0.0470	0.5970	0.6440	0.6792
08/06/19 to 07/07/19	0.0633	0.2323	0.2956	0.3398
08/07/19 to 07/08/19	0.1040	0.0228	0.1268	0.1146
08/08/19 to 07/09/19	0.1682	0.7091	0.8773	0.7784
<b>Total distributions in the period</b>			<b>2.8038</b>	<b>2.7881</b>

#### Class 1 EUR Hedged – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.2931	–	0.2931	0.3001
08/04/19 to 07/05/19	0.4052	–	0.4052	0.3847
08/05/19 to 07/06/19	0.5256	–	0.5256	0.5335
08/06/19 to 07/07/19	0.2425	–	0.2425	0.2698
08/07/19 to 07/08/19	0.1048	–	0.1048	0.0930
08/08/19 to 07/09/19	0.7232	–	0.7232	0.6178
<b>Group 2</b>				
08/03/19 to 07/04/19	0.2931	–	0.2931	0.3001
08/04/19 to 07/05/19	0.4052	–	0.4052	0.3847
08/05/19 to 07/06/19	0.5256	–	0.5256	0.5335
08/06/19 to 07/07/19	0.2425	–	0.2425	0.2698
08/07/19 to 07/08/19	0.1048	–	0.1048	0.0930
08/08/19 to 07/09/19	0.7232	–	0.7232	0.6178
<b>Total distributions in the period</b>			<b>2.2944</b>	<b>2.1989</b>

#### Class X – Gross income shares\*

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019
<b>Group 1</b>			
08/05/19 to 07/06/19	–	–	–
08/06/19 to 07/07/19	0.3100	–	0.3100
08/07/19 to 07/08/19	0.3100	–	0.3100
08/08/19 to 07/09/19	0.3100	–	0.3100
<b>Group 2</b>			
08/05/19 to 07/06/19	–	–	–
08/06/19 to 07/07/19	0.3100	–	0.3100
08/07/19 to 07/08/19	0.3100	–	0.3100
08/08/19 to 07/09/19	0.3100	–	0.3100
<b>Total distributions in the period</b>			<b>0.9300</b>

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

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2019
<b>Group 1</b>			
08/05/19 to 07/06/19	–	–	–
08/06/19 to 07/07/19	0.3100	–	0.3100
08/07/19 to 07/08/19	0.3100	–	0.3100
08/08/19 to 07/09/19	0.3100	–	0.3100
<b>Group 2</b>			
08/05/19 to 07/06/19	–	–	–
08/06/19 to 07/07/19	0.3100	–	0.3100
08/07/19 to 07/08/19	0.3100	–	0.3100
08/08/19 to 07/09/19	0.3100	–	0.3100
<b>Total distributions in the period</b>			<b>0.9300</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.4100	–	0.4100	0.4200
08/04/19 to 07/05/19	0.4300	–	0.4300	0.4200
08/05/19 to 07/06/19	0.4200	–	0.4200	0.4200
08/06/19 to 07/07/19	0.4200	–	0.4200	0.4200
08/07/19 to 07/08/19	0.4200	–	0.4200	0.4200
08/08/19 to 07/09/19	0.4200	–	0.4200	0.4200
<b>Group 2</b>				
08/03/19 to 07/04/19	0.2362	0.1738	0.4100	0.4200
08/04/19 to 07/05/19	0.1572	0.2728	0.4300	0.4200
08/05/19 to 07/06/19	–	0.4200	0.4200	0.4200
08/06/19 to 07/07/19	–	0.4200	0.4200	0.4200
08/07/19 to 07/08/19	–	0.4200	0.4200	0.4200
08/08/19 to 07/09/19	–	0.4200	0.4200	0.4200
<b>Total distributions in the period</b>			<b>2.5200</b>	<b>2.5200</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.3700	–	0.3700	0.3700
08/04/19 to 07/05/19	0.3700	–	0.3700	0.3700
08/05/19 to 07/06/19	0.3700	–	0.3700	0.3700
08/06/19 to 07/07/19	0.3700	–	0.3700	0.3700
08/07/19 to 07/08/19	0.3700	–	0.3700	0.3700
08/08/19 to 07/09/19	0.3700	–	0.3700	0.3700
<b>Group 2</b>				
08/03/19 to 07/04/19	0.1675	0.2025	0.3700	0.3700
08/04/19 to 07/05/19	0.0392	0.3308	0.3700	0.3700
08/05/19 to 07/06/19	–	0.3700	0.3700	0.3700
08/06/19 to 07/07/19	–	0.3700	0.3700	0.3700
08/07/19 to 07/08/19	–	0.3700	0.3700	0.3700
08/08/19 to 07/09/19	–	0.3700	0.3700	0.3700
<b>Total distributions in the period</b>			<b>2.2200</b>	<b>2.2200</b>

#### Class Z EUR Hedged – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.2928	–	0.2928	0.2988
08/04/19 to 07/05/19	0.4094	–	0.4094	0.3860
08/05/19 to 07/06/19	0.5302	–	0.5302	0.5348
08/06/19 to 07/07/19	0.2460	–	0.2460	0.2704
08/07/19 to 07/08/19	0.1060	–	0.1060	0.0924
08/08/19 to 07/09/19	0.7310	–	0.7310	0.6204
<b>Group 2</b>				
08/03/19 to 07/04/19	0.2928	–	0.2928	0.2988
08/04/19 to 07/05/19	0.4094	–	0.4094	0.3860
08/05/19 to 07/06/19	0.5302	–	0.5302	0.5348
08/06/19 to 07/07/19	0.2460	–	0.2460	0.2704
08/07/19 to 07/08/19	0.1060	–	0.1060	0.0924
08/08/19 to 07/09/19	0.7310	–	0.7310	0.6204
<b>Total distributions in the period</b>			<b>2.3154</b>	<b>2.2028</b>

Group 2: shares purchased during a distribution period.

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



## Threadneedle Monthly Extra Income Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 EUR Hedged – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	78.22	77.69	81.44	117.01	122.47	125.53
Return before operating charges (p)	5.18	4.70	0.46	12.00	0.96	3.47
Operating charges (p)	(0.56)	(1.11)	(1.13)	(0.85)	(1.71)	(1.76)
Return after operating charges (p)*	4.62	3.59	(0.67)	11.15	(0.75)	1.71
Distributions (p)	(1.47)	(3.06)	(3.08)	(2.80)	(4.71)	(4.77)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	81.37	78.22	77.69	125.36	117.01	122.47
*after direct transaction costs of (p)	0.01	0.01	0.02	0.02	0.02	0.03
<b>Performance</b>						
Return after charges (%)	5.91	4.62	(0.82)	9.53	(0.61)	1.36
<b>Other information</b>						
Closing net asset value (£000)	58,613	97,572	129,443	4,175	3,966	2,597
Closing number of shares	72,035,210	124,744,919	166,619,550	3,330,248	3,389,579	2,120,674
Operating charges (%)**	1.40 <sup>†</sup>	1.39	1.38	1.39 <sup>†</sup>	1.39	1.38
Direct transaction costs (%)***	0.03	0.01	0.03	0.03	0.01	0.03
<b>Prices</b>						
Highest share price (p)	82.92	84.82	85.90	130.58	134.01	134.34
Lowest share price (p)	76.90	73.62	76.89	115.27	114.25	119.79
	Class 1 EUR Hedged – Accumulation shares			Class X – Gross income shares		
	07/09/2019	07/03/2019	07/03/2018 <sup>1</sup>	07/09/2019 <sup>2</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	94.74	95.40	100.00	100.00		
Return before operating charges (p)	9.78	0.68	(3.92)	5.26		
Operating charges (p)	(0.68)	(1.34)	(0.68)	–		
Return after operating charges (p)*	9.10	(0.66)	(4.60)	5.26		
Distributions (p)	(2.29)	(3.75)	(2.30)	(0.93)		
Retained distributions on accumulation shares (p)	2.29	3.75	2.30	–		
Closing net asset value per share (p)	103.84	94.74	95.40	104.33		
*after direct transaction costs of (p)	0.01	0.02	0.02	0.01		
<b>Performance</b>						
Return after charges (%)	9.61	(0.69)	(4.60)	5.26		
<b>Other information</b>						
Closing net asset value (£000)	10	10	10	1		
Closing number of shares	10,001	10,001	10,001	1,000		
Operating charges (%)**	1.37 <sup>†</sup>	1.37	1.37 <sup>†</sup>	0.00 <sup>†</sup>		
Direct transaction costs (%)***	0.03	0.01	0.03	0.03		
<b>Prices</b>						
Highest share price (p)	107.30	106.06	102.48	106.19		
Lowest share price (p)	93.33	90.98	92.85	98.00		

## Threadneedle Monthly Extra Income Fund

### Comparative Table Disclosure

(continued)

	Class X – Gross accumulation shares			Class Z – Income shares		
	07/09/2019 <sup>2</sup>	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	100.00			135.36	133.60	139.17
Return before operating charges (p)	5.29			8.92	8.04	0.71
Operating charges (p)	(0.02)			(0.51)	(1.02)	(1.03)
Return after operating charges (p)*	5.27			8.41	7.02	(0.32)
Distributions (p)	(0.93)			(2.52)	(5.26)	(5.25)
Retained distributions on accumulation shares (p)	0.93			–	–	–
Closing net asset value per share (p)	105.27			141.25	135.36	133.60
*after direct transaction costs of (p)	0.01			0.02	0.02	0.04
<b>Performance</b>						
Return after charges (%)	5.27			6.21	5.25	(0.23)
<b>Other information</b>						
Closing net asset value (£000)	33,525			198,121	196,431	200,709
Closing number of shares	31,847,821			140,259,419	145,120,698	150,232,940
Operating charges (%)**	0.07 <sup>†</sup>			0.74 <sup>†</sup>	0.74	0.73
Direct transaction costs (%)***	0.03			0.03	0.01	0.03
<b>Prices</b>						
Highest share price (p)	106.50			143.86	146.26	147.00
Lowest share price (p)	98.00			133.28	127.25	132.16
	Class Z – Accumulation shares			Class Z EUR Hedged – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	130.50	123.96	124.37	95.77	95.83	100.00
Return before operating charges (p)	8.68	7.50	0.52	9.90	0.65	(3.81)
Operating charges (p)	(0.50)	(0.96)	(0.93)	(0.37)	(0.71)	(0.36)
Return after operating charges (p)*	8.18	6.54	(0.41)	9.53	(0.06)	(4.17)
Distributions (p)	(2.22)	(4.97)	(4.76)	(2.32)	(3.76)	(2.30)
Retained distributions on accumulation shares (p)	2.22	4.97	4.76	2.32	3.76	2.30
Closing net asset value per share (p)	138.68	130.50	123.96	105.30	95.77	95.83
*after direct transaction costs of (p)	0.02	0.02	0.03	0.01	0.02	0.02
<b>Performance</b>						
Return after charges (%)	6.27	5.28	(0.33)	9.95	(0.06)	(4.17)
<b>Other information</b>						
Closing net asset value (£000)	16,169	16,860	19,127	14	13	10
Closing number of shares	11,659,293	12,919,667	15,429,800	13,339	13,411	10,001
Operating charges (%)**	0.74 <sup>†</sup>	0.74	0.73	0.73 <sup>†</sup>	0.72	0.72 <sup>†</sup>
Direct transaction costs (%)***	0.03	0.01	0.03	0.03	0.01	0.03
<b>Prices</b>						
Highest share price (p)	140.39	137.74	132.13	108.74	106.87	102.60
Lowest share price (p)	129.28	121.33	121.95	94.38	91.41	93.22

\*\*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>2</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 Monthly Extra Income Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	124,744,919
Shares issued	858,899
Shares redeemed	(53,214,349)
Net conversions	(354,259)
Closing shares	<u>72,035,210</u>
<b>Class 1 EUR Hedged – Income shares</b>	
Opening shares	3,389,579
Shares issued	496,406
Shares redeemed	(555,737)
Net conversions	–
Closing shares	<u>3,330,248</u>
<b>Class 1 EUR Hedged – Accumulation shares</b>	
Opening shares	10,001
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,001</u>
<b>Class X – Gross income shares*</b>	
Opening shares	–
Shares issued	1,000
Shares redeemed	–
Net conversions	–
Closing shares	<u>1,000</u>
<b>Class X – Gross accumulation shares*</b>	
Opening shares	–
Shares issued	31,847,821
Shares redeemed	–
Net conversions	–
Closing shares	<u>31,847,821</u>
<b>Class Z – Income shares</b>	
Opening shares	145,120,698
Shares issued	1,858,435
Shares redeemed	(6,937,780)
Net conversions	218,066
Closing shares	<u>140,259,419</u>

	2019
<b>Class Z – Accumulation shares</b>	
Opening shares	12,919,667
Shares issued	398,311
Shares redeemed	(1,644,928)
Net conversions	(13,757)
Closing shares	<u>11,659,293</u>
<b>Class Z EUR Hedged – Accumulation shares</b>	
Opening shares	13,411
Shares issued	–
Shares redeemed	(72)
Net conversions	–
Closing shares	<u>13,339</u>

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

## Threadneedle Sterling Corporate Bond Fund (formerly UK Corporate Bond Fund)

### Investment Report

#### Investment Objective & Policy

The Fund aims to provide income with the prospect of some capital growth over the long term (5 years or more).

The Fund is actively managed, and invests at least two-thirds of its assets in investment grade corporate bonds that are denominated in sterling (or hedged back to sterling, if a different currency), issued by UK companies and companies worldwide. In addition, the Fund may invest in other bonds (including below investment grade corporate bonds, and government bonds) when considered appropriate to achieve its investment objective.

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.

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

Over the six months to 7 September 2019, the published share price of the Threadneedle Sterling Corporate Bond Fund has risen from 61.26p to 64.30p. Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +7.57% as compared to a median return of +8.03% over the same period. (For information the iBoxx GBP Non-Gilts gave a total return of +8.19% for the same period).

#### Market Overview and Portfolio Activity

The sterling investment grade (IG) bond market delivered a solid positive return for the six-month period in review. This was primarily driven by a sharp decline in the yields available on UK government bonds (which move inversely to price). The 10-year gilt yield fell from 1.17% to 0.51% over the period. Credit spreads – the yield premiums offered by corporate

bonds over “risk-free” government bonds of the same maturity – also helped modestly, edging down by 7 basis points.

Both international and domestic developments pushed yields downwards. In the former camp were three broadly overlapping factors: the ongoing US-China trade dispute, signs of deterioration in the global economy and looser monetary policy from key central banks. Trade war fears waxed and waned but escalated in August when President Trump announced new tariffs on \$300bn of imports from China. The dispute was increasingly evident in global economic data, not least of which was German GDP, which contracted in the second quarter (Q2).

Faced with these conditions and a background of low inflation, the US Federal Reserve (Fed) abandoned its tightening cycle, cutting interest rates in July for the first time in a decade. The European Central Bank (ECB) provided further support for bond markets, hinting (as has since transpired) that it was prepared to unleash a fresh round of monetary stimulus, including corporate bond purchases. UK policymakers appeared somewhat hawkish in comparison; the Bank of England insisted that rate hikes were still a possibility in 2019, assuming a disorderly Brexit didn't derail the economy.

Domestically, gilts benefited from Brexit-related uncertainty and worries about its impact on the economy. The Article 50 deadline of 31 March was extended to 31 October 2019, as the then prime minister, Theresa May, was unable to get her withdrawal agreement through parliament. This extension somewhat ironically contributed to a fall in UK GDP over Q2, as companies ran down stockpiles they had built up ahead of the original deadline.

Fears of a no-deal Brexit mounted as Mrs May was forced to step down and was replaced by Boris Johnson, who has vowed to take the UK out of the EU by 31 October – with or without an agreement. In August, Mr Johnson outraged his opponents by announcing a plan to suspend parliament, apparently to frustrate attempts to legislate against a no-deal Brexit. MPs nevertheless managed to do exactly that in early September, but it remains to be seen if Mr Johnson will abide by their ruling if unable to secure a new withdrawal agreement before the deadline.

Against this backdrop, we are more constructive on defensive areas of the IG market, which we feel will be more resilient at this late point in the credit cycle. These include sectors such as regulated utilities and infrastructure, and more recently we have been increasing exposure to housing associations. To this end, we invested in long-dated bonds from housing providers Incommunities and Home Group – two among a range of new issues we participated in during the period. Others included new deals from Fidelity National Information Services, Banque Fédérative du Cr dit Mutuel, Fiserv, and Berkshire Hathaway Finance.

We were also active in the secondary market, for example starting new positions in Rolls-Royce Holdings, Lafarge Holcim, and another housing provider, Catalyst Housing, while increasing exposure to Kraft Heinz, Innogy Finance, Northumbrian Water Finance, and Tesco Property Finance, among others. We reduced exposure to a number of issuers, such as Aviva, BPCE, Grand City Properties, Legal & General Group, and DS Smith; we exited others, including ING, BNP Paribas, Standard Chartered, Standard Life Aberdeen and Cenovus Energy.

Looking ahead, the main risk to the UK economy is still a no-deal Brexit. Such an outcome looks unlikely to occur unless Mr Johnson can regain a parliamentary majority. An early election is likely to take place, probably this year, but the result is even harder to predict than usual.

Globally, the current environment of low but positive GDP growth and gentle inflation is a reasonable background for investment in corporate bonds. The dovish shift at the Fed and the announcement of further quantitative easing from the ECB are also supportive for credit markets.

The corporate credit cycle is, however, fairly mature and though earnings have been reasonable, the benefits are largely accruing to shareholders. In addition, the ongoing macroeconomic slowdown is beginning to cause earnings to deteriorate in some sectors.

From a valuation perspective, gilt yields are historically low, though UK credit spreads are reasonable and just inside their long-term average.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	50,061	(5,178)
Revenue	16,727	16,156
Expenses	(1,963)	(2,057)
Interest payable and similar charges	(153)	(331)
Net revenue before taxation	14,611	13,768
Taxation	–	–
Net revenue after taxation	14,611	13,768
<b>Total return before distributions</b>	<b>64,672</b>	<b>8,590</b>
Distributions	(14,618)	(13,776)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>50,054</b>	<b>(5,186)</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	1,034,547	932,090
<b>Current assets:</b>		
Debtors	50,457	21,341
Cash and bank balances	18,532	14,267
Cash equivalents**	9,078	10,017
<b>Total assets</b>	<b>1,112,614</b>	<b>977,715</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(1,954)	(83)
<b>Creditors:</b>		
Bank overdrafts	(7,025)	(1,195)
Distribution payable	(2,365)	(2,147)
Other creditors	(59,795)	(4,274)
<b>Total liabilities</b>	<b>(71,139)</b>	<b>(7,699)</b>
<b>Net assets attributable to shareholders</b>	<b>1,041,475</b>	<b>970,016</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>970,016</b>	<b>926,836</b>
Amounts receivable on the issue of shares	309,339	119,242
Amounts payable on the cancellation of shares	(298,175)	(87,748)
	11,164	31,494
Dilution adjustment	230	278
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	50,054	(5,186)
Retained distribution on accumulation shares	10,000	9,770
Unclaimed distributions	11	7
<b>Closing net assets attributable to shareholders</b>	<b>1,041,475</b>	<b>963,199</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

\*\*Gross performance is calculated in Factset using daily cash flows and daily global close valuations.

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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>				
08/03/19 to 07/06/19	0.3705	–	0.3705	0.3852
08/06/19 to 07/09/19	0.3594	–	0.3594	0.3733
<b>Group 2</b>				
08/03/19 to 07/06/19	0.1727	0.1978	0.3705	0.3852
08/06/19 to 07/09/19	0.2363	0.1231	0.3594	0.3733
<b>Total distributions in the period</b>			<b>0.7299</b>	<b>0.7585</b>

#### Class 1 – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	0.6419	–	0.6419	0.6510
08/06/19 to 07/09/19	0.6262	–	0.6262	0.6348
<b>Group 2</b>				
08/03/19 to 07/06/19	0.3019	0.3400	0.6419	0.6510
08/06/19 to 07/09/19	0.1899	0.4363	0.6262	0.6348
<b>Total distributions in the period</b>			<b>1.2681</b>	<b>1.2658</b>

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

## Threadneedle Sterling Corporate Bond Fund (formerly UK Corporate Bond Fund)

### DISTRIBUTION TABLE

(continued)

#### Class 1 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	0.3707	–	0.3707	0.3854
08/06/19 to 07/09/19	0.3596	–	0.3596	0.3735
<b>Group 2</b>				
08/03/19 to 07/06/19	0.2577	0.1130	0.3707	0.3854
08/06/19 to 07/09/19	0.3168	0.0428	0.3596	0.3735
<b>Total distributions in the period</b>			<b>0.7303</b>	<b>0.7589</b>

#### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	0.4218	–	0.4218	0.4362
08/06/19 to 07/09/19	0.4121	–	0.4121	0.4242
<b>Group 2</b>				
08/03/19 to 07/06/19	0.2064	0.2154	0.4218	0.4362
08/06/19 to 07/09/19	0.1838	0.2283	0.4121	0.4242
<b>Total distributions in the period</b>			<b>0.8339</b>	<b>0.8604</b>

#### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	0.8407	–	0.8407	0.8451
08/06/19 to 07/09/19	0.8268	–	0.8268	0.8279
<b>Group 2</b>				
08/03/19 to 07/06/19	0.3127	0.5280	0.8407	0.8451
08/06/19 to 07/09/19	0.3485	0.4783	0.8268	0.8279
<b>Total distributions in the period</b>			<b>1.6675</b>	<b>1.6730</b>

#### Class L – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	0.7124	–	0.7124	0.7357
08/06/19 to 07/09/19	0.6975	–	0.6975	0.7161
<b>Group 2</b>				
08/03/19 to 07/06/19	0.3803	0.3321	0.7124	0.7357
08/06/19 to 07/09/19	0.2366	0.4609	0.6975	0.7161
<b>Total distributions in the period</b>			<b>1.4099</b>	<b>1.4518</b>

#### Class L – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	0.7646	–	0.7646	0.7671
08/06/19 to 07/09/19	0.7538	–	0.7538	0.7520
<b>Group 2</b>				
08/03/19 to 07/06/19	0.2563	0.5083	0.7646	0.7671
08/06/19 to 07/09/19	0.3166	0.4372	0.7538	0.7520
<b>Total distributions in the period</b>			<b>1.5184</b>	<b>1.5191</b>

#### Class L – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	0.7124	–	0.7124	0.7357
08/06/19 to 07/09/19	0.6975	–	0.6975	0.7161
<b>Group 2</b>				
08/03/19 to 07/06/19	0.1791	0.5333	0.7124	0.7357
08/06/19 to 07/09/19	0.3123	0.3852	0.6975	0.7161
<b>Total distributions in the period</b>			<b>1.4099</b>	<b>1.4518</b>

#### Class X – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	0.8763	–	0.8763	0.9008
08/06/19 to 07/09/19	0.8635	–	0.8635	0.8794
<b>Group 2</b>				
08/03/19 to 07/06/19	0.8763	–	0.8763	0.9008
08/06/19 to 07/09/19	0.8635	–	0.8635	0.8794
<b>Total distributions in the period</b>			<b>1.7398</b>	<b>1.7802</b>

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/06/19	0.9624	–	0.9624	0.9572
08/06/19 to 07/09/19	0.9560	–	0.9560	0.9424
<b>Group 2</b>				
08/03/19 to 07/06/19	0.6249	0.3375	0.9624	0.9572
08/06/19 to 07/09/19	0.6791	0.2769	0.9560	0.9424
<b>Total distributions in the period</b>			<b>1.9184</b>	<b>1.8996</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Sterling Corporate Bond Fund (formerly UK Corporate Bond Fund)

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	60.70	60.96	61.51	105.14	103.01	101.38
Return before operating charges (p)	4.05	1.77	1.58	7.05	3.04	2.58
Operating charges (p)	(0.28)	(0.53)	(0.57)	(0.50)	(0.91)	(0.95)
Return after operating charges (p)*	3.77	1.24	1.01	6.55	2.13	1.63
Distributions (p)	(0.73)	(1.50)	(1.56)	(1.27)	(2.56)	(2.60)
Retained distributions on accumulation shares (p)	–	–	–	1.27	2.56	2.60
Closing net asset value per share (p)	63.74	60.70	60.96	111.69	105.14	103.01
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	6.21	2.03	1.64	6.23	2.07	1.61
<b>Other information</b>						
Closing net asset value (£000)	38,073	37,608	41,541	9,892	338	191
Closing number of shares	59,726,836	61,959,400	68,146,854	8,856,047	321,385	184,932
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.92	0.90 <sup>†</sup>	0.88	0.91
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	64.77	61.56	63.28	112.86	105.47	105.64
Lowest share price (p)	60.91	59.64	61.06	105.50	102.22	101.28
	Class 1 – Gross income shares <sup>§</sup>			Class 2 – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	60.73	60.99	61.55	60.79	61.05	61.61
Return before operating charges (p)	4.06	1.78	1.57	4.06	1.78	1.58
Operating charges (p)	(0.28)	(0.54)	(0.57)	(0.18)	(0.34)	(0.35)
Return after operating charges (p)*	3.78	1.24	1.00	3.88	1.44	1.23
Distributions (p)	(0.73)	(1.50)	(1.56)	(0.83)	(1.70)	(1.79)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	63.78	60.73	60.99	63.84	60.79	61.05
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	6.22	2.03	1.62	6.38	2.36	2.00
<b>Other information</b>						
Closing net asset value (£000)	12,405	16,187	16,733	98,948	182,457	246,559
Closing number of shares	19,450,135	26,652,455	27,434,683	154,985,733	300,126,582	403,837,101
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.92	0.56 <sup>†</sup>	0.56	0.56
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	64.81	61.59	63.32	64.92	61.69	63.44
Lowest share price (p)	60.94	59.67	61.10	61.00	59.74	61.20

## Threadneedle Sterling Corporate Bond Fund (formerly UK Corporate Bond Fund)

### Comparative Table Disclosure

(continued)

	Class 2 – Gross accumulation shares <sup>5</sup>			Class 3 – Gross accumulation shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	08/06/2017 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	121.16	118.32	116.03	111.29		
Return before operating charges (p)	8.12	3.51	2.96	3.05		
Operating charges (p)	(0.35)	(0.67)	(0.67)	(0.29)		
Return after operating charges (p)*	7.77	2.84	2.29	2.76		
Distributions (p)	(1.67)	(3.34)	(3.41)	(0.68)		
Retained distributions on accumulation shares (p)	1.67	3.34	3.41	0.68		
Closing net asset value per share (p)	128.93	121.16	118.32	114.05		
*after direct transaction costs of (p)	–	–	–	–		
<b>Performance</b>						
Return after charges (%)	6.41	2.40	1.97	2.48		
<b>Other information</b>						
Closing net asset value (£000)	232,397	347,689	349,536	–		
Closing number of shares	180,255,176	286,961,969	295,405,481	–		
Operating charges (%)**	0.56 <sup>†</sup>	0.56	0.56	–		
Direct transaction costs (%)***	–	–	–	–		
<b>Prices</b>						
Highest share price (p)	130.27	121.54	121.28	114.26		
Lowest share price (p)	121.58	117.70	115.93	111.18		
	Class L – Income shares			Class L – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	99.01	99.44	100.34	106.26	103.67	101.56
Return before operating charges (p)	6.63	2.90	2.59	7.12	3.07	2.59
Operating charges (p)	(0.24)	(0.45)	(0.47)	(0.25)	(0.48)	(0.48)
Return after operating charges (p)*	6.39	2.45	2.12	6.87	2.59	2.11
Distributions (p)	(1.41)	(2.88)	(3.02)	(1.52)	(3.03)	(3.09)
Retained distributions on accumulation shares (p)	–	–	–	1.52	3.03	3.09
Closing net asset value per share (p)	103.99	99.01	99.44	113.13	106.26	103.67
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	6.45	2.46	2.11	6.47	2.50	2.08
<b>Other information</b>						
Closing net asset value (£000)	207,719	72,668	487	11,662	10,788	11,510
Closing number of shares	199,753,477	73,391,811	489,476	10,308,195	10,151,572	11,102,748
Operating charges (%)**	0.46 <sup>†</sup>	0.46	0.46	0.46 <sup>†</sup>	0.46	0.46
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	105.77	100.50	103.34	114.31	106.60	106.24
Lowest share price (p)	99.36	97.30	99.69	106.63	103.20	101.48

## Threadneedle Sterling Corporate Bond Fund (formerly UK Corporate Bond Fund)

### Comparative Table Disclosure

(continued)

	Class L – Gross income shares <sup>5</sup>			Class X – Gross income shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	99.01	99.44	100.34	106.57	107.03	108.00
Return before operating charges (p)	6.62	2.90	2.59	7.13	3.12	2.79
Operating charges (p)	(0.24)	(0.46)	(0.47)	(0.03)	(0.06)	(0.07)
Return after operating charges (p)*	6.38	2.44	2.12	7.10	3.06	2.72
Distributions (p)	(1.41)	(2.87)	(3.02)	(1.74)	(3.52)	(3.69)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	103.98	99.01	99.44	111.93	106.57	107.03
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	6.44	2.45	2.11	6.66	2.86	2.52
<b>Other information</b>						
Closing net asset value (£000)	6,973	6,954	10,090	258	245	383
Closing number of shares	6,706,380	7,023,159	10,147,441	230,128	230,128	357,739
Operating charges (%)**	0.46 <sup>†</sup>	0.46	0.46	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	105.76	100.49	103.35	113.95	108.25	111.35
Lowest share price (p)	99.35	97.29	99.69	106.94	104.74	107.39

	Class X – Gross accumulation shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	117.05	113.73	110.97
Return before operating charges (p)	7.85	3.39	2.83
Operating charges (p)	(0.04)	(0.07)	(0.07)
Return after operating charges (p)*	7.81	3.32	2.76
Distributions (p)	(1.92)	(3.79)	(3.84)
Retained distributions on accumulation shares (p)	1.92	3.79	3.84
Closing net asset value per share (p)	124.86	117.05	113.73
*after direct transaction costs of (p)	–	–	–
<b>Performance</b>			
Return after charges (%)	6.67	2.92	2.49
<b>Other information</b>			
Closing net asset value (£000)	423,148	295,082	249,806
Closing number of shares	338,892,095	252,109,463	219,642,935
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	–	–	–
<b>Prices</b>			
Highest share price (p)	126.15	117.41	116.47
Lowest share price (p)	117.45	113.49	110.90

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

<sup>†</sup>Closed 8 June 2017.

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



# Threadneedle Sterling Corporate Bond Fund (formerly UK Corporate Bond Fund)

## Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	61,959,400
Shares issued	2,123,690
Shares redeemed	(4,287,755)
Net conversions	(68,499)
Closing shares	<u>59,726,836</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	321,385
Shares issued	8,546,158
Shares redeemed	(11,496)
Net conversions	–
Closing shares	<u>8,856,047</u>
<b>Class 1 – Gross income shares</b>	
Opening shares	26,652,455
Shares issued	7,362,026
Shares redeemed	(14,596,753)
Net conversions	32,407
Closing shares	<u>19,450,135</u>
<b>Class 2 – Income shares</b>	
Opening shares	300,126,582
Shares issued	3,891,558
Shares redeemed	(8,541,054)
Net conversions	(140,491,353)
Closing shares	<u>154,985,733</u>
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	286,961,969
Shares issued	53,753,635
Shares redeemed	(160,438,954)
Net conversions	(21,474)
Closing shares	<u>180,255,176</u>
<b>Class L – Income shares</b>	
Opening shares	73,391,811
Shares issued	44,471,980
Shares redeemed	(4,389,991)
Net conversions	86,279,677
Closing shares	<u>199,753,477</u>
<b>Class L – Accumulation shares</b>	
Opening shares	10,151,572
Shares issued	785,798
Shares redeemed	(653,659)
Net conversions	24,484
Closing shares	<u>10,308,195</u>

	2019
<b>Class L – Gross income shares</b>	
Opening shares	7,023,159
Shares issued	156,614
Shares redeemed	(473,393)
Net conversions	–
Closing shares	<u>6,706,380</u>
<b>Class X – Gross income shares</b>	
Opening shares	230,128
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>230,128</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	252,109,463
Shares issued	145,632,303
Shares redeemed	(58,849,671)
Net conversions	–
Closing shares	<u>338,892,095</u>

## Threadneedle Sterling 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 FTSE Actuaries UK Conventional Gilts All Stock 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.

The FTSE Actuaries UK Conventional Gilts All Stocks Index is regarded as an appropriate 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 1 – Income shares\*

Over the six months to 7 September 2019, the published share price of the Threadneedle Sterling Bond Fund has risen from 57.80p to 61.99p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +10.57% as compared to a median return of +10.66% over the same period. (For information the FTSE Actuaries UK Conventional Gilts All Stocks Index gave a total return of +10.48% for the same period).

#### Market Overview and Portfolio Activity

Over the six months under review, core government bond yields remained on a downward trend and prices rose. Investors turned to the relative safety of government securities amid the slowdown in the global economy and fears of recession, heightened trade tensions between the US and China, and adverse geopolitical developments, including the increased risk of a no-deal Brexit. This environment heightened expectations that key central banks would keep policy accommodative, which provided further support for core bonds.

In the UK, the benchmark 10-year gilt yield fell from 1.17% to 0.51% over the six months under review. Towards the end of the period, gilt yields and sterling fell sharply in response to the decision by Prime Minister Boris Johnson to suspend parliament ahead of the revised Brexit deadline of 31 October 2019. For a while in August, the 10-year gilt yield was trading below the 2-year yield, an inversion of the yield curve that is often seen as harbinger of recession.

The economy was indeed shown to have shrunk during the second quarter, though much of this was due to companies running down stockpiles they had accumulated in the run-up to the original Article 50 date. The Bank of England (BoE) left official interest rates unchanged at 0.75% throughout the period but made clear that its future assumptions did not take account of a no-deal Brexit.

Elsewhere, with the inflation rate for the euro area very low, and with economic growth under pressure, the European Central Bank indicated its willingness to adopt looser monetary policy, although official interest rates were left unchanged during the review period. The US Federal Reserve (Fed) lowered official interest rates by 25 basis points in July, citing global economic developments and muted inflation as key considerations.

The portfolio started the review period with a relative duration of -0.1 years short of the index.

We reduced duration in mid-March as yields approached the bottom of the year's trading range. We then increased duration as yields fell below the bottom of the range on mounting Brexit fears and as the Fed signalled US rates would not rise this year. With 10-year yields having fallen below 1% into the March close, we reduced duration at the start of April but increased

it mid-month, as gilt yields rose to 1.20%, and again towards month-end, with yields at 1.14%. On 13 May, we sold some duration in ultra-long gilts into 25–35 years. Later, 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.

The portfolio ended the review period 0.15 years long of the index in terms of relative duration: flat in the 0–3 year area; -0.2 years CTD (contribution to duration) in 3–7s; -0.1 in 7–15s; +0.1 in 15–25s; +0.2 in 25–35s; and +0.15 in ultra-longs.

Looking ahead, the main risk to the UK economy is if Britain crashes out of the EU without securing a withdrawal agreement. Despite the prime minister's efforts, parliament has now passed a law forbidding a no-deal Brexit, so such an outcome looks unlikely to occur unless Mr Johnson can increase his majority. An early election is likely to take place, probably this year, but the result is even harder to predict than usual.

The BoE remains 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 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	35,039	3,030
Revenue	2,916	2,526
Expenses	(902)	(969)
Interest payable and similar charges	–	(1)
Net revenue before taxation	2,014	1,556
Taxation	–	–
Net revenue after taxation	2,014	1,556
Total return before distributions	37,053	4,586
Distributions	(2,719)	(2,355)
Change in net assets attributable to shareholders from investment activities	34,334	2,231

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	509,811	445,169
<b>Current assets:</b>		
Debtors	4,148	9,882
Cash and bank balances	3,965	7,046
Cash equivalents**	3,001	–
Total assets	520,925	462,097
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(456)	(1,832)
Other creditors	(996)	(9,040)
Total liabilities	(1,452)	(10,872)
<b>Net assets attributable to shareholders</b>	<b>519,473</b>	<b>451,225</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Opening net assets attributable to shareholders	451,225	311,435
Amounts receivable on the issue of shares	325,478	207,637
Amounts payable on the cancellation of shares	(293,968)	(118,849)
	31,510	88,788
Dilution adjustment	34	79
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	34,334	2,231
Retained distribution on accumulation shares	2,370	646
Closing net assets attributable to shareholders	519,473	403,179

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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

\*\*Gross performance is calculated in Factset using daily cash flows and daily global close valuations.

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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>				
08/03/19 to 07/09/19	0.3357	–	0.3357	0.3719
<b>Group 2</b>				
08/03/19 to 07/09/19	0.1709	0.1648	0.3357	0.3719
<b>Total distributions in the period</b>			<b>0.3357</b>	<b>0.3719</b>

#### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/09/19	0.7302	–	0.7302	0.7984
<b>Group 2</b>				
08/03/19 to 07/09/19	0.2315	0.4987	0.7302	0.7984
<b>Total distributions in the period</b>			<b>0.7302</b>	<b>0.7984</b>

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

## Threadneedle Sterling Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class X – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/09/19	0.7225	–	0.7225	0.7966
<b>Group 2</b>				
08/03/19 to 07/09/19	0.7225	–	0.7225	0.7966
<b>Total distributions in the period</b>			<b>0.7225</b>	<b>0.7966</b>

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/09/19	0.6602	–	0.6602	0.7167
<b>Group 2</b>				
08/03/19 to 07/09/19	0.3049	0.3553	0.6602	0.7167
<b>Total distributions in the period</b>			<b>0.6602</b>	<b>0.7167</b>

#### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/09/19	0.6233	–	0.6233	0.6943
<b>Group 2</b>				
08/03/19 to 07/09/19	0.4265	0.1968	0.6233	0.6943
<b>Total distributions in the period</b>			<b>0.6233</b>	<b>0.6943</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/09/19	0.6872	–	0.6872	0.7562
<b>Group 2</b>				
08/03/19 to 07/09/19	0.2967	0.3905	0.6872	0.7562
<b>Total distributions in the period</b>			<b>0.6872</b>	<b>0.7562</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Sterling Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross accumulation shares <sup>§</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	57.42	56.13	57.66	124.89	120.55	122.53
Return before operating charges (p)	4.72	2.32	(0.29)	10.25	4.99	(0.61)
Operating charges (p)	(0.16)	(0.30)	(0.63)	(0.34)	(0.65)	(1.37)
Return after operating charges (p)*	4.56	2.02	(0.92)	9.91	4.34	(1.98)
Distributions (p)	(0.34)	(0.73)	(0.61)	(0.73)	(1.57)	(1.29)
Retained distributions on accumulation shares (p)	–	–	–	0.73	1.57	1.29
Closing net asset value per share (p)	61.64	57.42	56.13	134.80	124.89	120.55
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	7.94	3.60	(1.60)	7.93	3.60	(1.62)
<b>Other information</b>						
Closing net asset value (£000)	74,069	283,655	210,876	63,652	30,437	19,899
Closing number of shares	120,165,700	494,003,665	375,705,291	47,220,116	24,370,959	16,506,423
Operating charges (%)**	0.53 <sup>†</sup>	0.53	1.10	0.53 <sup>†</sup>	0.53	1.12
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	63.48	57.96	58.66	138.08	125.28	125.09
Lowest share price (p)	57.16	54.89	55.33	124.32	118.65	118.18
	Class X – Gross income shares <sup>§</sup>			Class X – Gross accumulation shares <sup>§</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	118.04	114.87	116.88	110.35	105.99	106.60
Return before operating charges (p)	9.72	4.75	(0.56)	9.07	4.43	(0.55)
Operating charges (p)	(0.03)	(0.02)	(0.02)	(0.03)	(0.07)	(0.06)
Return after operating charges (p)*	9.69	4.73	(0.58)	9.04	4.36	(0.61)
Distributions (p)	(0.72)	(1.56)	(1.43)	(0.66)	(1.41)	(1.24)
Retained distributions on accumulation shares (p)	–	–	–	0.66	1.41	1.24
Closing net asset value per share (p)	127.01	118.04	114.87	119.39	110.35	105.99
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	8.21	4.12	(0.50)	8.19	4.11	(0.57)
<b>Other information</b>						
Closing net asset value (£000)	21	3	3	285,009	64,523	3,891
Closing number of shares	16,495	3,000	3,000	238,723,187	58,471,904	3,670,742
Operating charges (%)**	0.05 <sup>†</sup>	0.02	0.02	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	130.83	119.15	119.49	122.29	110.67	109.44
Lowest share price (p)	117.51	112.64	113.29	109.85	104.63	103.88

## Threadneedle Sterling Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Gross accumulation shares <sup>§</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	111.56	109.00	111.35	123.00	118.71	119.97
Return before operating charges (p)	9.16	4.50	(0.55)	10.10	4.93	(0.62)
Operating charges (p)	(0.31)	(0.58)	(0.59)	(0.34)	(0.64)	(0.64)
Return after operating charges (p)*	8.85	3.92	(1.14)	9.76	4.29	(1.26)
Distributions (p)	(0.62)	(1.36)	(1.21)	(0.69)	(1.49)	(1.30)
Retained distributions on accumulation shares (p)	–	–	–	0.69	1.49	1.30
Closing net asset value per share (p)	119.79	111.56	109.00	132.76	123.00	118.71
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	7.93	3.60	(1.02)	7.93	3.61	(1.05)
<b>Other information</b>						
Closing net asset value (£000)	10,027	10,042	12,849	86,695	62,565	63,917
Closing number of shares	8,370,224	9,001,019	11,788,519	65,300,085	50,864,249	53,841,774
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)	123.34	112.59	113.55	136.00	123.39	122.87
Lowest share price (p)	111.05	106.62	107.46	122.44	116.86	116.38

\*\*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 Sterling Bond Fund

## Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	494,003,665
Shares issued	12,281,649
Shares redeemed	(386,117,586)
Net conversions	(2,028)
Closing shares	<u>120,165,700</u>
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	24,370,959
Shares issued	50,085,723
Shares redeemed	(27,228,618)
Net conversions	(7,948)
Closing shares	<u>47,220,116</u>
<b>Class X – Gross income shares</b>	
Opening shares	3,000
Shares issued	13,495
Shares redeemed	–
Net conversions	–
Closing shares	<u>16,495</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	58,471,904
Shares issued	197,702,923
Shares redeemed	(17,451,640)
Net conversions	–
Closing shares	<u>238,723,187</u>
<b>Class Z – Income shares</b>	
Opening shares	9,001,019
Shares issued	3,809,120
Shares redeemed	(4,440,958)
Net conversions	1,043
Closing shares	<u>8,370,224</u>
<b>Class Z – Gross accumulation shares</b>	
Opening shares	50,864,249
Shares issued	17,791,214
Shares redeemed	(3,363,448)
Net conversions	8,070
Closing shares	<u>65,300,085</u>

## Threadneedle Sterling Short-Term Money Market Fund\*\* (formerly Sterling Fund)

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income and preserve the original value of your investment, however, this is not guaranteed.

The Fund is actively managed, and looks to provide income returns broadly in line with the 1 Month GBP London Interbank Bid Rate (LIBID), before charges are deducted.

The Fund invests in short-term assets of high credit quality from issuers that have received a favourable assessment in accordance with credit quality assessment procedures adopted by the Fund. These investments may include UK Government securities (including Treasury bills) with a maturity of 184 days or less, sterling denominated cash deposits and certificates of deposit. In addition, up to 50% of the Fund may be invested in sterling denominated commercial paper, also with a maturity of 184 days, or less. Investment in other short-term money market funds is permitted, but limited in total to 10% of the Fund's value.

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

Over the six months to 7 September 2019, the published share price of the Threadneedle Sterling Short-Term Money Market Fund has remained 100.10p.

The total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +0.25%. (Source: Threadneedle, bid-bid, net income reinvested.) For information the 1 Month GBP London Interbank Bid Rate (LIBID) Index gave a total return of +0.30% for the same period.

#### Market Overview and Portfolio Activity

During the period under review, the fund remained well diversified and liquid, being invested in a mix of well-rated banks and sovereign-backed institutions. When selecting suitable investments for the portfolio, we continued to take into account the financial strength of these banks and financial institutions.

Sterling came under pressure over the six months, as Brexit uncertainty rumbled on and the UK economy showed increasing signs of strain. The

arrival of new Prime Minister Boris Johnson in July, following Theresa May's resignation two months earlier, was widely perceived to shorten the odds of a no-deal outcome, given his more uncompromising stance. Worries of a disorderly exit were heightened following Mr Johnson's announcement of a five-week suspension of Parliament until 14 October. However, fears were partially allayed when MPs successfully passed a bill to force Mr Johnson to ask the EU for an extension to the UK's departure date if a deal is not agreed by 19 October.

The UK economy contracted by 0.2% in the second quarter; this was the worst performance since 2012 and the weakest among the G7 economies. The sharp fall in manufacturing output was partly attributed to the unwinding of the stockpiling in the first quarter, ahead of the original withdrawal deadline. The large services sector contributed positively to growth over the quarter, albeit only marginally. Worryingly, there have been no signs of a recovery in business investment, as reflected in continued weak Purchasing Managers Index data. In terms of monetary policy, the Bank of England (BoE) held interest rates over the period, but warned of the impact of a no-deal Brexit as well as the headwinds caused by ongoing global trade tensions. Against the hazy backdrop, the BoE slashed its growth forecast for 2019 to 1.3%, from 1.5% previously, and said that there was a one-in-three chance of a recession at the start of 2020. The gloomy economic outlook was reflected in gilt yields, which drifted lower over the period.

In the US, the Federal Reserve (Fed) made good on its previous dovish intimations, cutting the benchmark funds rate by 25 basis points at its July meeting. However, Fed Chair Jerome Powell disappointed the market somewhat by describing the move as a 'mid-cycle adjustment', rather than the commencement of aggressive easing. US economic data remained fairly robust over the period, although the effects of the trade war with China started to show. GDP growth slowed to 2.0% in the second quarter, as weaker exports and a smaller inventory expansion offset the strongest consumer spending in over four years. Recession

fears grew following the inversion of key parts of the US Treasury yield curve, which came as Washington and Beijing exchanged further tariff blows in August. The US dollar strengthened against most currencies over the period, in no small measure due to its perceived safe-haven status.

The European Central Bank (ECB) maintained its dovish messaging, signalling a readiness to act, both through further rate cuts and the restarting of its bond-buying programme. Eurozone economic data showed few signs of improving, although the formation of a new coalition government in Italy brought some relief. The German economy contracted in the second quarter, with the sizeable manufacturing sector continuing to reel amid trade tensions and a slowing global economy. Eurozone bond yields fell sharply, with German 10-year yields falling to the lowest level on record, and the rate on the 30-year note entering negative territory for the first time. Against this backdrop, the euro struggled to find support.

During the review period we kept the fund relatively short and broadly unchanged. At the time of writing, the weighted average maturity of the fund is approximately 36 days and the weighted average yield is 0.74%. The fund is invested approximately 58% in bank-issued certificates of deposit, 14% in short-dated bank deposits (including 4.5% in a AAA-rated external liquidity fund), 7% in Euro Commercial Paper and 21% in UK government issued Treasury bills.

In terms of the outlook, we perceive the dollar to be richly valued on the basis of the outperformance of the US economy and high carry. With a slowing US economy and the Fed having reversed course, even if somewhat tentatively, the dollar's two pillars of support are likely to be outweighed by the structural drag of the country's twin deficits. Meanwhile, eurozone economic expectations are at risk from further declines in global trade volumes. With the data pointing to continued weakness, we expect the ECB to stay committed to further policy accommodation. In the UK, with the lingering uncertainty around Brexit, it is very unlikely that interest rates will move until the future path is much clearer.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital (losses)/gains	(48)	23
Revenue	2,037	1,389
Expenses	(399)	(452)
Interest payable and similar charges	(1)	(3)
Net revenue before taxation	1,637	934
Taxation	–	–
Net revenue after taxation	1,637	934
<b>Total return before distributions</b>	<b>1,589</b>	<b>957</b>
Distributions	(1,637)	(934)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>(48)</b>	<b>23</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	459,911	376,250
<b>Current assets:</b>		
Debtors	493	636
Cash and bank balances	46,943	88,326
Cash equivalents**	24,265	23,173
<b>Total assets</b>	<b>531,612</b>	<b>488,385</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(401)	(799)
Other creditors	(69)	(689)
<b>Total liabilities</b>	<b>(470)</b>	<b>(1,488)</b>
<b>Net assets attributable to shareholders</b>	<b>531,142</b>	<b>486,897</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>486,897</b>	<b>514,157</b>
Amounts receivable on the issue of shares	476,208	260,094
Amounts payable on the cancellation of shares	(433,250)	(294,942)
	42,958	(34,848)
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(48)	23
Retained distribution on accumulation shares	1,335	463
<b>Closing net assets attributable to shareholders</b>	<b>531,142</b>	<b>479,795</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

\*\*Please note that the Threadneedle Sterling Short-Term Money Market Fund is currently registered for public offer in the UK only and it is not intended to be registered outside the UK unless otherwise decided by the ACD. Shares in the Sterling Fund must not be marketed to the public in any other jurisdiction.

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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>				
08/03/19 to 07/09/19	0.2710	–	0.2710	0.1624
<b>Group 2</b>				
08/03/19 to 07/09/19	0.1633	0.1077	0.2710	0.1624
<b>Total distributions in the period</b>			<b>0.2710</b>	<b>0.1624</b>

#### Class 2 – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/09/19	0.2857	–	0.2857	0.1754
<b>Group 2</b>				
08/03/19 to 07/09/19	0.1521	0.1336	0.2857	0.1754
<b>Total distributions in the period</b>			<b>0.2857</b>	<b>0.1754</b>

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/09/19	0.3644	–	0.3644	0.2527
<b>Group 2</b>				
08/03/19 to 07/09/19	0.1726	0.1918	0.3644	0.2527
<b>Total distributions in the period</b>			<b>0.3644</b>	<b>0.2527</b>

Group 2: shares purchased during a distribution period.

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

## Threadneedle Sterling Short-Term Money Market Fund (formerly Sterling Fund)

### Comparative Table Disclosure

	Class 1 – Income shares			Class 2 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	99.84	99.81	99.81	100.54	100.06	100.02
Return before operating charges (p)	0.38	0.68	0.30	0.38	0.69	0.30
Operating charges (p)	(0.12)	(0.23)	(0.28)	(0.11)	(0.21)	(0.26)
Return after operating charges (p)*	0.26	0.45	0.02	0.27	0.48	0.04
Distributions (p)	(0.27)	(0.42)	(0.02)	(0.29)	(0.44)	(0.03)
Retained distributions on accumulation shares (p)	–	–	–	0.29	0.44	0.03
Closing net asset value per share (p)	99.83	99.84	99.81	100.81	100.54	100.06
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	0.26	0.45	0.02	0.27	0.48	0.04
<b>Other information</b>						
Closing net asset value (£000)	147,840	314,520	343,102	53,258	49,689	39,196
Closing number of shares	148,096,508	315,022,373	343,751,180	52,828,790	49,424,514	39,172,736
Operating charges (%)**	0.23 <sup>†</sup>	0.23	0.28	0.21 <sup>†</sup>	0.21	0.26
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	100.10	100.10	99.83	100.81	100.54	100.07
Lowest share price (p)	99.84	99.82	99.79	100.54	100.06	100.01
			<b>Class 3 – Gross accumulation shares<sup>§</sup></b>	<b>Class X – Gross accumulation shares<sup>§</sup></b>		
			<b>08/06/2017<sup>†</sup></b>	<b>07/09/2019</b>	<b>07/03/2019</b>	<b>07/03/2018</b>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)			99.73	101.25	100.62	100.39
Return before operating charges (p)			0.07	0.39	0.69	0.29
Operating charges (p)			(0.16)	(0.03)	(0.06)	(0.06)
Return after operating charges (p)*			(0.09)	0.36	0.63	0.23
Distributions (p)			–	(0.36)	(0.60)	(0.23)
Retained distributions on accumulation shares (p)			–	0.36	0.60	0.23
Closing net asset value per share (p)			99.64	101.61	101.25	100.62
*after direct transaction costs of (p)			–	–	–	–
<b>Performance</b>						
Return after charges (%)			(0.09)	0.36	0.63	0.23
<b>Other information</b>						
Closing net asset value (£000)			–	330,044	122,688	131,859
Closing number of shares			–	324,826,804	121,172,112	131,044,192
Operating charges (%)**			–	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***			–	–	–	–
<b>Prices</b>						
Highest share price (p)			99.73	101.61	101.25	100.63
Lowest share price (p)			99.64	101.25	100.63	100.39

\*\*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>Closed 8 June 2017.

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



## Threadneedle Sterling Short-Term Money Market Fund (formerly Sterling Fund)

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	315,022,373
Shares issued	137,788,023
Shares redeemed	(304,713,888)
Net conversions	–
Closing shares	<u>148,096,508</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	49,424,514
Shares issued	14,453,566
Shares redeemed	(11,049,290)
Net conversions	–
Closing shares	<u>52,828,790</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	121,172,112
Shares issued	320,026,735
Shares redeemed	(116,372,043)
Net conversions	–
Closing shares	<u>324,826,804</u>

## Threadneedle European Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve capital growth over the long term. It looks to outperform the FTSE World Europe ex UK 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 shares of companies domiciled in Continental Europe, or which have significant Continental European business operations.

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 FTSE World Europe ex UK Index.

The FTSE World Europe ex UK Index is regarded as providing an appropriate representation of the share performance of large and medium-sized companies across Europe (excluding the UK), currently with approximately 500 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 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 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 7 September 2019, the published share price of the Threadneedle European Fund has risen from 223.80p to 257.22p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +15.99% as compared to a median return of +11.22% over the same period. (For information the FTSE World Europe ex UK Index returned +12.24% over the same period).

#### Market Overview and Portfolio Activity

Despite a sharp dip in May, European markets initially rose along with their US counterparts, buoyed by encouraging economic data and corporate results. GDP growth for the first quarter of 2019 was higher than expected in the US and the eurozone.

Trade issues between the US and China heavily influenced sentiment during the review period. A truce gave way to fresh tensions as President Trump increased levies on Chinese imports, and China retaliated. However, stocks bounced periodically on hopes that a resolution of trade differences might be forthcoming.

Estimated eurozone GDP growth slowed to 0.2% in the second quarter of 2019, and the German economy contracted. Trade tensions and weakening global economic indicators dented confidence; manufacturing fared worse than the services sector, which showed greater resilience. Italy's budget and high debt levels also remained a source of concern. However, later on, the Democratic Party and the Five Star Movement reached an agreement to form a new coalition government, avoiding a snap election, and possibly heralding greater economic stability.

The deadline for Brexit was postponed until 31 October 2019 following an impasse with the EU. Prime Minister Theresa May resigned and was replaced with Boris Johnson, which increased the likelihood of a 'no-deal' Brexit (and perhaps even Scottish independence). Data

indicated that the UK economy was faltering amid Brexit-related uncertainty. GDP dipped by 0.2% in the second quarter, the first contraction since 2012.

Markets were cheered as the US Federal Reserve cut interest rates – the European Central Bank also indicated that stimulus measures, including rate cuts and a new round of bond purchases were under consideration.

New positions included Nestlé, Novartis and Roche. Swiss food group Nestlé is under new management and its portfolio is being revamped, with a focus on areas with higher returns and margins. Novartis is strong in cancer drugs, and has an attractive yield. The disposals of the consumer healthcare segment and Alcon realised good value. Roche is a leading player in cancer treatment, with a robust portfolio of drugs.

Following a period of good returns, we sold telecom-mast firm Cellnex Telecom and trimmed our position in 3D design-software business Dassault Systems.

European equities are supported by encouraging profitability, by economic growth, which is slowing, but still positive in many areas such as the consumer sector, and by attractive valuations relative to US equities. The market volatility seen in recent months presents us with investment opportunities.

It will take time before the full effects of Brexit become clear; the same is true of Italian politics, where there have been well-publicised tensions with Brussels over the budget, although the establishment of a new government may change the picture. Other risks include tensions with Iran, the threat of a global trade war, and slower global growth as the Chinese economy decelerates and the US nears the end of the economic cycle.

Our main focus in managing this portfolio is on stock selection, informed by macroeconomic and thematic views. We favour companies that have a competitive advantage and pricing power generated by brands, patented processes, regulatory barriers to entry and strong market positions.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	133,900	19,301
Revenue	21,307	24,103
Expenses	(3,926)	(5,234)
Interest payable and similar charges	(6)	(6)
Net revenue before taxation	17,375	18,863
Taxation	(2,958)	(1,128)
Net revenue after taxation	14,417	17,735
<b>Total return before equalisation</b>	<b>148,317</b>	<b>37,036</b>
Equalisation	(795)	(109)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>147,522</b>	<b>36,927</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
<b>Investments</b>	1,005,262	1,062,476
<b>Current assets:</b>		
Debtors	8,456	7,046
Cash and bank balances	1	8,101
Cash equivalents**	9,516	–
<b>Total assets</b>	<b>1,023,235</b>	<b>1,077,623</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	–	(1)
<b>Creditors:</b>		
Bank overdrafts	(1,431)	–
Distribution payable	–	(20)
Other creditors	(8,910)	(6,753)
<b>Total liabilities</b>	<b>(10,341)</b>	<b>(6,774)</b>
<b>Net assets attributable to shareholders</b>	<b>1,012,894</b>	<b>1,070,849</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>1,070,849</b>	<b>1,081,395</b>
Amounts receivable on the issue of shares	275,779	79,848
Amounts payable on the cancellation of shares	(481,370)	(76,609)
	(205,591)	3,239
Dilution adjustment	114	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	147,522	36,927
<b>Closing net assets attributable to shareholders</b>	<b>1,012,894</b>	<b>1,121,561</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

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

## Threadneedle European Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	223.73	227.50	210.31	253.95	256.75	235.91
Return before operating charges (p)	35.41	(0.06)	21.03	40.29	(0.07)	23.58
Operating charges (p)	(1.98)	(3.71)	(3.84)	(1.48)	(2.73)	(2.74)
Return after operating charges (p)*	33.43	(3.77)	17.19	38.81	(2.80)	20.84
Distributions (p)	–	(1.87)	(1.53)	–	(3.59)	(3.29)
Retained distributions on accumulation shares (p)	–	1.87	1.53	–	3.59	3.29
Closing net asset value per share (p)	257.16	223.73	227.50	292.76	253.95	256.75
*after direct transaction costs of (p)	0.31	0.28	0.37	0.36	0.31	0.42
<b>Performance</b>						
Return after charges (%)	14.94	(1.66)	8.17	15.28	(1.09)	8.83
<b>Other information</b>						
Closing net asset value (£000)	98,513	313,643	361,879	364,445	344,321	346,112
Closing number of shares	38,307,874	140,189,774	159,069,537	124,487,235	135,583,758	134,804,454
Operating charges (%)**	1.64 <sup>†</sup>	1.63	1.67	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.26	0.12	0.16	0.26	0.12	0.16
<b>Prices</b>						
Highest share price (p)	261.12	246.95	241.55	297.09	279.48	272.18
Lowest share price (p)	222.04	204.62	207.11	252.04	232.00	232.49
	Class D – Accumulation shares			Class L – Income shares		
	07/09/2019	07/03/2019	07/03/2018 <sup>†</sup>	07/09/2019	07/03/2019	07/03/2018 <sup>†</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	426.06	430.82	419.74	183.51	188.20	183.66
Return before operating charges (p)	67.57	(0.13)	14.22	29.13	(0.06)	6.34
Operating charges (p)	(2.51)	(4.63)	(3.14)	(0.61)	(1.15)	(0.79)
Return after operating charges (p)*	65.06	(4.76)	11.08	28.52	(1.21)	5.55
Distributions (p)	–	(5.95)	(0.66)	–	(3.48)	(1.01)
Retained distributions on accumulation shares (p)	–	5.95	0.66	–	–	–
Closing net asset value per share (p)	491.12	426.06	430.82	212.03	183.51	188.20
*after direct transaction costs of (p)	0.61	0.53	0.59	0.26	0.23	0.26
<b>Performance</b>						
Return after charges (%)	15.27	(1.10)	2.64	15.54	(0.64)	3.02
<b>Other information</b>						
Closing net asset value (£000)	1,067	951	996	133	205	211
Closing number of shares	217,329	223,169	231,232	62,639	111,918	112,119
Operating charges (%)**	1.07 <sup>†</sup>	1.07	1.06 <sup>†</sup>	0.61 <sup>†</sup>	0.61	0.61 <sup>†</sup>
Direct transaction costs (%)***	0.26	0.12	0.16	0.26	0.12	0.16
<b>Prices</b>						
Highest share price (p)	498.40	468.92	456.72	215.07	205.30	200.47
Lowest share price (p)	422.85	389.24	412.40	182.10	170.67	180.45

## Threadneedle European Fund

### Comparative Table Disclosure

(continued)

	Class L – Accumulation shares			Class L GBP – Income shares		
	07/09/2019	07/03/2019	07/03/2018 <sup>1</sup>	07/09/2019	07/03/2019	07/03/2018 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	260.68	262.36	254.66	163.56	166.53	169.32
Return before operating charges (p)	41.38	(0.07)	8.80	25.97	1.22	(1.20)
Operating charges (p)	(0.88)	(1.61)	(1.10)	(0.55)	(1.04)	(0.68)
Return after operating charges (p)*	40.50	(1.68)	7.70	25.42	0.18	(1.88)
Distributions (p)	–	(4.85)	(1.41)	–	(3.15)	(0.91)
Retained distributions on accumulation shares (p)	–	4.85	1.41	–	–	–
Closing net asset value per share (p)	301.18	260.68	262.36	188.98	163.56	166.53
*after direct transaction costs of (p)	0.37	0.32	0.36	0.23	0.21	0.22
<b>Performance</b>						
Return after charges (%)	15.54	(0.64)	3.02	15.54	0.11	(1.11)
<b>Other information</b>						
Closing net asset value (£000)	1,660	1,573	2,377	370	383	475
Closing number of shares	551,012	603,578	905,998	195,832	234,420	284,914
Operating charges (%)**	0.61 <sup>†</sup>	0.61	0.61 <sup>†</sup>	0.61 <sup>†</sup>	0.61	0.60 <sup>†</sup>
Direct transaction costs (%)***	0.26	0.12	0.16	0.26	0.12	0.16
<b>Prices</b>						
Highest share price (p)	305.51	286.20	277.97	191.69	181.26	180.09
Lowest share price (p)	258.72	237.93	250.21	162.31	152.16	162.73
	Class X – Accumulation shares			Class X2 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	129.50	129.62	117.91	513.14	513.63	496.31
Return before operating charges (p)	20.57	(0.04)	11.79	81.54	(0.18)	17.53
Operating charges (p)	(0.04)	(0.08)	(0.08)	(0.17)	(0.31)	(0.21)
Return after operating charges (p)*	20.53	(0.12)	11.71	81.37	(0.49)	17.32
Distributions (p)	–	(3.12)	(2.94)	–	(12.36)	(5.08)
Retained distributions on accumulation shares (p)	–	3.12	2.94	–	12.36	5.08
Closing net asset value per share (p)	150.03	129.50	129.62	594.51	513.14	513.63
*after direct transaction costs of (p)	0.19	0.16	0.21	0.73	0.63	0.70
<b>Performance</b>						
Return after charges (%)	15.85	(0.09)	9.93	15.86	(0.10)	3.49
<b>Other information</b>						
Closing net asset value (£000)	334,609	210,531	198,699	188,343	179,035	148,571
Closing number of shares	223,027,553	162,578,165	153,294,434	31,680,564	34,889,972	28,925,626
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.06 <sup>†</sup>	0.06	0.06 <sup>†</sup>
Direct transaction costs (%)***	0.26	0.12	0.16	0.26	0.12	0.16
<b>Prices</b>						
Highest share price (p)	152.10	141.77	137.23	602.71	561.76	543.80
Lowest share price (p)	128.52	118.06	116.34	509.29	467.84	487.68

## Threadneedle European Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	135.84	139.31	129.66	181.32	183.00	167.84
Return before operating charges (p)	21.54	(0.05)	12.97	28.77	(0.06)	16.78
Operating charges (p)	(0.65)	(1.23)	(1.26)	(0.88)	(1.62)	(1.62)
Return after operating charges (p)*	20.89	(1.28)	11.71	27.89	(1.68)	15.16
Distributions (p)	–	(2.19)	(2.06)	–	(2.88)	(2.66)
Retained distributions on accumulation shares (p)	–	–	–	–	2.88	2.66
Closing net asset value per share (p)	156.73	135.84	139.31	209.21	181.32	183.00
*after direct transaction costs of (p)	0.20	0.17	0.23	0.26	0.22	0.30
<b>Performance</b>						
Return after charges (%)	15.38	(0.92)	9.03	15.38	(0.92)	9.03
<b>Other information</b>						
Closing net asset value (£000)	962	567	608	22,792	19,640	21,467
Closing number of shares	613,531	417,059	436,406	10,894,341	10,831,823	11,730,948
Operating charges (%)**	0.87 <sup>†</sup>	0.88	0.88	0.88 <sup>†</sup>	0.88	0.88
Direct transaction costs (%)***	0.26	0.12	0.16	0.26	0.12	0.16
<b>Prices</b>						
Highest share price (p)	159.02	151.76	149.83	212.27	199.36	193.95
Lowest share price (p)	134.80	126.05	127.81	179.95	165.58	165.44

\*\*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 12 May 2017.

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

# Threadneedle European Fund

## Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	140,189,774
Shares issued	3,682,535
Shares redeemed	(105,484,354)
Net conversions	(80,081)
Closing shares	<u>38,307,874</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	135,583,758
Shares issued	4,850,527
Shares redeemed	(15,943,972)
Net conversions	(3,078)
Closing shares	<u>124,487,235</u>
<b>Class D – Accumulation shares</b>	
Opening shares	223,169
Shares issued	765
Shares redeemed	(6,605)
Net conversions	–
Closing shares	<u>217,329</u>
<b>Class L – Income shares</b>	
Opening shares	111,918
Shares issued	350
Shares redeemed	(49,629)
Net conversions	–
Closing shares	<u>62,639</u>
<b>Class L – Accumulation shares</b>	
Opening shares	603,578
Shares issued	1,280
Shares redeemed	(53,846)
Net conversions	–
Closing shares	<u>551,012</u>
<b>Class L GBP – Income shares</b>	
Opening shares	234,420
Shares issued	–
Shares redeemed	(38,588)
Net conversions	–
Closing shares	<u>195,832</u>
<b>Class X – Accumulation shares</b>	
Opening shares	162,578,165
Shares issued	150,294,327
Shares redeemed	(89,844,939)
Net conversions	–
Closing shares	<u>223,027,553</u>

2019

#### Class X2 – Accumulation shares

Opening shares	34,889,972
Shares issued	5,887,450
Shares redeemed	(9,096,858)
Net conversions	–
Closing shares	<u>31,680,564</u>

#### Class Z – Income shares

Opening shares	417,059
Shares issued	111,889
Shares redeemed	(72,086)
Net conversions	156,669
Closing shares	<u>613,531</u>

#### Class Z – Accumulation shares

Opening shares	10,831,823
Shares issued	767,299
Shares redeemed	(690,465)
Net conversions	(14,316)
Closing shares	<u>10,894,341</u>

## Threadneedle European Select 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 World Europe ex UK 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 Continental Europe, or which have significant Continental European business operations.

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 FTSE World Europe ex UK Index.

The FTSE World Europe ex UK Index is regarded as providing an appropriate representation of the share performance of large and medium-sized companies across Europe (excluding the UK), currently with approximately 500 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 7 September 2019, the published share price of the Threadneedle European Select Fund has risen from 288.49p to 336.83p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +17.28% as compared to a median return of +11.22% over the same period. (For information the FTSE World Europe ex UK Index returned +12.24% over the same period).

#### Market Overview and Portfolio Activity

Despite a sharp dip in May, European markets initially rose along with their US counterparts, buoyed by encouraging economic data and corporate results. GDP growth for the first quarter of 2019 was higher than expected in the US and the eurozone.

Trade issues between the US and China heavily influenced sentiment during the review period. A truce gave way to fresh tensions as President Trump increased levies on Chinese imports, and China retaliated. However, stocks bounced periodically on hopes that a resolution of trade differences might be forthcoming.

Estimated eurozone GDP growth slowed to 0.2% in the second quarter of 2019, and the German economy contracted. Trade tensions and weakening global economic indicators dented confidence; manufacturing fared worse than the services sector, which showed greater resilience. Italy's budget and high debt levels also remained a source of concern. However, later on, the Democratic Party and the Five Star Movement reached an agreement to form a new coalition government, avoiding a snap election, and possibly heralding greater economic stability.

The deadline for Brexit was postponed until 31 October 2019 following an impasse with the EU. Prime Minister Theresa May resigned and was replaced with Boris Johnson, which increased the likelihood of a 'no-deal' Brexit (and perhaps even Scottish

independence). Data indicated that the UK economy was faltering amid Brexit-related uncertainty. GDP dipped by 0.2% in the second quarter, the first contraction since 2012.

Markets were cheered as the US Federal Reserve cut interest rates – the European Central Bank also indicated that stimulus measures, including rate cuts and a new round of bond purchases were under consideration.

New positions included Sandvik and Kerry. A profitability turnaround has occurred at Sandvik and the Swedish engineering firm is likely to spin off SMT, which should realise value for shareholders. Changing nutritional demands provide a strong driver for Kerry's growth – the company has moved from being an ingredients supplier to a flavours business. Chr Hansen was another new holding; the firm is a world leader in enzymes and other ingredients used in the food industry. It is a beneficiary of the trends towards outsourcing and healthy eating. Sales included Nordea Bank and KBC; the outlook for interest rates, inflation and growth remains subdued – this is likely to hamper prospects for the banking sector.

European equities are supported by encouraging profitability, by economic growth, which is slowing, but still positive in many areas such as the consumer sector, and by attractive valuations relative to US equities. The market volatility seen in recent months presents us with investment opportunities.

It will take time before the full effects of Brexit become clear; the same is true of Italian politics, where there have been well-publicised tensions with Brussels over the budget, although the establishment of a new government may change the picture. Other risks include tensions with Iran, the threat of a global trade war, and slower global growth as the Chinese economy decelerates and the US nears the end of the economic cycle.

Our main focus in managing this high-conviction portfolio is on stock selection. We seek to identify high-quality companies with the pricing power to sustain strong returns

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	233,999	87,336
Revenue	28,291	57,108
Expenses	(7,620)	(17,523)
Interest payable and similar charges	(10)	(25)
Net revenue before taxation	20,661	39,560
Taxation	(4,582)	(2,892)
Net revenue after taxation	16,079	36,668
<b>Total return before equalisation</b>	<b>250,078</b>	<b>124,004</b>
Equalisation	(989)	(1,424)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>249,089</b>	<b>122,580</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	1,594,435	1,504,769
<b>Current assets:</b>		
Debtors	5,169	14,370
Cash and bank balances	16,599	12,021
Cash equivalents**	25,888	857
Total assets	1,642,091	1,532,017
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	–	(1,877)
Other creditors	(5,151)	(3,126)
Total liabilities	(5,151)	(5,003)
<b>Net assets attributable to shareholders</b>	<b>1,636,940</b>	<b>1,527,014</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>1,527,014</b>	<b>3,138,329</b>
Amounts receivable on the issue of shares	57,370	1,435,211
Amounts payable on the cancellation of shares	(196,580)	(1,642,985)
	(139,210)	(207,774)
Dilution adjustment	47	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	249,089	122,580
<b>Closing net assets attributable to shareholders</b>	<b>1,636,940</b>	<b>3,053,135</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

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

## Threadneedle European Select Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 EUR – Income shares
	07/09/2019	07/03/2019	07/03/2018	09/11/2018 <sup>1</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	123.25	126.83	115.44	132.95
Return before operating charges (p)	21.75	(0.88)	13.89	(9.75)
Operating charges (p)	(1.09)	(2.07)	(2.09)	(0.70)
Return after operating charges (p)*	20.66	(2.95)	11.80	(10.45)
Distributions (p)	–	(0.63)	(0.41)	(0.97)
Retained distributions on accumulation shares (p)	–	–	–	–
Closing net asset value per share (p)	143.91	123.25	126.83	121.53
*after direct transaction costs of (p)	0.04	0.07	0.08	0.04
<b>Performance</b>				
Return after charges (%)	16.76	(2.33)	10.22	(7.86)
<b>Other information</b>				
Closing net asset value (£000)	414	347	4,032	–
Closing number of shares	287,519	281,501	3,179,272	–
Operating charges (%)**	1.59 <sup>†</sup>	1.62	1.63	–
Direct transaction costs (%)***	0.06	0.06	0.06	–
<b>Prices</b>				
Highest share price (p)	146.62	138.89	133.84	138.89
Lowest share price (p)	122.28	114.20	115.22	119.08
	Class 1 – Accumulation shares			Class 1 EUR – Accumulation shares
	07/09/2019	07/03/2019	07/03/2018	09/11/2018 <sup>1</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	288.40	295.27	267.87	309.51
Return before operating charges (p)	50.87	(2.10)	32.22	(24.96)
Operating charges (p)	(2.53)	(4.77)	(4.82)	(1.64)
Return after operating charges (p)*	48.34	(6.87)	27.40	(26.60)
Distributions (p)	–	(1.47)	(0.96)	(2.26)
Retained distributions on accumulation shares (p)	–	1.47	0.96	2.26
Closing net asset value per share (p)	336.74	288.40	295.27	282.91
*after direct transaction costs of (p)	0.10	0.17	0.18	0.08
<b>Performance</b>				
Return after charges (%)	16.76	(2.33)	10.23	(8.59)
<b>Other information</b>				
Closing net asset value (£000)	269,608	266,743	1,072,075	–
Closing number of shares	80,064,180	92,488,996	363,087,509	–
Operating charges (%)**	1.59 <sup>†</sup>	1.61	1.63	–
Direct transaction costs (%)***	0.06	0.06	0.06	–
<b>Prices</b>				
Highest share price (p)	343.09	323.33	310.57	323.33
Lowest share price (p)	286.13	265.85	267.37	277.23



## Threadneedle European Select Fund

### Comparative Table Disclosure

(continued)

	Class 1 USD – Accumulation shares			Class 1 SGD Hedged – Accumulation shares		
	09/11/2018 <sup>1</sup>			09/11/2018 <sup>2</sup>	07/03/2018	07/03/2017
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	309.51			165.60	162.05	130.09
Return before operating charges (p)	(24.96)			4.00	6.32	34.29
Operating charges (p)	(1.64)			(1.89)	(2.77)	(2.33)
Return after operating charges (p)*	(26.60)			2.11	3.55	31.96
Distributions (p)	(2.26)			(1.28)	(0.61)	(0.56)
Retained distributions on accumulation shares (p)	2.26			1.28	0.61	0.56
Closing net asset value per share (p)	282.91			167.71	165.60	162.05
*after direct transaction costs of (p)	0.08			0.09	0.10	0.22
<b>Performance</b>						
Return after charges (%)	(8.59)			1.27	2.19	24.57
<b>Other information</b>						
Closing net asset value (£000)	–			–	31,830	38,893
Closing number of shares	–			–	19,220,877	24,000,866
Operating charges (%)**	–			–	1.63	1.63
Direct transaction costs (%)***	–			–	0.06	0.15
<b>Prices</b>						
Highest share price (p)	323.33			187.16	178.31	162.09
Lowest share price (p)	277.23			161.68	161.52	125.87
	Class 1 USD Hedged – Accumulation shares			Class 2 – Income shares		
	09/11/2018 <sup>2</sup>	07/03/2018	07/03/2017	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	136.89	142.82	112.51	183.54	188.89	171.92
Return before operating charges (p)	10.67	(3.56)	32.33	32.41	(1.37)	20.65
Operating charges (p)	(1.61)	(2.37)	(2.02)	(1.07)	(2.01)	(1.98)
Return after operating charges (p)*	9.06	(5.93)	30.31	31.34	(3.38)	18.67
Distributions (p)	(1.05)	(0.57)	(0.45)	–	(1.97)	(1.70)
Retained distributions on accumulation shares (p)	1.05	0.57	0.45	–	–	–
Closing net asset value per share (p)	145.95	136.89	142.82	214.88	183.54	188.89
*after direct transaction costs of (p)	0.08	0.09	0.19	0.06	0.11	0.11
<b>Performance</b>						
Return after charges (%)	6.62	(4.15)	26.94	17.08	(1.79)	10.86
<b>Other information</b>						
Closing net asset value (£000)	–	10,151	10,179	1,062	1,233	3,367
Closing number of shares	–	7,414,994	7,127,197	494,018	671,722	1,782,764
Operating charges (%)**	–	1.63	1.63	1.05 <sup>†</sup>	1.06	1.07
Direct transaction costs (%)***	–	0.06	0.15	0.06	0.06	0.06
<b>Prices</b>						
Highest share price (p)	160.91	153.65	142.89	218.82	207.38	200.18
Lowest share price (p)	133.26	135.42	108.54	182.10	170.82	171.60

## Threadneedle European Select Fund

### Comparative Table Disclosure

(continued)

	Class 2 EUR – Income shares		Class 2 – Accumulation shares		
	09/11/2018 <sup>1</sup>		07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	198.30		327.03	333.00	300.37
Return before operating charges (p)	(13.78)		57.78	(2.42)	36.15
Operating charges (p)	(0.70)		(1.92)	(3.55)	(3.52)
Return after operating charges (p)*	(14.48)		55.86	(5.97)	32.63
Distributions (p)	(2.16)		–	(3.47)	(2.97)
Retained distributions on accumulation shares (p)	–		–	3.47	2.97
Closing net asset value per share (p)	181.66		382.89	327.03	333.00
*after direct transaction costs of (p)	0.05		0.11	0.20	0.20
<b>Performance</b>					
Return after charges (%)	(7.30)		17.08	(1.79)	10.86
<b>Other information</b>					
Closing net asset value (£000)	–		217,785	195,428	556,027
Closing number of shares	–		56,879,921	59,757,401	166,976,283
Operating charges (%)**	–		1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	–		0.06	0.06	0.06
<b>Prices</b>					
Highest share price (p)	207.38		389.90	365.60	349.75
Lowest share price (p)	177.97		324.46	301.13	299.82
<b>Class 2 EUR – Accumulation shares</b>					
<b>Class 2 USD Hedged – Accumulation shares</b>					
	09/11/2018 <sup>1</sup>		07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	349.58		154.61	139.61	144.80
Return before operating charges (p)	(28.10)		34.81	16.60	(3.62)
Operating charges (p)	(1.23)		(0.92)	(1.60)	(1.57)
Return after operating charges (p)*	(29.33)		33.89	15.00	(5.19)
Distributions (p)	(3.81)		–	(1.45)	(1.42)
Retained distributions on accumulation shares (p)	3.81		–	1.45	1.42
Closing net asset value per share (p)	320.25		188.50	154.61	139.61
*after direct transaction costs of (p)	0.09		0.05	0.09	0.09
<b>Performance</b>					
Return after charges (%)	(8.39)		21.92	10.74	(3.58)
<b>Other information</b>					
Closing net asset value (£000)	–		6,510	15,308	19,050
Closing number of shares	–		3,453,492	9,901,087	13,645,147
Operating charges (%)**	–		1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	–		0.06	0.06	0.06
<b>Prices</b>					
Highest share price (p)	365.60		191.41	164.57	156.02
Lowest share price (p)	313.74		154.67	135.99	138.05

## Threadneedle European Select Fund

### Comparative Table Disclosure

(continued)

	Class X – Accumulation shares			Class Z – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	135.59	136.69	122.07	147.71	152.02	138.36
Return before operating charges (p)	23.99	(1.02)	14.70	26.10	(1.11)	16.65
Operating charges (p)	(0.04)	(0.08)	(0.08)	(0.68)	(1.27)	(1.28)
Return after operating charges (p)*	23.95	(1.10)	14.62	25.42	(2.38)	15.37
Distributions (p)	–	(2.80)	(2.56)	–	(1.93)	(1.71)
Retained distributions on accumulation shares (p)	–	2.80	2.56	–	–	–
Closing net asset value per share (p)	159.54	135.59	136.69	173.13	147.71	152.02
*after direct transaction costs of (p)	0.05	0.08	0.08	0.05	0.09	0.09
<b>Performance</b>						
Return after charges (%)	17.66	(0.80)	11.98	17.21	(1.57)	11.11
<b>Other information</b>						
Closing net asset value (£000)	63,936	106,330	78,459	183,142	142,693	186,351
Closing number of shares	40,075,863	78,419,864	57,399,396	105,783,516	96,604,604	122,581,844
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.83 <sup>†</sup>	0.83	0.83
Direct transaction costs (%)***	0.06	0.06	0.06	0.06	0.06	0.06
<b>Prices</b>						
Highest share price (p)	162.30	150.79	143.38	176.26	167.08	161.42
Lowest share price (p)	134.53	124.60	121.85	146.55	137.72	138.11
	Class Z – Accumulation shares			Class Z EUR – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	09/11/2018 <sup>†</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	190.87	193.92	174.52	203.70		
Return before operating charges (p)	33.73	(1.43)	21.01	(16.37)		
Operating charges (p)	(0.88)	(1.62)	(1.61)	(0.56)		
Return after operating charges (p)*	32.85	(3.05)	19.40	(16.93)		
Distributions (p)	–	(2.46)	(2.16)	(2.53)		
Retained distributions on accumulation shares (p)	–	2.46	2.16	2.53		
Closing net asset value per share (p)	223.72	190.87	193.92	186.77		
*after direct transaction costs of (p)	0.07	0.11	0.12	0.05		
<b>Performance</b>						
Return after charges (%)	17.21	(1.57)	11.12	(8.31)		
<b>Other information</b>						
Closing net asset value (£000)	894,483	798,932	1,176,987	–		
Closing number of shares	399,822,973	418,570,008	606,959,394	–		
Operating charges (%)**	0.83 <sup>†</sup>	0.83	0.83	–		
Direct transaction costs (%)***	0.06	0.06	0.06	–		
<b>Prices</b>						
Highest share price (p)	227.77	213.13	203.61	213.13		
Lowest share price (p)	189.37	175.68	174.20	182.96		

## Threadneedle European Select Fund

### Comparative Table Disclosure

(continued)

	Class Z USD – Accumulation shares 09/11/2018 <sup>1</sup>
<b>Change in net assets per share</b>	
Opening net asset value per share (p)	203.70
Return before operating charges (p)	(16.37)
Operating charges (p)	(0.56)
Return after operating charges (p)*	(16.93)
Distributions (p)	(2.53)
Retained distributions on accumulation shares (p)	2.53
Closing net asset value per share (p)	186.77
*after direct transaction costs of (p)	0.05
<b>Performance</b>	
Return after charges (%)	(8.31)
<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)	213.13
Lowest share price (p)	182.96

\*\*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 9 November 2018.

<sup>2</sup>Closed 9 November 2018.

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

## Threadneedle European Select Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	281,501
Shares issued	982
Shares redeemed	(8,302)
Net conversions	13,338
Closing shares	<u>287,519</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	92,488,996
Shares issued	378,134
Shares redeemed	(10,592,958)
Net conversions	(2,209,992)
Closing shares	<u>80,064,180</u>
<b>Class 2 – Income shares</b>	
Opening shares	671,722
Shares issued	8,009
Shares redeemed	(69,322)
Net conversions	(116,391)
Closing shares	<u>494,018</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	59,757,401
Shares issued	1,374,438
Shares redeemed	(4,232,614)
Net conversions	(19,304)
Closing shares	<u>56,879,921</u>
<b>Class 2 USD Hedged – Accumulation shares</b>	
Opening shares	9,901,087
Shares issued	9,047
Shares redeemed	(6,456,642)
Net conversions	–
Closing shares	<u>3,453,492</u>
<b>Class X – Accumulation shares</b>	
Opening shares	78,419,864
Shares issued	13,806,364
Shares redeemed	(52,150,365)
Net conversions	–
Closing shares	<u>40,075,863</u>
<b>Class Z – Income shares</b>	
Opening shares	96,604,604
Shares issued	9,944,864
Shares redeemed	(7,475,619)
Net conversions	6,709,667
Closing shares	<u>105,783,516</u>

	2019
<b>Class Z – Accumulation shares</b>	
Opening shares	418,570,008
Shares issued	6,911,861
Shares redeemed	(23,939,009)
Net conversions	(1,719,887)
Closing shares	<u>399,822,973</u>

## Threadneedle European Smaller Companies Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve capital growth over the long term. It looks to outperform the EMIX Smaller European Companies Ex UK 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 shares of European smaller companies.

The Fund considers European smaller companies to be those domiciled in Continental Europe, or with significant Continental European business operations, that, at the time of purchase, are not represented in the top 225 companies in the FTSE World Europe ex UK Index (an index of large and medium-sized European (ex UK) companies).

The Fund selects smaller companies considered to have good prospects for share price growth, from any industry or economic sector, and in some instances, this may provide exposure to niche growth areas that often cannot be accessed through large companies.

The EMIX Smaller European Companies Ex UK Index is regarded as providing an appropriate representation of the share performance of smaller sized companies across Europe (excluding the UK), currently with over 1,000 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 100 companies, which may include shares of some companies not within the EMIX Smaller Europe Ex UK 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 7 September 2019, the published share price of the Threadneedle European Smaller Companies Fund has risen from 827.48p to 903.50p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +9.56% as compared to a median return of +7.30% over the same period. (For information the EMIX Smaller European Companies Ex UK Index returned +8.90% over the same period).

#### Market Overview and Portfolio Activity

Despite a sharp dip in May, European markets initially rose along with their US counterparts, buoyed by encouraging economic data and corporate results. GDP growth for the first quarter of 2019 was higher than expected in the US and the eurozone.

Trade issues between the US and China heavily influenced sentiment during the review period. A truce gave way to fresh tensions as President Trump increased levies on Chinese imports, and China retaliated. However, stocks bounced periodically on hopes that a resolution of trade differences might be forthcoming.

Estimated eurozone GDP growth slowed to 0.2% in the second quarter of 2019, and the German economy contracted. Trade tensions and weakening global economic indicators dented confidence; manufacturing fared worse than the services sector, which showed greater resilience. Italy's budget and high debt levels also remained a source of concern. However, later on, the Democratic Party and the Five Star Movement reached an agreement to form a new coalition government, avoiding a snap election, and possibly heralding greater economic stability.

The deadline for Brexit was postponed until 31 October 2019 following an impasse with the EU. Prime Minister Theresa May resigned and was replaced with Boris Johnson, which increased the likelihood of a 'no-deal' Brexit (and perhaps even Scottish independence). Data indicated that the

UK economy was faltering amid Brexit-related uncertainty. GDP dipped by 0.2% in the second quarter, the first contraction since 2012.

Markets were cheered as the US Federal Reserve cut interest rates – the European Central Bank also indicated that stimulus measures, including rate cuts and a new round of bond purchases were under consideration.

New positions included Fluidra, Marel and Varta. Fluidra is a swimming-pool supplies business; the customer base and competition are fragmented, while vertical integration should improve returns and the sustainability of the business model. Marel is a market leader in the fast-growing market for full-service protein processing, which is key for modern farming production. Varta is a hearing-aid battery specialist, and has just bought back its consumer business from Energizer; the firm is well-placed to take advantage of growth in the entertainment battery market (including wireless headsets).

Following a period of good returns, we trimmed several holdings including telecom-mast firm Cellnex Telecom. Sales included Zooplus, an online retailer of pet food and supplies. The company has faced growing competition and was forced to increase advertising expenditure to offset this.

European equities are supported by encouraging profitability, by economic growth, which is slowing, but still positive in many areas such as the consumer sector, and by attractive valuations relative to US equities. The market volatility seen in recent months presents us with investment opportunities.

It will take time before the full effects of Brexit become clear; the same is true of Italian politics, where there have been well-publicised tensions with Brussels over the budget, although the establishment of a new government may change the picture. Other risks include tensions with Iran, the threat of a global trade war, and slower global growth as the Chinese economy decelerates and the US nears the end of the economic cycle.

Our main focus in managing this portfolio is on stock selection, informed by macroeconomic and thematic views. We favour companies that have a competitive advantage and pricing power generated by brands, patented processes, regulatory barriers to entry and strong market positions.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	36,413	81,317
Revenue	7,634	38,814
Expenses	(2,424)	(16,728)
Interest payable and similar charges	(4)	(18)
Net revenue before taxation	5,206	22,068
Taxation	(1,084)	(2,829)
Net revenue after taxation	4,122	19,239
<b>Total return before equalisation</b>	<b>40,535</b>	<b>100,556</b>
Equalisation	(409)	150
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>40,126</b>	<b>100,706</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
<b>Investments</b>	422,204	451,724
<b>Current assets:</b>		
Debtors	944	1,772
Cash and bank balances	1,393	102
Cash equivalents**	200	1,029
Total assets	424,741	454,627
<b>Liabilities:</b>		
<b>Investment liabilities</b>	–	(1)
<b>Creditors:</b>		
Distribution payable	–	(257)
Other creditors	(3,159)	(2,890)
Total liabilities	(3,159)	(3,148)
<b>Net assets attributable to shareholders</b>	<b>421,582</b>	<b>451,479</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	451,479	2,289,195
Amounts receivable on the issue of shares	37,159	2,222,159
Amounts payable on the cancellation of shares	(107,197)	(2,151,084)
	(70,038)	71,075
Dilution adjustment	15	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	40,126	100,706
<b>Closing net assets attributable to shareholders</b>	<b>421,582</b>	<b>2,460,976</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

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

## Threadneedle European Smaller Companies Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 EUR – Income shares	
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019 <sup>1</sup>
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	803.52	846.11	710.70	803.52	892.73
Return before operating charges (p)	80.98	(27.05)	149.44	80.98	(77.99)
Operating charges (p)	(7.17)	(14.41)	(13.53)	(7.17)	(10.10)
Return after operating charges (p)*	73.81	(41.46)	135.91	73.81	(88.09)
Distributions (p)	–	(1.13)	(0.50)	–	(1.12)
Retained distributions on accumulation shares (p)	–	–	–	–	–
Closing net asset value per share (p)	877.33	803.52	846.11	877.33	803.52
*after direct transaction costs of (p)	0.11	0.71	0.48	0.11	0.70
<b>Performance</b>					
Return after charges (%)	9.19	(4.90)	19.12	9.19	(9.87)
<b>Other information</b>					
Closing net asset value (£000)	466	436	37,151	34,954	34,005
Closing number of shares	53,063	54,266	4,390,817	3,984,103	4,231,965
Operating charges (%)**	1.66 <sup>†</sup>	1.69	1.67	1.66 <sup>†</sup>	1.67 <sup>†</sup>
Direct transaction costs (%)***	0.02	0.08	0.06	0.02	0.08
<b>Prices</b>					
Highest share price (p)	912.32	921.17	871.49	912.32	921.17
Lowest share price (p)	795.58	726.80	711.50	795.57	726.80
	Class 1 – Accumulation shares			Class 1 EUR – Accumulation shares	
	07/09/2019	07/03/2019	07/03/2018	23/11/2018 <sup>2</sup>	
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	826.82	869.42	729.86	892.73	
Return before operating charges (p)	83.33	(27.84)	153.42	(97.91)	
Operating charges (p)	(7.38)	(14.76)	(13.86)	(5.66)	
Return after operating charges (p)*	75.95	(42.60)	139.56	(103.57)	
Distributions (p)	–	(1.15)	(0.51)	(4.07)	
Retained distributions on accumulation shares (p)	–	1.15	0.51	4.07	
Closing net asset value per share (p)	902.77	826.82	869.42	789.16	
*after direct transaction costs of (p)	0.11	0.73	0.49	0.27	
<b>Performance</b>					
Return after charges (%)	9.19	(4.90)	19.12	(11.60)	
<b>Other information</b>					
Closing net asset value (£000)	51,317	83,057	1,340,754	–	
Closing number of shares	5,684,415	10,045,388	154,211,766	–	
Operating charges (%)**	1.67 <sup>†</sup>	1.69	1.67	–	
Direct transaction costs (%)***	0.02	0.08	0.06	–	
<b>Prices</b>					
Highest share price (p)	938.78	946.55	894.98	946.55	
Lowest share price (p)	818.74	746.83	730.67	789.16	

## Threadneedle European Smaller Companies Fund

### Comparative Table Disclosure

(continued)

	Class 1 CHF Hedged – Accumulation shares			Class 2 – Accumulation shares		
	23/11/2018 <sup>2</sup>	07/03/2018	07/03/2017	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	143.32	131.53	103.34	937.14	979.38	817.13
Return before operating charges (p)	(8.50)	14.16	30.09	94.57	(31.76)	172.11
Operating charges (p)	(1.26)	(2.37)	(1.90)	(5.34)	(10.48)	(9.86)
Return after operating charges (p)*	(9.76)	11.79	28.19	89.23	(42.24)	162.25
Distributions (p)	(0.64)	(0.18)	(0.01)	–	(7.25)	(6.26)
Retained distributions on accumulation shares (p)	0.64	0.18	0.01	–	7.25	6.26
Closing net asset value per share (p)	133.56	143.32	131.53	1,026.37	937.14	979.38
*after direct transaction costs of (p)	0.06	0.08	0.07	0.12	0.82	0.55
<b>Performance</b>						
Return after charges (%)	(6.81)	8.96	27.28	9.52	(4.31)	19.86
<b>Other information</b>						
Closing net asset value (£000)	–	374	196	102,604	108,819	385,333
Closing number of shares	–	260,891	148,890	9,996,846	11,611,884	39,344,529
Operating charges (%)**	–	1.67	1.66	1.06 <sup>†</sup>	1.07	1.06
Direct transaction costs (%)***	–	0.06	0.06	0.02	0.08	0.06
<b>Prices</b>						
Highest share price (p)	159.99	149.00	131.69	1,066.14	1,069.41	1,007.29
Lowest share price (p)	133.56	131.89	101.48	927.99	845.43	818.05
	Class 2 EUR – Accumulation shares		Class X – Gross accumulation shares			
	23/11/2018 <sup>2</sup>		07/09/2019 <sup>4</sup>			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	1,035.08		100.00			
Return before operating charges (p)	(138.13)		4.94			
Operating charges (p)	(4.07)		(0.02)			
Return after operating charges (p)*	(142.20)		4.92			
Distributions (p)	(8.93)		–			
Retained distributions on accumulation shares (p)	8.93		–			
Closing net asset value per share (p)	892.88		104.92			
*after direct transaction costs of (p)	0.31		0.01			
<b>Performance</b>						
Return after charges (%)	(13.74)		4.92			
<b>Other information</b>						
Closing net asset value (£000)	–		33,037			
Closing number of shares	–		31,487,779			
Operating charges (%)**	–		0.06 <sup>†</sup>			
Direct transaction costs (%)***	–		0.02			
<b>Prices</b>						
Highest share price (p)	1,069.41		108.79			
Lowest share price (p)	892.88		98.75			



## Threadneedle European Smaller Companies Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z EUR – Income shares
	07/09/2019	07/03/2019	07/03/2018	23/11/2018 <sup>2</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	178.56	188.06	157.90	198.85
Return before operating charges (p)	18.02	(6.14)	33.27	(24.59)
Operating charges (p)	(0.85)	(1.64)	(1.59)	(0.62)
Return after operating charges (p)*	17.17	(7.78)	31.68	(25.21)
Distributions (p)	–	(1.72)	(1.52)	(1.97)
Retained distributions on accumulation shares (p)	–	–	–	–
Closing net asset value per share (p)	195.73	178.56	188.06	171.67
*after direct transaction costs of (p)	0.02	0.16	0.11	0.06
<b>Performance</b>				
Return after charges (%)	9.62	(4.14)	20.06	(12.68)
<b>Other information</b>				
Closing net asset value (£000)	13,588	21,697	20,019	–
Closing number of shares	6,942,303	12,151,117	10,644,917	–
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.88	–
Direct transaction costs (%)***	0.02	0.08	0.06	–
<b>Prices</b>				
Highest share price (p)	203.26	205.52	194.94	205.52
Lowest share price (p)	176.80	162.57	158.08	171.67
	Class Z – Accumulation shares			Class Z EUR – Accumulation shares
	07/09/2019	07/03/2019	07/03/2018	23/11/2018 <sup>2</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	198.32	206.89	172.32	218.76
Return before operating charges (p)	20.02	(6.75)	36.31	(29.19)
Operating charges (p)	(0.94)	(1.82)	(1.74)	(0.71)
Return after operating charges (p)*	19.08	(8.57)	34.57	(29.90)
Distributions (p)	–	(1.89)	(1.66)	(2.16)
Retained distributions on accumulation shares (p)	–	1.89	1.66	2.16
Closing net asset value per share (p)	217.40	198.32	206.89	188.86
*after direct transaction costs of (p)	0.03	0.17	0.12	0.06
<b>Performance</b>				
Return after charges (%)	9.62	(4.14)	20.06	(13.67)
<b>Other information</b>				
Closing net asset value (£000)	185,616	203,465	504,483	–
Closing number of shares	85,381,265	102,592,660	243,838,268	–
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.88	–
Direct transaction costs (%)***	0.02	0.08	0.06	–
<b>Prices</b>				
Highest share price (p)	225.75	226.10	212.74	226.10
Lowest share price (p)	196.39	178.85	172.51	188.86

## Threadneedle European Smaller Companies Fund

### Comparative Table Disclosure

(continued)

	Class Z CHF Hedged – Accumulation shares		
	23/11/2018 <sup>1</sup>	07/03/2018	07/03/2017
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	146.30	133.18	103.79
Return before operating charges (p)	(8.47)	14.39	30.43
Operating charges (p)	(0.68)	(1.27)	(1.04)
Return after operating charges (p)*	(9.15)	13.12	29.39
Distributions (p)	(1.51)	(1.31)	(0.94)
Retained distributions on accumulation shares (p)	1.51	1.31	0.94
Closing net asset value per share (p)	137.15	146.30	133.18
*after direct transaction costs of (p)	0.06	0.09	0.07
<b>Performance</b>			
Return after charges (%)	(6.25)	9.85	28.32
<b>Other information</b>			
Closing net asset value (£000)	–	1,081	496
Closing number of shares	–	739,107	372,501
Operating charges (%)**	–	0.88	0.88
Direct transaction costs (%)***	–	0.06	0.06
<b>Prices</b>			
Highest share price (p)	163.94	151.20	133.32
Lowest share price (p)	137.15	133.54	102.08

\*\*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.

<sup>2</sup>Commenced 15 June 2018 and closed 23 November 2018.

<sup>3</sup>Closed 23 November 2018.

<sup>4</sup>Commenced 9 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 European Smaller Companies Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	54,266
Shares issued	90
Shares redeemed	(1,293)
Net conversions	–
Closing shares	<u>53,063</u>
<b>Class 1 EUR – Income shares</b>	
Opening shares	4,231,965
Shares issued	274,954
Shares redeemed	(522,816)
Net conversions	–
Closing shares	<u>3,984,103</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	10,045,388
Shares issued	23,755
Shares redeemed	(4,243,243)
Net conversions	(141,485)
Closing shares	<u>5,684,415</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	11,611,884
Shares issued	59,330
Shares redeemed	(1,673,544)
Net conversions	(824)
Closing shares	<u>9,996,846</u>
<b>Class X – Gross accumulation shares*</b>	
Opening shares	–
Shares issued	31,487,780
Shares redeemed	(1)
Net conversions	–
Closing shares	<u>31,487,779</u>
<b>Class Z – Income shares</b>	
Opening shares	12,151,117
Shares issued	228,883
Shares redeemed	(5,477,137)
Net conversions	39,440
Closing shares	<u>6,942,303</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	102,592,660
Shares issued	162,127
Shares redeemed	(17,931,356)
Net conversions	557,834
Closing shares	<u>85,381,265</u>

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

## Threadneedle European 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 ICE BofAML Pan-Europe Broad Market 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 bonds issued by governments, quasi-government entities and companies (corporate bonds) that are denominated in a European currency.

The Fund usually selects bonds that are investment grade, but may also include bonds with a lower credit rating in the portfolio if this is considered appropriate, as well as bonds denominated in non-European currencies.

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 ICE BofAML Pan-Europe Broad Market Index is regarded as an appropriate performance measure of investment grade corporate and government bonds that are denominated in European currencies. It provides a suitable benchmark against which Fund performance will be measured and evaluated over time.

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

Over the six months to 7 September 2019, the published share price of the Threadneedle European Bond Fund has risen from 77.30p to 85.54p.

The sterling total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +14.10%. For information the ICE BofAML Pan-Europe Broad Market Index returned +13.51% over the same period.

#### Market Overview and Portfolio Activity

Over the six months under review, core government bond yields remained on a downward trend and prices rose. The asset class was helped as investors'

risk appetite receded amid the slowdown in the global economy, heightened trade tensions between the US and China, and other adverse geopolitical developments, including the increased risk of a no-deal Brexit. This backdrop heightened expectations that key central banks would be likely to keep policy accommodative, which provided further support for core bonds.

In Europe, yields on German government bonds reached new lows and turned negative across the maturity spectrum. The benchmark 10-year German bund yield fell from 0.07% to -0.64% between 7 March and the end of the review period. Germany is particularly exposed to increased trade friction and the economy contracted in the second quarter. The inflation rate for the euro area remains very low, and with economic growth under pressure, the European Central Bank (ECB) indicated its willingness to adopt looser monetary policy, although official interest rates were left unchanged during the review period. The US Federal Reserve (Fed) went further, lowering official interest rates by 25 basis points in July. The reduction was widely anticipated; the Fed cited global economic developments and muted inflation as key considerations, and stated that it is prepared to act further to support the US economy.

The ECB's more accommodative stance buoyed sentiment towards sovereign debt issued by countries in the eurozone's so-called periphery. Notably, Greek and Italian 10-year yields fell to record lows during the review period, as the political backdrop in both countries appeared to turn more favourable. Greek debt was buoyed by the prospect, then reality that a snap election could result in a government more inclined towards fiscal authority. Italian bonds were initially volatile amid fears of budget clashes between the country's populist government and the EU. However, late in the period, Italian sovereign issues reacted positively to the formation of a new government, which investors hope will be more mainstream.

In the UK, the benchmark 10-year gilt yield fell from 1.17% to 0.51% over the six months under review. In addition to benefiting from the demand for safe-havens, gilts also rallied on growing fears of a no-deal Brexit. Alongside its US Treasury counterpart, the gilt yield curve inverted during August. In the second quarter of 2019, UK GDP contracted for the first time in seven years, shrinking by 0.2%. This compared with growth of 0.5% in Q1, when activity was buoyed by stockpiling ahead of the original Brexit

deadline of 31 March 2019. The Bank of England (BoE) left official interest rates unchanged at 0.75% throughout the period, but made clear that its future assumptions did not take account of a no-deal Brexit.

In terms of activity, within sovereigns, we initiated positions in Belgium and Slovenia. We reduced exposure to Spain, France, the UK and Germany, and sold out of Austria. In terms of agency/quasi-sovereign debt, new additions to the portfolio included a 'sustainability bond' issued by the Basque Government (Spain).

Within corporate bonds, we participated in a range of new issues, including tranches of a bond sale launched by Fidelity National Information Services to fund its purchase of Worldpay. Other new additions to the portfolio included Motability Operations Tennet Holding and The Kraft Heinz.

Global growth is moderating, with the US outlook becoming notably cloudier. We expect this trend to continue. Meanwhile, downside risks have become elevated since the re-escalation of trade tensions, and the increasing vulnerability of financial conditions and business sentiment.

We favour duration as monetary policy easing continues and recession risks rise.

Against a backdrop of low inflation, the Fed's mantra of 'patience' has given way to a willingness to act somewhat pre-emptively to mitigate the risks to the domestic economy from heightened global uncertainty and the effect on business spending. We expect the cutting cycle to extend into 2020.

Eurozone economic expectations are at risk from further declines in global trade volumes. So far, there are tentative signs that growth is stabilising. Nevertheless, the ECB recently announced stimulus measures, via a cut to the deposit rate, more generous terms for long-term cheap financing for banks, and the reintroduction of its monthly bond-purchase programme. From here, the heavy lifting must increasingly be done by fiscal policy, although we expect progress on this front to be slow. Eurozone curves should continue to flatten.

In the UK, we feel that rising political uncertainty will limit the BoE's ability to hike rates this year.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	10,192	(181)
Revenue	682	846
Expenses	(532)	(546)
Interest payable and similar charges	(273)	(255)
Net (expense)/revenue before taxation	(123)	45
Taxation	–	–
Net (expense)/revenue after taxation	(123)	45
<b>Total return before distributions</b>	<b>10,069</b>	<b>(136)</b>
Distributions	(334)	(516)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>9,735</b>	<b>(652)</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	96,949	90,807
<b>Current assets:</b>		
Debtors	1,081	2,121
Cash and bank balances	7,549	2,874
Cash equivalents**	2,102	1,635
<b>Total assets</b>	<b>107,681</b>	<b>97,437</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	<b>(1,308)</b>	<b>(879)</b>
<b>Creditors:</b>		
Distribution payable	(51)	(100)
Other creditors	(1,274)	(956)
<b>Total liabilities</b>	<b>(2,633)</b>	<b>(1,935)</b>
<b>Net assets attributable to shareholders</b>	<b>105,048</b>	<b>95,502</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>95,502</b>	<b>89,871</b>
Amounts receivable on the issue of shares	17,888	29,458
Amounts payable on the cancellation of shares	(18,375)	(19,389)
	(487)	10,069
Dilution adjustment	10	36
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	9,735	(652)
Retained distribution on accumulation shares	288	399
<b>Closing net assets attributable to shareholders</b>	<b>105,048</b>	<b>99,723</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

\*\*Gross performance is calculated in Factset using daily cash flows and daily global close valuations.

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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> 08/03/19 to 07/09/19	0.2793	–	0.2793	0.4111
<b>Group 2</b> 08/03/19 to 07/09/19	0.1349	0.1444	0.2793	0.4111
<b>Total distributions in the period</b>			<b>0.2793</b>	<b>0.4111</b>

#### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	0.5560	–	0.5560	0.8100
<b>Group 2</b> 08/03/19 to 07/09/19	0.2830	0.2730	0.5560	0.8100
<b>Total distributions in the period</b>			<b>0.5560</b>	<b>0.8100</b>

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

## Threadneedle European Bond 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> 08/03/19 to 07/09/19	0.5720	–	0.5720	0.8005
<b>Group 2</b> 08/03/19 to 07/09/19	0.0536	0.5184	0.5720	0.8005
<b>Total distributions in the period</b>			<b>0.5720</b>	<b>0.8005</b>

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

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	
<b>Group 1</b> 08/03/19 to 07/09/19	0.2512	–	0.2512	
<b>Group 2</b> 08/03/19 to 07/09/19	0.2512	–	0.2512	
<b>Total distributions in the period</b>			<b>0.2512</b>	

#### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	0.4082	–	0.4082	0.5979
<b>Group 2</b> 08/03/19 to 07/09/19	0.1359	0.2723	0.4082	0.5979
<b>Total distributions in the period</b>			<b>0.4082</b>	<b>0.5979</b>

Group 2: shares purchased during a distribution period.

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

## Threadneedle European Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross accumulation shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	76.83	78.88	77.17	152.91	155.38	151.44
Return before operating charges (p)	9.08	(0.35)	2.94	18.07	(0.70)	5.77
Operating charges (p)	(0.47)	(0.90)	(0.93)	(0.94)	(1.77)	(1.83)
Return after operating charges (p)*	8.61	(1.25)	2.01	17.13	(2.47)	3.94
Distributions (p)	(0.28)	(0.80)	(0.30)	(0.56)	(1.58)	(0.60)
Retained distributions on accumulation shares (p)	–	–	–	0.56	1.58	0.60
Closing net asset value per share (p)	85.16	76.83	78.88	170.04	152.91	155.38
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	11.21	(1.58)	2.60	11.20	(1.59)	2.60
<b>Other information</b>						
Closing net asset value (£000)	10,792	15,474	17,872	77,063	71,593	66,997
Closing number of shares	12,673,100	20,141,055	22,657,687	45,319,948	46,821,469	43,117,742
Operating charges (%)**	1.15 <sup>†</sup>	1.15	1.19	1.15 <sup>†</sup>	1.15	1.19
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	88.25	79.74	82.47	175.64	157.90	161.85
Lowest share price (p)	76.58	75.76	75.05	152.41	150.04	147.29
	Class 2 – Gross accumulation shares <sup>5</sup>			Class X – Gross accumulation shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019 <sup>†</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	141.57	143.04	138.57	100.00		
Return before operating charges (p)	16.76	(0.62)	5.39	9.92		
Operating charges (p)	(0.45)	(0.85)	(0.92)	(0.03)		
Return after operating charges (p)*	16.31	(1.47)	4.47	9.89		
Distributions (p)	(0.57)	(1.56)	(0.70)	(0.25)		
Retained distributions on accumulation shares (p)	0.57	1.56	0.70	0.25		
Closing net asset value per share (p)	157.88	141.57	143.04	109.89		
*after direct transaction costs of (p)	–	–	–	–		
<b>Performance</b>						
Return after charges (%)	11.52	(1.03)	3.23	9.89		
<b>Other information</b>						
Closing net asset value (£000)	5,297	4,011	281	7,179		
Closing number of shares	3,354,962	2,833,571	196,630	6,532,943		
Operating charges (%)**	0.58 <sup>†</sup>	0.60	0.65	0.08 <sup>†</sup>		
Direct transaction costs (%)***	–	–	–	–		
<b>Prices</b>						
Highest share price (p)	163.03	146.04	148.54	113.44		
Lowest share price (p)	141.13	138.58	134.92	100.00		

## Threadneedle European Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares		
	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	112.12	114.54	111.50
Return before operating charges (p)	13.28	(0.52)	4.26
Operating charges (p)	(0.39)	(0.74)	(0.74)
Return after operating charges (p)*	12.89	(1.26)	3.52
Distributions (p)	(0.41)	(1.16)	(0.48)
Retained distributions on accumulation shares (p)	–	–	–
Closing net asset value per share (p)	124.60	112.12	114.54
*after direct transaction costs of (p)	–	–	–
<b>Performance</b>			
Return after charges (%)	11.50	(1.10)	3.16
<b>Other information</b>			
Closing net asset value (£000)	4,717	4,424	4,721
Closing number of shares	3,786,095	3,945,786	4,121,096
Operating charges (%)**	0.65 <sup>1</sup>	0.65	0.65
Direct transaction costs (%)***	–	–	–
<b>Prices</b>			
Highest share price (p)	129.08	116.27	119.47
Lowest share price (p)	111.77	110.35	108.54

\*\*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>3</sup>Only available to eligible investors.

<sup>1</sup>Commenced 9 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 European Bond Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	20,141,055
Shares issued	1,600,169
Shares redeemed	(9,064,398)
Net conversions	(3,726)
Closing shares	<u>12,673,100</u>
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	46,821,469
Shares issued	2,678,341
Shares redeemed	(4,179,862)
Net conversions	–
Closing shares	<u>45,319,948</u>
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	2,833,571
Shares issued	3,110,653
Shares redeemed	(2,589,262)
Net conversions	–
Closing shares	<u>3,354,962</u>
<b>Class X – Gross accumulation shares*</b>	
Opening shares	–
Shares issued	6,532,944
Shares redeemed	(1)
Net conversions	–
Closing shares	<u>6,532,943</u>
<b>Class Z – Income shares</b>	
Opening shares	3,945,786
Shares issued	298,014
Shares redeemed	(460,258)
Net conversions	2,553
Closing shares	<u>3,786,095</u>

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



## Threadneedle Strategic 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 (5 years or more).

The Fund is actively managed, and invests at least two-thirds of its assets in bonds denominated in sterling (GBP) or euro (EUR). In addition to GBP or EUR denominated bonds, the Fund may invest in bonds priced in other currencies, however all non-sterling bonds are usually hedged back to sterling.

The Fund follows a strategic investment approach, allowing for changes to allocation between investment grade and below investment grade corporate bonds, as well as investment in government bonds and bonds issued by international organisations. This approach aims to position the Fund to take advantage of those areas of the bond market that are considered to offer the best return potential.

Derivatives (including forward transactions) may be used for investment purposes. This includes allowing 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.

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

Over the six months to 7 September 2019, the published share price of the Threadneedle Strategic Bond Fund has risen from 45.46p to 46.66p.

The total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +4.41% as compared to a median return of +5.38% over the same period. This compares against a return of +4.92% for a composite index of 60% iBoxx GBP Non-Gilts 1-10 Years + 40% ICE BofAML European Currency High Yield Excluding Subordinated Financials Constrained (Hedged to £).

### Market Overview and Portfolio Activity

The six months under review constituted a volatile period in financial markets but a good one for both investment-grade (IG) and high-yield (HY) corporate bonds. Both markets delivered positive total returns. This was mainly driven by a sharp decline in the yields available on underlying government debt, though tightening credit spreads (the yield premiums offered by corporate bonds over "risk-free" government bonds of the same maturity) provided a further boost.

Yields were pushed downwards by three broadly overlapping factors: the ongoing US-China trade dispute, signs of deterioration in the global economy, and looser monetary policy from key central banks. Trade war fears waxed and waned but escalated in August when President Trump announced new tariffs on \$300bn of Chinese imports, provoking retaliation in kind from Beijing. The dispute was increasingly evident in weaker global economic data, not least of which was German GDP, which contracted in the second quarter (Q2). The UK economy also shrank in Q2, though this was largely due to Brexit-related developments.

The European Parliament elections in May were another source of market uncertainty. In the event, euro-sceptic parties failed to make as much ground as feared in most member states, though Italy and the UK were notable exceptions. On a related theme, fears that the UK would leave the EU without a withdrawal agreement intensified after Theresa May stepped down as prime minister. Her successor, Boris Johnson, has consistently promised to leave on October 31 this year – with or without a deal.

Having signalled earlier in the year that its tightening cycle was on hold, the US Federal Reserve (Fed) cut interest rates in July for the first time in a decade. The European Central Bank (ECB) provided further support for fixed-income markets, hinting (as has since transpired) that it was prepared to unleash a fresh round of monetary stimulus, including corporate bond purchases. This last factor helped European corporate bonds outperform their US and UK equivalents over the period. UK policymakers appeared hawkish in comparison; the Bank of England insisted that rate hikes were still a possibility in 2019, assuming a disorderly Brexit didn't derail the economy.

Against this background, the 10-year gilt yield fell by around 66 bps to 0.51%, while the German equivalent fell 71 bps to -0.64%. Spreads in the UK IG and European HY credit markets respectively tightened by around 5 bps and 59 bps over the six months under review.

The largest of these additions included new bonds from Netflix, Fidelity National Information Services, Crédit Mutuel, Royal Bank of Scotland and Glencore. We were also active in the secondary market, adding new exposure to Netflix, Kraft Heinz Foods, Northumbrian Water, and Lafarge Holcim, for example, and increasing a range of existing holdings, including EnQuest and Tesco Property. On the other side, we reduced allocations to a number of issuers, such as Telefónica Europe, Synlab, GKN Holdings, and Credit Suisse; and exited others, including SELP Finance, Co-operative Group, Cenovus Energy, BHP Billiton Finance and Tencent Holdings.

Globally, low but positive GDP growth and gentle inflation is a reasonable investment background for corporate markets. The recent dovish shift at the Fed and reintroduction of quantitative easing by the ECB adds further support for risk assets.

Fundamentals are reasonable, though growth momentum has faded, and corporate earnings are more mixed. There is a greater dispersion of earnings across industrial sectors, with cyclicals underperforming more defensive sectors. We expect a continuation of what has been a benign default environment.

From a valuation perspective, gilt yields are low, and sterling IG spreads are once again inside their long-term averages, given the tightening seen so far this year. In the European HY market, credit spreads finished the period at 378 bps – still offering reasonable compensation for current default expectations.

On balance, we remain more constructive on the outlook for IG than HY, given the IG market's greater ability to withstand lower economic growth than its more leveraged counterpart.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	7,882	(3,254)
Revenue	4,728	5,193
Expenses	(1,034)	(1,091)
Interest payable and similar charges	(1,444)	(1,140)
Net revenue before taxation	2,250	2,962
Taxation	–	–
Net revenue after taxation	2,250	2,962
Total return before distributions	10,132	(292)
Distributions	(3,142)	(3,911)
Change in net assets attributable to shareholders from investment activities	6,990	(4,203)

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	231,248	236,999
<b>Current assets:</b>		
Debtors	3,650	4,569
Cash and bank balances	12,106	6,991
Cash equivalents**	4,704	–
Total assets	251,708	248,559
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(6,127)	(4,040)
<b>Creditors:</b>		
Bank overdrafts	(2,172)	(376)
Distribution payable	(323)	(433)
Other creditors	(5,123)	(4,293)
Total liabilities	(13,745)	(9,142)
<b>Net assets attributable to shareholders</b>	<b>237,963</b>	<b>239,417</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Opening net assets attributable to shareholders	239,417	242,384
Amounts receivable on the issue of shares	11,594	20,216
Amounts payable on the cancellation of shares	(9,398)	8,193
Dilution adjustment	–	34
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	6,990	(4,203)
Retained distribution on accumulation shares	948	1,480
Unclaimed distributions	6	3
Closing net assets attributable to shareholders	237,963	247,891

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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 March 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

\*\*Gross performance is calculated in Factset using daily cash flows and daily global close valuations.

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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>				
08/03/19 to 07/04/19	0.1051	–	0.1051	0.1218
08/04/19 to 07/05/19	0.1005	–	0.1005	0.1445
08/05/19 to 07/06/19	0.0995	–	0.0995	0.1117
08/06/19 to 07/07/19	0.0974	–	0.0974	0.1167
08/07/19 to 07/08/19	0.0932	–	0.0932	0.1160
08/08/19 to 07/09/19	0.0901	–	0.0901	0.1125
<b>Group 2</b>				
08/03/19 to 07/04/19	0.0228	0.0823	0.1051	0.1218
08/04/19 to 07/05/19	0.0433	0.0572	0.1005	0.1445
08/05/19 to 07/06/19	0.0175	0.0820	0.0995	0.1117
08/06/19 to 07/07/19	0.0507	0.0467	0.0974	0.1167
08/07/19 to 07/08/19	0.0333	0.0599	0.0932	0.1160
08/08/19 to 07/09/19	0.0198	0.0703	0.0901	0.1125
<b>Total distributions in the period</b>			<b>0.5858</b>	<b>0.7232</b>

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

# Threadneedle Strategic Bond Fund

## DISTRIBUTION TABLE

(continued)

### Class 1 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.1053	–	0.1053	0.1220
08/04/19 to 07/05/19	0.1006	–	0.1006	0.1448
08/05/19 to 07/06/19	0.0997	–	0.0997	0.1119
08/06/19 to 07/07/19	0.0978	–	0.0978	0.1168
08/07/19 to 07/08/19	0.0934	–	0.0934	0.1163
08/08/19 to 07/09/19	0.0902	–	0.0902	0.1127
<b>Group 2</b>				
08/03/19 to 07/04/19	0.0849	0.0204	0.1053	0.1220
08/04/19 to 07/05/19	0.1006	–	0.1006	0.1448
08/05/19 to 07/06/19	0.0697	0.0300	0.0997	0.1119
08/06/19 to 07/07/19	0.0184	0.0794	0.0978	0.1168
08/07/19 to 07/08/19	0.0434	0.0500	0.0934	0.1163
08/08/19 to 07/09/19	0.0902	–	0.0902	0.1127
<b>Total distributions in the period</b>			<b>0.5870</b>	<b>0.7245</b>

### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.1195	–	0.1195	0.1371
08/04/19 to 07/05/19	0.1143	–	0.1143	0.1616
08/05/19 to 07/06/19	0.1134	–	0.1134	0.1262
08/06/19 to 07/07/19	0.1112	–	0.1112	0.1314
08/07/19 to 07/08/19	0.1068	–	0.1068	0.1310
08/08/19 to 07/09/19	0.1034	–	0.1034	0.1272
<b>Group 2</b>				
08/03/19 to 07/04/19	0.0180	0.1015	0.1195	0.1371
08/04/19 to 07/05/19	0.0689	0.0454	0.1143	0.1616
08/05/19 to 07/06/19	0.0479	0.0655	0.1134	0.1262
08/06/19 to 07/07/19	0.0136	0.0976	0.1112	0.1314
08/07/19 to 07/08/19	0.0190	0.0878	0.1068	0.1310
08/08/19 to 07/09/19	0.0133	0.0901	0.1034	0.1272
<b>Total distributions in the period</b>			<b>0.6686</b>	<b>0.8145</b>

### Class 2 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.1262	–	0.1262	0.1448
08/04/19 to 07/05/19	0.1207	–	0.1207	0.1707
08/05/19 to 07/06/19	0.1199	–	0.1199	0.1333
08/06/19 to 07/07/19	0.1173	–	0.1173	0.1388
08/07/19 to 07/08/19	0.1128	–	0.1128	0.1384
08/08/19 to 07/09/19	0.1093	–	0.1093	0.1343
<b>Group 2</b>				
08/03/19 to 07/04/19	0.0062	0.1200	0.1262	0.1448
08/04/19 to 07/05/19	0.0107	0.1100	0.1207	0.1707
08/05/19 to 07/06/19	0.0099	0.1100	0.1199	0.1333
08/06/19 to 07/07/19	0.0173	0.1000	0.1173	0.1388
08/07/19 to 07/08/19	0.1128	–	0.1128	0.1384
08/08/19 to 07/09/19	0.1093	–	0.1093	0.1343
<b>Total distributions in the period</b>			<b>0.7062</b>	<b>0.8603</b>

### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.2891	–	0.2891	0.3212
08/04/19 to 07/05/19	0.2769	–	0.2769	0.3795
08/05/19 to 07/06/19	0.2756	–	0.2756	0.2974
08/06/19 to 07/07/19	0.2706	–	0.2706	0.3103
08/07/19 to 07/08/19	0.2607	–	0.2607	0.3103
08/08/19 to 07/09/19	0.2528	–	0.2528	0.3019
<b>Group 2</b>				
08/03/19 to 07/04/19	0.1359	0.1532	0.2891	0.3212
08/04/19 to 07/05/19	0.1623	0.1146	0.2769	0.3795
08/05/19 to 07/06/19	0.2032	0.0724	0.2756	0.2974
08/06/19 to 07/07/19	0.1748	0.0958	0.2706	0.3103
08/07/19 to 07/08/19	0.1746	0.0861	0.2607	0.3103
08/08/19 to 07/09/19	0.0986	0.1542	0.2528	0.3019
<b>Total distributions in the period</b>			<b>1.6257</b>	<b>1.9206</b>

### Class X – Gross accumulation shares\*

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019
<b>Group 1</b>			
08/05/19 to 07/06/19	0.2080	–	0.2080
08/06/19 to 07/07/19	0.2218	–	0.2218
08/07/19 to 07/08/19	0.2148	–	0.2148
08/08/19 to 07/09/19	0.2085	–	0.2085
<b>Group 2</b>			
08/05/19 to 07/06/19	0.2080	–	0.2080
08/06/19 to 07/07/19	0.2218	–	0.2218
08/07/19 to 07/08/19	0.2148	–	0.2148
08/08/19 to 07/09/19	0.2085	–	0.2085
<b>Total distributions in the period</b>			<b>0.8531</b>

### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.2328	–	0.2328	0.2675
08/04/19 to 07/05/19	0.2224	–	0.2224	0.3165
08/05/19 to 07/06/19	0.2206	–	0.2206	0.2458
08/06/19 to 07/07/19	0.2161	–	0.2161	0.2563
08/07/19 to 07/08/19	0.2073	–	0.2073	0.2555
08/08/19 to 07/09/19	0.2005	–	0.2005	0.2477
<b>Group 2</b>				
08/03/19 to 07/04/19	0.0832	0.1496	0.2328	0.2675
08/04/19 to 07/05/19	0.0999	0.1225	0.2224	0.3165
08/05/19 to 07/06/19	0.0936	0.1270	0.2206	0.2458
08/06/19 to 07/07/19	0.1077	0.1084	0.2161	0.2563
08/07/19 to 07/08/19	0.0935	0.1138	0.2073	0.2555
08/08/19 to 07/09/19	0.0636	0.1369	0.2005	0.2477
<b>Total distributions in the period</b>			<b>1.2997</b>	<b>1.5893</b>

### Class Z – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.2328	–	0.2328	0.2675
08/04/19 to 07/05/19	0.2224	–	0.2224	0.3165
08/05/19 to 07/06/19	0.2206	–	0.2206	0.2458
08/06/19 to 07/07/19	0.2161	–	0.2161	0.2563
08/07/19 to 07/08/19	0.2073	–	0.2073	0.2554
08/08/19 to 07/09/19	0.2005	–	0.2005	0.2478
<b>Group 2</b>				
08/03/19 to 07/04/19	0.1719	0.0609	0.2328	0.2675
08/04/19 to 07/05/19	0.0983	0.1241	0.2224	0.3165
08/05/19 to 07/06/19	0.0403	0.1803	0.2206	0.2458
08/06/19 to 07/07/19	0.0913	0.1248	0.2161	0.2563
08/07/19 to 07/08/19	0.0679	0.1394	0.2073	0.2554
08/08/19 to 07/09/19	0.0840	0.1165	0.2005	0.2478
<b>Total distributions in the period</b>			<b>1.2997</b>	<b>1.5893</b>

### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.3085	–	0.3085	0.3436
08/04/19 to 07/05/19	0.2954	–	0.2954	0.4076
08/05/19 to 07/06/19	0.2937	–	0.2937	0.3176
08/06/19 to 07/07/19	0.2883	–	0.2883	0.3320
08/07/19 to 07/08/19	0.2772	–	0.2772	0.3316
08/08/19 to 07/09/19	0.2685	–	0.2685	0.3226
<b>Group 2</b>				
08/03/19 to 07/04/19	0.1476	0.1609	0.3085	0.3436
08/04/19 to 07/05/19	0.0201	0.2753	0.2954	0.4076
08/05/19 to 07/06/19	0.1048	0.1889	0.2937	0.3176
08/06/19 to 07/07/19	0.1722	0.1161	0.2883	0.3320
08/07/19 to 07/08/19	0.1141	0.1631	0.2772	0.3316
08/08/19 to 07/09/19	0.0587	0.2098	0.2685	0.3226
<b>Total distributions in the period</b>			<b>1.7316</b>	<b>2.0550</b>

Group 2: shares purchased during a distribution period.

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

## Threadneedle Strategic Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross income shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	45.20	46.43	47.31	45.29	46.51	47.39
Return before operating charges (p)	2.13	0.82	1.41	2.13	0.84	1.41
Operating charges (p)	(0.33)	(0.65)	(0.68)	(0.33)	(0.65)	(0.68)
Return after operating charges (p)*	1.80	0.17	0.73	1.80	0.19	0.73
Distributions (p)	(0.59)	(1.40)	(1.61)	(0.59)	(1.41)	(1.61)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	46.41	45.20	46.43	46.50	45.29	46.51
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	3.98	0.37	1.54	3.97	0.41	1.54
<b>Other information</b>						
Closing net asset value (£000)	27,020	28,976	33,385	499	7,836	8,838
Closing number of shares	58,216,389	64,100,246	71,906,636	1,074,153	17,303,800	19,002,136
Operating charges (%)**	1.43 <sup>†</sup>	1.43	1.43	1.45 <sup>†</sup>	1.43	1.43
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	46.88	46.60	47.88	46.97	46.69	47.97
Lowest share price (p)	45.36	44.44	46.62	45.44	44.52	46.71
	Class 2 – Income shares			Class 2 – Gross income shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	49.28	50.36	51.06	52.05	53.20	53.94
Return before operating charges (p)	2.33	0.91	1.52	2.46	0.95	1.60
Operating charges (p)	(0.21)	(0.41)	(0.42)	(0.22)	(0.43)	(0.44)
Return after operating charges (p)*	2.12	0.50	1.10	2.24	0.52	1.16
Distributions (p)	(0.67)	(1.58)	(1.80)	(0.71)	(1.67)	(1.90)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	50.73	49.28	50.36	53.58	52.05	53.20
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	4.30	0.99	2.15	4.30	0.98	2.15
<b>Other information</b>						
Closing net asset value (£000)	6,680	6,892	7,114	15,459	14,939	4,259
Closing number of shares	13,168,832	13,984,353	14,125,014	28,853,928	28,700,737	8,007,233
Operating charges (%)**	0.82 <sup>†</sup>	0.82	0.82	0.82 <sup>†</sup>	0.82	0.82
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	51.22	50.56	51.75	54.10	53.40	54.67
Lowest share price (p)	49.45	48.41	50.58	52.23	51.13	53.42

## Threadneedle Strategic Bond Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Gross accumulation shares <sup>5</sup>			Class X – Gross accumulation shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	119.17	117.95	115.46	100.00		
Return before operating charges (p)	5.63	2.19	3.46	2.55		
Operating charges (p)	(0.50)	(0.97)	(0.97)	(0.02)		
Return after operating charges (p)*	5.13	1.22	2.49	2.53		
Distributions (p)	(1.63)	(3.77)	(4.14)	(0.85)		
Retained distributions on accumulation shares (p)	1.63	3.77	4.14	0.85		
Closing net asset value per share (p)	124.30	119.17	117.95	102.53		
*after direct transaction costs of (p)	–	–	–	–		
<b>Performance</b>						
Return after charges (%)	4.30	1.03	2.16	2.53		
<b>Other information</b>						
Closing net asset value (£000)	63,709	65,104	89,609	7,390		
Closing number of shares	51,255,943	54,632,514	75,969,699	7,207,402		
Operating charges (%)**	0.82 <sup>†</sup>	0.82	0.82	0.07 <sup>†</sup>		
Direct transaction costs (%)***	–	–	–	–		
<b>Prices</b>						
Highest share price (p)	125.12	119.54	119.67	103.19		
Lowest share price (p)	119.58	116.16	115.55	100.00		
	Class Z – Income shares			Class Z – Gross income shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	98.57	100.58	101.82	98.57	100.58	101.82
Return before operating charges (p)	4.63	1.81	3.04	4.63	1.81	3.04
Operating charges (p)	(0.37)	(0.73)	(0.76)	(0.37)	(0.73)	(0.76)
Return after operating charges (p)*	4.26	1.08	2.28	4.26	1.08	2.28
Distributions (p)	(1.30)	(3.09)	(3.52)	(1.30)	(3.09)	(3.52)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	101.53	98.57	100.58	101.53	98.57	100.58
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	4.32	1.07	2.24	4.32	1.07	2.24
<b>Other information</b>						
Closing net asset value (£000)	44,308	46,651	54,494	69,552	65,639	41,356
Closing number of shares	43,639,629	47,330,205	54,181,845	68,501,886	66,592,997	41,118,844
Operating charges (%)**	0.74 <sup>†</sup>	0.74	0.74	0.74 <sup>†</sup>	0.74	0.74
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	102.50	100.97	103.23	102.51	100.97	103.23
Lowest share price (p)	98.91	96.80	100.99	98.91	96.80	100.99

## Threadneedle Strategic Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Gross accumulation shares <sup>§</sup>		
	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	130.62	129.19	126.37
Return before operating charges (p)	6.17	2.39	3.78
Operating charges (p)	(0.50)	(0.96)	(0.96)
Return after operating charges (p)*	5.67	1.43	2.82
Distributions (p)	(1.73)	(4.03)	(4.44)
Retained distributions on accumulation shares (p)	1.73	4.03	4.44
Closing net asset value per share (p)	136.29	130.62	129.19
*after direct transaction costs of (p)	–	–	–
<b>Performance</b>			
Return after charges (%)	4.34	1.11	2.23
<b>Other information</b>			
Closing net asset value (£000)	3,346	3,380	3,329
Closing number of shares	2,454,902	2,587,617	2,576,480
Operating charges (%)**	0.74 <sup>†</sup>	0.74	0.74
Direct transaction costs (%)***	–	–	–
<b>Prices</b>			
Highest share price (p)	137.19	131.03	131.06
Lowest share price (p)	131.07	127.30	126.46

\*\*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 Strategic Bond Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	64,100,246
Shares issued	319,007
Shares redeemed	(5,354,051)
Net conversions	(848,813)
Closing shares	<u>58,216,389</u>
<b>Class 1 – Gross income shares</b>	
Opening shares	17,303,800
Shares issued	48,652
Shares redeemed	(16,268,249)
Net conversions	(10,050)
Closing shares	<u>1,074,153</u>
<b>Class 2 – Income shares</b>	
Opening shares	13,984,353
Shares issued	53,112
Shares redeemed	(465,834)
Net conversions	(402,799)
Closing shares	<u>13,168,832</u>
<b>Class 2 – Gross income shares</b>	
Opening shares	28,700,737
Shares issued	232,500
Shares redeemed	(43,553)
Net conversions	(35,756)
Closing shares	<u>28,853,928</u>
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	54,632,514
Shares issued	1,343,029
Shares redeemed	(4,716,083)
Net conversions	(3,517)
Closing shares	<u>51,255,943</u>
<b>Class X – Gross accumulation shares*</b>	
Opening shares	—
Shares issued	7,207,403
Shares redeemed	(1)
Net conversions	—
Closing shares	<u>7,207,402</u>
<b>Class Z – Income shares</b>	
Opening shares	47,330,205
Shares issued	121,435
Shares redeemed	(4,078,863)
Net conversions	266,852
Closing shares	<u>43,639,629</u>

2019

##### Class Z – Gross income shares

Opening shares	66,592,997
Shares issued	2,171,786
Shares redeemed	(609,326)
Net conversions	346,429
Closing shares	<u>68,501,886</u>

##### Class Z – Gross accumulation shares

Opening shares	2,587,617
Shares issued	43,482
Shares redeemed	(179,405)
Net conversions	3,208
Closing shares	<u>2,454,902</u>

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

## Threadneedle American Fund

### Investment Report

#### Investment Objective and Policy

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

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

The Fund typically invests in fewer than 80 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 7 September 2019, the published share price of the Threadneedle American Fund has risen from 305.08p to 355.24p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +17.04% as compared to a median return of +14.45% over the same period. (For information the S&P 500 Index returned +15.93% over the same period).

### Market Overview and Portfolio Activity

US equities recorded a robust rise during the six-month period under review, supported by the US Federal Reserve (Fed) loosening of monetary policy, broadly positive domestic economic data and well-received corporate earnings. However, intermittent flare-ups in the ongoing trade war with China were a cause for concern, prompting bouts of market volatility. Sentiment was also hurt in August when the US yield curve inverted, which is traditionally viewed as a sign of a possible impending recession.

Dovish signalling by the Fed featured from the start of the review period, as the central bank indicated after its March policy meeting that interest rates were unlikely to rise at all in 2019 – a decided shift from its forecasts at the end of 2018 for more rate hikes. Chairman Powell hinted in early June that the Fed was prepared to lower rates if necessary to protect the domestic economy from the effects of the trade war, feeding anticipation of a reduction. The central bank subsequently followed through at its July meeting, cutting rates for the first time in more than a decade.

The US economy's performance was generally positive; first-quarter (Q1) GDP figures were well ahead of expectations and the strongest since 2015, and growth slowed less than forecast in Q2. However, as the review period progressed, data indicated that, while the consumer sector was robust overall, the industrial sector was enmeshed in a deepening slowdown as the trade war with China continued. A widely watched gauge of US manufacturing indicated in July that growth in the sector had stalled, and in the following month showed the first contraction since 2016. In contrast, the consumer-spending component of GDP recorded its strongest growth in almost five years in Q2, according to revised figures.

Nonetheless, the trade war remained a worry, notably in May, when President Trump pressed ahead with hefty rises in tariffs on some imported Chinese goods, and in August, when he announced a levy on those China-made products that had previously escaped duties, and as China's currency weakened to a more than 10-year low against the dollar. Both of these steps provoked similar retaliatory measures by China, but at the same time, the two countries continued negotiations aimed at resolving the dispute. Also in May,

the Trump administration barred US companies from transferring technology to Chinese electronics firm Huawei, although temporary reprieves enabled business to continue.

We established exposures to Take-Two Interactive Software, Allstate and Albemarle during the review period. The fund also received shares of Dow and DuPont de Nemours as chemicals company DowDuPont carried out its planned separation into three businesses.

Take-Two should be well positioned to leverage its strong library of existing video-gaming titles to capture share within a growing industry. It should also benefit from longer-term secular trends, such as the move to digital distribution from physical and the growth of mobile gaming and e-sports. An increasing component of digital sales in the product mix would bolster earnings. Further, the shift to mobile gaming – which doesn't require a console or PC – should serve to increase the total addressable market across geographies.

Allstate, a property and casualty insurer, is benefiting from stronger top-line growth, positive price dynamics in homeowners' insurance and falling accident frequency trends in auto. The company is likely to build on its track record of repurchasing stock, thereby increasing shareholder returns, and should generate a solid return on equity (ROE) while trading at a meaningfully cheaper multiple to book value than Progressive Corp., its nearest competitor. The valuation has significant potential upside from strong ROE and higher-than-expected earnings.

Albemarle, a speciality chemical company with a focus on lithium – a key metal used in batteries – is supported by its exposure to the electric-vehicle and energy-storage markets. Demand for batteries is likely to increase rapidly over coming decades, as the global economy reduces its reliance on fossil fuels. Albemarle also has non-lithium business lines in bromine and chemical catalysts, which provide a useful complement and have recently performed better than expected. These businesses tend to be high-margin and help to fund the expansion of the lithium segment. We are also seeing an inflection point in cashflow generation and improved margin growth, driven by growth in the lithium business.

The fund increased its holdings of Amazon, Citigroup and Home Depot, while taking some profits on Microsoft, CME Group and Adobe. JPMorgan Chase, UnitedHealth Group, Walmart, Steel Dynamics and Boeing were among positions that were exited.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	320,778	312,118
Revenue	17,754	19,445
Expenses	(9,305)	(12,746)
Interest payable and similar charges	–	(7)
Net revenue before taxation	8,449	6,692
Taxation	(2,536)	(2,616)
Net revenue after taxation	5,913	4,076
<b>Total return before equalisation</b>	<b>326,691</b>	<b>316,194</b>
Equalisation	655	18
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>327,346</b>	<b>316,212</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	2,217,374	1,977,313
<b>Current assets:</b>		
Debtors	2,810	33,449
Cash and bank balances	2,949	9,509
Cash equivalents**	13,969	41
<b>Total assets</b>	<b>2,237,102</b>	<b>2,020,312</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	–	(133)
Other creditors	(8,117)	(31,823)
<b>Total liabilities</b>	<b>(8,117)</b>	<b>(31,956)</b>
<b>Net assets attributable to shareholders</b>	<b>2,228,985</b>	<b>1,988,356</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>1,988,356</b>	<b>2,377,446</b>
Amounts receivable on the issue of shares	317,527	726,586
Amounts payable on the cancellation of shares	(404,244)	(715,912)
	(86,717)	10,674
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	327,346	316,212
<b>Closing net assets attributable to shareholders</b>	<b>2,228,985</b>	<b>2,704,332</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

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

## Threadneedle American Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 EUR – Income shares
	07/09/2019	07/03/2019	07/03/2018	09/11/2018 <sup>1</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	304.98	285.17	270.62	304.69
Return before operating charges (p)	52.81	24.63	19.00	9.98
Operating charges (p)	(2.70)	(4.82)	(4.45)	(5.65)
Return after operating charges (p)*	50.11	19.81	14.55	4.33
Distributions (p)	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–
Closing net asset value per share (p)	355.09	304.98	285.17	309.02
*after direct transaction costs of (p)	0.02	0.14	0.21	0.17
<b>Performance</b>				
Return after charges (%)	16.43	6.95	5.38	1.42
<b>Other information</b>				
Closing net asset value (£000)	1,120	1,161	4,803	–
Closing number of shares	315,332	380,807	1,684,411	–
Operating charges (%)**	1.62 <sup>†</sup>	1.64	1.63	–
Direct transaction costs (%)***	0.01	0.05	0.08	–
<b>Prices</b>				
Highest share price (p)	363.67	331.24	295.25	331.24
Lowest share price (p)	303.73	264.90	254.18	297.04
	Class 1 – Accumulation shares			Class 1 EUR – Accumulation shares
	07/09/2019	07/03/2019	07/03/2018	09/11/2018 <sup>1</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	305.07	285.25	270.69	304.78
Return before operating charges (p)	52.81	24.71	19.02	9.98
Operating charges (p)	(2.69)	(4.89)	(4.46)	(5.65)
Return after operating charges (p)*	50.12	19.82	14.56	4.33
Distributions (p)	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–
Closing net asset value per share (p)	355.19	305.07	285.25	309.11
*after direct transaction costs of (p)	0.02	0.14	0.21	0.17
<b>Performance</b>				
Return after charges (%)	16.43	6.95	5.38	1.42
<b>Other information</b>				
Closing net asset value (£000)	163,362	342,266	485,728	–
Closing number of shares	45,993,268	112,193,586	170,279,598	–
Operating charges (%)**	1.64 <sup>†</sup>	1.63	1.63	–
Direct transaction costs (%)***	0.01	0.05	0.08	–
<b>Prices</b>				
Highest share price (p)	363.76	331.33	295.32	331.33
Lowest share price (p)	303.82	264.98	254.24	297.13



## Threadneedle American Fund

### Comparative Table Disclosure

(continued)

	Class 1 USD – Accumulation shares			Class 1 EUR Hedged – Accumulation shares		
	09/11/2018 <sup>1</sup>			09/11/2018 <sup>2</sup>	07/03/2018	07/03/2017
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	304.78			312.10	258.59	196.48
Return before operating charges (p)	9.98			(5.69)	58.21	65.76
Operating charges (p)	(5.65)			(3.20)	(4.70)	(3.65)
Return after operating charges (p)*	4.33			(8.89)	53.51	62.11
Distributions (p)	–			–	–	(0.07)
Retained distributions on accumulation shares (p)	–			–	–	0.07
Closing net asset value per share (p)	309.11			303.21	312.10	258.59
*after direct transaction costs of (p)	0.17			0.26	0.23	0.37
<b>Performance</b>						
Return after charges (%)	1.42			(2.85)	20.69	31.61
<b>Other information</b>						
Closing net asset value (£000)	–			–	4,750	3,157
Closing number of shares	–			–	1,522,027	1,220,851
Operating charges (%)**	–			–	1.63	1.62
Direct transaction costs (%)***	–			–	0.08	0.16
<b>Prices</b>						
Highest share price (p)	331.33			333.94	323.85	258.60
Lowest share price (p)	297.13			286.30	245.95	193.21
	Class 2 – Accumulation shares			Class 2 EUR – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	09/11/2018 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	346.32	321.97	303.79	344.55		
Return before operating charges (p)	60.07	27.95	21.45	9.87		
Operating charges (p)	(2.01)	(3.60)	(3.27)	(4.16)		
Return after operating charges (p)*	58.06	24.35	18.18	5.71		
Distributions (p)	–	(1.00)	(0.85)	(0.46)		
Retained distributions on accumulation shares (p)	–	1.00	0.85	0.46		
Closing net asset value per share (p)	404.38	346.32	321.97	350.26		
*after direct transaction costs of (p)	0.02	0.16	0.24	0.20		
<b>Performance</b>						
Return after charges (%)	16.76	7.56	5.98	1.66		
<b>Other information</b>						
Closing net asset value (£000)	1,065,837	943,486	1,235,583	–		
Closing number of shares	263,571,782	272,430,969	383,761,073	–		
Operating charges (%)**	1.06 <sup>1</sup>	1.06	1.06	–		
Direct transaction costs (%)***	0.01	0.05	0.08	–		
<b>Prices</b>						
Highest share price (p)	413.91	375.20	333.15	375.20		
Lowest share price (p)	344.91	299.22	285.52	336.63		

## Threadneedle American Fund

### Comparative Table Disclosure

(continued)

	Class 2 USD – Accumulation shares			Class X – Accumulation shares		
	09/11/2018 <sup>1</sup>			07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	344.55			375.48	345.57	322.85
Return before operating charges (p)	9.88			65.28	30.13	22.92
Operating charges (p)	(4.17)			(0.13)	(0.22)	(0.20)
Return after operating charges (p)*	5.71			65.15	29.91	22.72
Distributions (p)	(0.46)			–	(4.76)	(4.20)
Retained distributions on accumulation shares (p)	0.46			–	4.76	4.20
Closing net asset value per share (p)	350.26			440.63	375.48	345.57
*after direct transaction costs of (p)	0.20			0.03	0.18	0.26
<b>Performance</b>						
Return after charges (%)	1.66			17.35	8.66	7.04
<b>Other information</b>						
Closing net asset value (£000)	–			564,306	319,657	247,116
Closing number of shares	–			128,067,896	85,132,032	71,508,964
Operating charges (%)**	–			0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	–			0.01	0.05	0.08
<b>Prices</b>						
Highest share price (p)	375.20			450.55	405.06	357.25
Lowest share price (p)	336.63			373.96	321.44	303.80
	Class Z – Income shares			Class Z – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	257.47	240.05	227.09	267.92	248.51	233.96
Return before operating charges (p)	44.68	20.86	16.04	46.48	21.59	16.52
Operating charges (p)	(1.17)	(2.12)	(1.92)	(1.22)	(2.18)	(1.97)
Return after operating charges (p)*	43.51	18.74	14.12	45.26	19.41	14.55
Distributions (p)	–	(1.32)	(1.16)	–	(1.37)	(1.19)
Retained distributions on accumulation shares (p)	–	–	–	–	1.37	1.19
Closing net asset value per share (p)	300.98	257.47	240.05	313.18	267.92	248.51
*after direct transaction costs of (p)	0.02	0.12	0.18	0.02	0.13	0.19
<b>Performance</b>						
Return after charges (%)	16.90	7.81	6.22	16.89	7.81	6.22
<b>Other information</b>						
Closing net asset value (£000)	31,869	25,907	22,354	402,491	355,879	376,544
Closing number of shares	10,588,528	10,061,816	9,312,193	128,515,934	132,832,174	151,521,910
Operating charges (%)**	0.83 <sup>†</sup>	0.83	0.83	0.83 <sup>†</sup>	0.83	0.83
Direct transaction costs (%)***	0.01	0.05	0.08	0.01	0.05	0.08
<b>Prices</b>						
Highest share price (p)	308.00	280.10	249.54	320.49	289.98	257.09
Lowest share price (p)	256.42	223.13	213.49	266.82	231.00	219.95

## Threadneedle American Fund

### Comparative Table Disclosure

(continued)

	Class Z USD – Accumulation shares	Class Z EUR Hedged – Accumulation shares		
	09/11/2018 <sup>1</sup>	09/11/2018 <sup>2</sup>	07/03/2018	07/03/2017
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	266.11	176.13	144.71	109.07
Return before operating charges (p)	7.17	(3.14)	32.75	36.68
Operating charges (p)	(2.52)	(0.92)	(1.33)	(1.04)
Return after operating charges (p)*	4.65	(4.06)	31.42	35.64
Distributions (p)	(0.76)	(0.50)	(0.80)	(1.05)
Retained distributions on accumulation shares (p)	0.76	0.50	0.80	1.05
Closing net asset value per share (p)	270.76	172.07	176.13	144.71
*after direct transaction costs of (p)	0.15	0.14	0.13	0.21
<b>Performance</b>				
Return after charges (%)	1.75	(2.31)	21.71	32.68
<b>Other information</b>				
Closing net asset value (£000)	–	–	568	449
Closing number of shares	–	–	322,276	310,276
Operating charges (%)**	–	–	0.83	0.82
Direct transaction costs (%)***	–	–	0.08	0.16
<b>Prices</b>				
Highest share price (p)	289.98	189.22	182.48	144.72
Lowest share price (p)	260.21	161.67	137.77	107.26

\*\*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 9 November 2018.

<sup>2</sup>Closed 9 November 2018.

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

## Threadneedle American Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	380,807
Shares issued	7,008
Shares redeemed	(44,071)
Net conversions	(28,412)
Closing shares	<u>315,332</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	112,193,586
Shares issued	6,709,409
Shares redeemed	(72,552,107)
Net conversions	(357,620)
Closing shares	<u>45,993,268</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	272,430,969
Shares issued	13,403,389
Shares redeemed	(20,202,287)
Net conversions	(2,060,289)
Closing shares	<u>263,571,782</u>
<b>Class X – Accumulation shares</b>	
Opening shares	85,132,032
Shares issued	55,250,229
Shares redeemed	(12,314,365)
Net conversions	–
Closing shares	<u>128,067,896</u>
<b>Class Z – Income shares</b>	
Opening shares	10,061,816
Shares issued	892,841
Shares redeemed	(435,159)
Net conversions	69,030
Closing shares	<u>10,588,528</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	132,832,174
Shares issued	3,685,913
Shares redeemed	(11,037,692)
Net conversions	3,035,539
Closing shares	<u>128,515,934</u>

## Threadneedle American Select 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 invests at least 75% of its assets in a concentrated portfolio of shares of companies domiciled in the United States of America (US), or which have significant US business operations.

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 within any industry or economic sector, with significant sector and share weightings taken at the discretion of the fund manager. There is no restriction on company size, however, 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. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

The Fund typically invests in fewer than 60 companies, which may include the 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 7 September 2019, the published share price of the Threadneedle American Select Fund has risen from 317.62p to 360.63p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +14.23% as compared to a median return of +14.45% over the same period. (For information the S&P 500 Index returned +15.93% over the same period, and the NASDAQ Composite Index returned +16.09%).

#### Market Overview and Portfolio Activity

US equities recorded a robust rise during the six-month period under review, supported by the US Federal Reserve (Fed) loosening of monetary policy, broadly positive domestic economic data and well-received corporate earnings. However, intermittent flare-ups in the ongoing trade war with China were a cause for concern, prompting bouts of market volatility. Sentiment was also hurt in August when the US yield curve inverted, which is traditionally viewed as a sign of a possible impending recession.

Dovish signalling by the Fed featured from the start of the review period, as the central bank indicated after its March policy meeting that interest rates were unlikely to rise at all in 2019 – a decided shift from its forecasts at the end of 2018 for more rate hikes. Chairman Powell hinted in early June that the Fed was prepared to lower rates if necessary to protect the domestic economy from the effects of the trade war, feeding anticipation of a reduction. The central bank subsequently followed through at its July meeting, cutting rates for the first time in more than a decade.

The US economy's performance was generally positive; first-quarter (Q1) GDP figures were well ahead of expectations and the strongest since 2015, and growth slowed less than forecast in Q2. However, as the review period progressed, data indicated that, while the consumer sector was robust overall, the industrial sector was enmeshed in a deepening slowdown as the trade war with China continued. A widely watched gauge of US manufacturing indicated in July that growth in the sector had stalled, and in the following month showed the first contraction since 2016. In contrast, the

consumer-spending component of GDP recorded its strongest growth in almost five years in Q2, according to revised figures.

Nonetheless, the trade war remained a worry, notably in May, when President Trump pressed ahead with hefty rises in tariffs on some imported Chinese goods, and in August, when he announced a levy on those China-made products that had previously escaped duties, and as China's currency weakened to the lowest level in more than 10 years against the dollar. Both of these steps provoked similar retaliatory measures by China, but at the same time, the two countries continued negotiations aimed at resolving the dispute. Also in May, the Trump administration barred US companies from transferring technology to Chinese electronics firm Huawei, although temporary reprieves enabled business to continue.

We established exposures to VMware, Walt Disney and Curtiss-Wright, among others, during the review period.

VMware is a leading provider of enterprise virtualisation software. The company reported a slight increase in revenue guidance and earnings per share in its Q2 results in August, while maintaining its full-year outlook. This is a positive development, considering some of the headwinds in infrastructure IT. Two recent acquisitions and the partnership with Amazon Web Services to create a jointly developed cloud offering should support the stock.

The fund increased its allocations to Alphabet, Amazon and Apple, while taking some profits on LAM Research, Adobe and Edwards Lifesciences. Broadcom, eBay, Boeing and Tapestry were among positions that were closed.

The escalation in the US-China trade war in August means that despite a better-than-expected Q2 results season, we expect earnings to be muted for the remainder of the year, with low-single-digit profits growth for 2019. We have also observed a diverging domestic economy, with a strong consumer on the one hand and a weak manufacturing sector on the other. As such, the outlook for US equities remains uncertain and policy-dependent. It is also extremely difficult to forecast an outcome for the trade war, given Trump's unpredictable personality. The Fed appears keen to support markets, but it is unclear as to whether interest-rate cuts will be sufficient to offset the impact of the trade war.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	112,985	126,715
Revenue	4,952	6,706
Expenses	(4,829)	(7,650)
Interest payable and similar charges	–	(7)
Net revenue/(expense) before taxation	123	(951)
Taxation	(602)	(804)
Net expense after taxation	(479)	(1,755)
<b>Total return before equalisation</b>	<b>112,506</b>	<b>124,960</b>
Equalisation	91	10
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>112,597</b>	<b>124,970</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	847,972	776,290
<b>Current assets:</b>		
Debtors	703	918
Cash and bank balances	51,049	54,814
Total assets	899,724	832,022
<b>Liabilities:</b>		
<b>Investment liabilities</b>	–	(1)
<b>Creditors:</b>		
Distribution payable	–	(17)
Other creditors	(2,934)	(2,040)
Total liabilities	(2,934)	(2,058)
<b>Net assets attributable to shareholders</b>	<b>896,790</b>	<b>829,964</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>829,964</b>	<b>1,163,462</b>
Amounts receivable on the issue of shares	52,269	520,219
Amounts payable on the cancellation of shares	(98,040)	(490,982)
	(45,771)	29,237
Dilution adjustment	–	37
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	112,597	124,970
<b>Closing net assets attributable to shareholders</b>	<b>896,790</b>	<b>1,317,706</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

## Threadneedle American Select Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 EUR – Income shares
	07/09/2019	07/03/2019	07/03/2018	09/11/2018 <sup>1</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	317.42	296.95	284.56	314.33
Return before operating charges (p)	45.70	25.47	17.03	6.78
Operating charges (p)	(2.78)	(5.00)	(4.64)	(5.80)
Return after operating charges (p)*	42.92	20.47	12.39	0.98
Distributions (p)	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–
Closing net asset value per share (p)	360.34	317.42	296.95	315.31
*after direct transaction costs of (p)	0.03	0.21	0.29	0.25
<b>Performance</b>				
Return after charges (%)	13.52	6.89	4.35	0.31
<b>Other information</b>				
Closing net asset value (£000)	849	755	2,691	–
Closing number of shares	235,647	237,827	906,216	–
Operating charges (%)**	1.62 <sup>1</sup>	1.64	1.63	–
Direct transaction costs (%)***	0.02	0.07	0.10	–
<b>Prices</b>				
Highest share price (p)	370.89	340.40	304.86	340.40
Lowest share price (p)	316.21	274.23	265.57	299.77
	Class 1 – Accumulation shares			Class 1 EUR – Accumulation shares
	07/09/2019	07/03/2019	07/03/2018	09/11/2018 <sup>1</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	317.60	297.12	284.72	314.51
Return before operating charges (p)	45.73	25.50	17.04	6.79
Operating charges (p)	(2.79)	(5.02)	(4.64)	(5.81)
Return after operating charges (p)*	42.94	20.48	12.40	0.98
Distributions (p)	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–
Closing net asset value per share (p)	360.54	317.60	297.12	315.49
*after direct transaction costs of (p)	0.03	0.22	0.29	0.25
<b>Performance</b>				
Return after charges (%)	13.52	6.89	4.36	0.31
<b>Other information</b>				
Closing net asset value (£000)	264,399	288,681	515,779	–
Closing number of shares	73,333,623	90,893,642	173,594,227	–
Operating charges (%)**	1.63 <sup>1</sup>	1.63	1.63	–
Direct transaction costs (%)***	0.02	0.07	0.10	–
<b>Prices</b>				
Highest share price (p)	371.10	340.59	305.03	340.59
Lowest share price (p)	316.38	274.38	265.71	299.93

## Threadneedle American Select Fund

### Comparative Table Disclosure

(continued)

	Class 1 USD – Accumulation shares			Class 1 EUR Hedged – Accumulation shares		
	09/11/2018			09/11/2018 <sup>2</sup>	07/03/2018	07/03/2017
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	314.51			268.91	224.99	165.30
Return before operating charges (p)	6.78			(10.09)	47.92	62.73
Operating charges (p)	(5.80)			(2.93)	(4.00)	(3.04)
Return after operating charges (p)*	0.98			(13.02)	43.92	59.69
Distributions (p)	–			–	–	–
Retained distributions on accumulation shares (p)	–			–	–	–
Closing net asset value per share (p)	315.49			255.89	268.91	224.99
*after direct transaction costs of (p)	0.25			0.13	0.25	0.22
<b>Performance</b>						
Return after charges (%)	0.31			(4.84)	19.52	36.11
<b>Other information</b>						
Closing net asset value (£000)	–			–	1,341	1,098
Closing number of shares	–			–	498,703	487,943
Operating charges (%)**	–			–	1.63	1.62
Direct transaction costs (%)***	–			–	0.10	0.11
<b>Prices</b>						
Highest share price (p)	340.59			284.22	276.72	225.01
Lowest share price (p)	299.93			243.49	212.66	162.45
	Class 2 – Accumulation shares			Class 2 USD – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	09/11/2018 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	360.83	335.62	319.78	355.83		
Return before operating charges (p)	52.03	28.93	19.25	6.27		
Operating charges (p)	(2.07)	(3.72)	(3.41)	(4.34)		
Return after operating charges (p)*	49.96	25.21	15.84	1.93		
Distributions (p)	–	–	(0.33)	–		
Retained distributions on accumulation shares (p)	–	–	0.33	–		
Closing net asset value per share (p)	410.79	360.83	335.62	357.76		
*after direct transaction costs of (p)	0.04	0.25	0.32	0.28		
<b>Performance</b>						
Return after charges (%)	13.85	7.51	4.95	0.54		
<b>Other information</b>						
Closing net asset value (£000)	238,967	215,952	281,257	–		
Closing number of shares	58,171,980	59,848,373	83,802,021	–		
Operating charges (%)**	1.06 <sup>1</sup>	1.06	1.06	–		
Direct transaction costs (%)***	0.02	0.07	0.10	–		
<b>Prices</b>						
Highest share price (p)	422.58	385.83	344.36	385.83		
Lowest share price (p)	359.45	310.08	298.63	340.07		

## Threadneedle American Select Fund

### Comparative Table Disclosure

(continued)

	Class 2 EUR Hedged – Accumulation shares			Class X – Accumulation shares		
	09/11/2018 <sup>2</sup>	07/03/2018	07/03/2017	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	231.04	192.12	140.23	165.55	152.44	143.81
Return before operating charges (p)	(8.17)	41.14	53.57	23.90	13.21	8.72
Operating charges (p)	(1.68)	(2.22)	(1.68)	(0.05)	(0.10)	(0.09)
Return after operating charges (p)*	(9.85)	38.92	51.89	23.85	13.11	8.63
Distributions (p)	–	(0.21)	(0.63)	–	(1.48)	(1.60)
Retained distributions on accumulation shares (p)	–	0.21	0.63	–	1.48	1.60
Closing net asset value per share (p)	221.19	231.04	192.12	189.40	165.55	152.44
*after direct transaction costs of (p)	0.11	0.21	0.18	0.02	0.11	0.15
<b>Performance</b>						
Return after charges (%)	(4.26)	20.26	37.00	14.41	8.60	6.00
<b>Other information</b>						
Closing net asset value (£000)	–	255	357	71,307	24,771	20,889
Closing number of shares	–	110,361	185,799	37,648,245	14,962,715	13,703,331
Operating charges (%)**	–	1.06	1.05	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	–	0.10	0.11	0.02	0.07	0.10
<b>Prices</b>						
Highest share price (p)	245.24	237.55	192.14	194.64	176.13	156.27
Lowest share price (p)	210.39	181.71	137.82	164.93	140.96	134.46
	Class Z – Income shares			Class Z – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	247.57	230.08	219.41	254.34	236.03	224.39
Return before operating charges (p)	35.71	19.85	13.23	36.68	20.36	13.51
Operating charges (p)	(1.11)	(2.01)	(1.83)	(1.14)	(2.05)	(1.87)
Return after operating charges (p)*	34.60	17.84	11.40	35.54	18.31	11.64
Distributions (p)	–	(0.35)	(0.73)	–	(0.36)	(0.74)
Retained distributions on accumulation shares (p)	–	–	–	–	0.36	0.74
Closing net asset value per share (p)	282.17	247.57	230.08	289.88	254.34	236.03
*after direct transaction costs of (p)	0.03	0.17	0.22	0.03	0.17	0.23
<b>Performance</b>						
Return after charges (%)	13.98	7.75	5.20	13.97	7.76	5.19
<b>Other information</b>						
Closing net asset value (£000)	13,303	12,192	12,205	307,675	287,330	328,751
Closing number of shares	4,714,508	4,924,811	5,304,581	106,137,982	112,971,009	139,282,738
Operating charges (%)**	0.83 <sup>†</sup>	0.83	0.83	0.83 <sup>†</sup>	0.83	0.83
Direct transaction costs (%)***	0.02	0.07	0.10	0.02	0.07	0.10
<b>Prices</b>						
Highest share price (p)	290.19	264.79	236.76	298.13	271.65	242.13
Lowest share price (p)	246.62	212.61	204.96	253.37	218.11	209.61



## Threadneedle American Select Fund

### Comparative Table Disclosure

(continued)

	Class Z EUR – Accumulation shares			Class Z USD – Accumulation shares		
	09/11/2018 <sup>1</sup>			09/11/2018 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	250.40			250.40		
Return before operating charges (p)	4.80			3.31		
Operating charges (p)	(3.21)			(1.72)		
Return after operating charges (p)*	1.59			1.59		
Distributions (p)	(0.08)			(0.08)		
Retained distributions on accumulation shares (p)	0.08			0.08		
Closing net asset value per share (p)	251.99			251.99		
*after direct transaction costs of (p)	0.27			0.15		
<b>Performance</b>						
Return after charges (%)	0.63			0.63		
<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)	271.65			271.65		
Lowest share price (p)	239.52			239.52		
	Class Z CHF Hedged – Accumulation shares			Class Z GBP Hedged – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	152.66	156.88	141.82	145.23	144.82	123.09
Return before operating charges (p)	21.41	(2.96)	16.26	8.74	1.60	22.82
Operating charges (p)	(0.69)	(1.26)	(1.20)	(0.63)	(1.19)	(1.09)
Return after operating charges (p)*	20.72	(4.22)	15.06	8.11	0.41	21.73
Distributions (p)	–	(0.22)	(0.50)	–	(0.20)	(0.43)
Retained distributions on accumulation shares (p)	–	0.22	0.50	–	0.20	0.43
Closing net asset value per share (p)	173.38	152.66	156.88	153.34	145.23	144.82
*after direct transaction costs of (p)	0.02	0.11	0.15	0.01	0.10	0.13
<b>Performance</b>						
Return after charges (%)	13.57	(2.69)	10.62	5.58	0.28	17.65
<b>Other information</b>						
Closing net asset value (£000)	17	15	16	273	268	278
Closing number of shares	10,000	10,000	10,000	177,825	184,308	192,079
Operating charges (%)**	0.83 <sup>†</sup>	0.82	0.82	0.83 <sup>†</sup>	0.83	0.83
Direct transaction costs (%)***	0.02	0.07	0.10	0.02	0.07	0.10
<b>Prices</b>						
Highest share price (p)	178.90	171.37	161.98	156.91	153.72	151.19
Lowest share price (p)	151.25	135.60	134.62	141.73	122.40	119.91

\*\*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 9 November 2018.

<sup>2</sup>Closed 9 November 2018.

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

## Threadneedle American Select Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	237,827
Shares issued	15,105
Shares redeemed	(12,262)
Net conversions	(5,023)
Closing shares	<u>235,647</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	90,893,642
Shares issued	371,600
Shares redeemed	(17,646,160)
Net conversions	(285,459)
Closing shares	<u>73,333,623</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	59,848,373
Shares issued	1,917,563
Shares redeemed	(3,593,956)
Net conversions	–
Closing shares	<u>58,171,980</u>
<b>Class X – Accumulation shares</b>	
Opening shares	14,962,715
Shares issued	23,968,630
Shares redeemed	(1,283,100)
Net conversions	–
Closing shares	<u>37,648,245</u>
<b>Class Z – Income shares</b>	
Opening shares	4,924,811
Shares issued	138,118
Shares redeemed	(428,959)
Net conversions	80,538
Closing shares	<u>4,714,508</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	112,971,009
Shares issued	25,377
Shares redeemed	(7,142,207)
Net conversions	283,803
Closing shares	<u>106,137,982</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>

	2019
<b>Class Z GBP Hedged – Accumulation shares</b>	
Opening shares	184,308
Shares issued	–
Shares redeemed	(6,483)
Net conversions	–
Closing shares	<u>177,825</u>

## Threadneedle American Smaller Companies Fund (US)

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve capital growth over the long term. It looks to outperform the Russell 2500 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 shares of American smaller companies.

The Fund considers American smaller companies to be those domiciled in the United States of America (US), or with significant US business operations, and which have a market size ranging from typically \$500 million to \$10 billion at the time of investment.

The Fund selects smaller companies considered to have good prospects for share price growth, from any industry or economic sector, and in some instances, this may provide exposure to niche growth areas that often cannot be accessed by large companies.

The Fund typically invests in fewer than 80 companies, which may include shares of some companies not within the Russell 2500 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.

The Russell 2500 Index is regarded as an appropriate performance measure of shares of small to medium sized companies listed on US stock markets, with around 2500 companies included. It 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 7 September 2019, the published share price of the Threadneedle American Smaller Companies Fund (US) has risen from 322.10p to 365.41p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested

income, is +13.94% as compared to a median return of +13.17% over the same period. (For information the Russell 2500 returned +8.18% over the same period).

#### Market Overview and Portfolio Activity

US equities recorded a robust rise during the six-month period under review, supported by the US Federal Reserve (Fed) loosening of monetary policy, broadly positive domestic economic data and well-received corporate earnings. However, intermittent flare-ups in the ongoing trade war with China were a cause for concern, prompting bouts of market volatility. Sentiment was also hurt in August when the US yield curve inverted, which is traditionally viewed as a sign of a possible impending recession.

Dovish signalling by the Fed featured from the start of the review period, as the central bank indicated after its March policy meeting that interest rates were unlikely to rise at all in 2019 – a decided shift from its forecasts at the end of 2018 for more rate hikes. Chairman Powell hinted in early June that the Fed was prepared to lower rates if necessary to protect the domestic economy from the effects of the trade war, feeding anticipation of a reduction. The central bank subsequently followed through at its July meeting, cutting rates for the first time in more than a decade.

The US economy's performance was generally positive; first-quarter (Q1) GDP figures were well ahead of expectations and the strongest since 2015, and growth slowed less than forecast in Q2. However, as the review period progressed, data indicated that, while the consumer sector was robust overall, the industrial sector was enmeshed in a deepening slowdown as the trade war with China continued. A widely watched gauge of US manufacturing indicated in July that growth in the sector had stalled, and in the following month showed the first contraction since 2016. In contrast, the consumer-spending component of GDP recorded its strongest growth in almost five years in Q2, according to revised figures.

Nonetheless, the trade war remained a worry, notably in May, when President Trump pressed ahead with hefty rises in tariffs on some imported Chinese goods, and in August, when he announced a levy on those China-made products that had previously escaped duties, and as China's currency weakened to the lowest level in more than 10 years against the dollar. Both of these steps provoked similar retaliatory measures by China, but at the same time, the two countries continued negotiations aimed at resolving the dispute. Also in May, the Trump administration barred US companies from transferring technology to Chinese electronics firm Huawei, although temporary reprieves enabled business to continue.

We established positions in Take-Two Interactive Software, OneSpaWorld and KBR during the period.

Take-Two should be well positioned to leverage its strong library of existing video-gaming titles to capture share within a growing industry. It should also benefit from longer-term secular trends, such as the move to digital distribution from physical and the growth of mobile gaming and e-sports. An increasing component of digital sales in the product mix would bolster earnings. Further, the shift to mobile gaming – which doesn't require a console or PC – should serve to increase the total addressable market across geographies.

OneSpaWorld is the dominant operator of spa and fitness facilities on cruise ships, an asset-light, high-return and high-cashflow business. With a market share of 84% and good visibility of ship capacity growth in the cruise industry, the company is well positioned to grow annual revenues in the mid- to high-single-digit range, leading to better-than-expected profitability and returns.

KBR, a professional services and consulting firm, has successfully made the transition from engineering and construction to providing outsourced solutions, mainly for governments. KBR has high barriers to entry and a strong moat in areas of the government budget seeing sustainable growth, resulting in strong free cashflow conversion. This has led to an expanding return on invested capital. The transformation story and associated margin expansion has so far been underestimated by the market. The cashflow yield is superior to peers, which made for an attractive entry point into the shares.

The fund increased its allocations to Virtu Financial, Albemarle and Charles River Laboratories, while taking some profits on Teradyne, First Hawaiian and Hanover Insurance. Aspen Technology, Fair Isaac Corp., TransUnion and Capri Holdings were among positions that were exited.

The escalation in the US-China trade war in August means that despite a better-than-anticipated Q2 results season, we expect earnings to be muted for the remainder of the year, with low-single-digit profits growth for 2019. We have also observed a diverging domestic economy, with a strong consumer on the one hand and a weak manufacturing sector on the other. As such, the outlook for US equities remains uncertain and policy-dependent. It is also extremely difficult to forecast an outcome for the trade war, given Trump's unpredictable personality. The Fed appears keen to support markets, but it is unclear as to whether interest-rate cuts will be sufficient to offset the impact of the trade war.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	48,860	97,337
Revenue	1,806	4,143
Expenses	(1,949)	(3,990)
Interest payable and similar charges	–	(16)
Net (expense)/revenue before taxation	(143)	137
Taxation	5	(436)
Net expense after taxation	(138)	(299)
<b>Total return before equalisation</b>	<b>48,722</b>	<b>97,038</b>
Equalisation	(6)	2
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>48,716</b>	<b>97,040</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	368,627	369,782
<b>Current assets:</b>		
Debtors	3,553	981
Cash and bank balances	4,548	3,713
Cash equivalents**	11	385
<b>Total assets</b>	<b>376,739</b>	<b>374,861</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	–	(24)
Other creditors	(1,039)	(2,372)
<b>Total liabilities</b>	<b>(1,039)</b>	<b>(2,396)</b>
<b>Net assets attributable to shareholders</b>	<b>375,700</b>	<b>372,465</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>372,465</b>	<b>693,807</b>
Amounts receivable on the issue of shares	5,161	378,480
Amounts payable on the cancellation of shares	(50,642)	(433,893)
	(45,481)	(55,413)
Dilution adjustment	–	26
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	48,716	97,040
<b>Closing net assets attributable to shareholders</b>	<b>375,700</b>	<b>735,460</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

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

## Threadneedle American Smaller Companies Fund (US)

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 EUR – Income shares	
	07/09/2019	07/03/2019	07/03/2018	23/11/18 <sup>1</sup>	
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	321.91	307.15	317.83	340.43	
Return before operating charges (p)	46.07	19.95	(5.56)	(29.54)	
Operating charges (p)	(2.84)	(5.19)	(5.12)	(2.09)	
Return after operating charges (p)*	43.23	14.76	(10.68)	(31.63)	
Distributions (p)	–	–	–	–	
Retained distributions on accumulation shares (p)	–	–	–	–	
Closing net asset value per share (p)	365.14	321.91	307.15	308.80	
*after direct transaction costs of (p)	0.15	0.43	0.53	0.17	
<b>Performance</b>					
Return after charges (%)	13.43	4.81	(3.36)	(9.29)	
<b>Other information</b>					
Closing net asset value (£000)	1,722	1,628	15,936	–	
Closing number of shares	471,513	505,796	5,188,424	–	
Operating charges (%)**	1.62 <sup>†</sup>	1.65	1.67	–	
Direct transaction costs (%)***	0.08	0.13	0.17	–	
<b>Prices</b>					
Highest share price (p)	384.74	361.13	319.72	361.13	
Lowest share price (p)	321.59	273.33	290.72	305.73	
	Class 1 – Accumulation shares			Class 1 EUR – Accumulation shares	
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019 <sup>2</sup>
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	322.07	307.28	317.96	322.05	340.58
Return before operating charges (p)	46.09	19.97	(5.55)	46.09	(14.66)
Operating charges (p)	(2.84)	(5.18)	(5.13)	(2.84)	(3.87)
Return after operating charges (p)*	43.25	14.79	(10.68)	43.25	(18.53)
Distributions (p)	–	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–	–
Closing net asset value per share (p)	365.32	322.07	307.28	365.30	322.05
*after direct transaction costs of (p)	0.15	0.43	0.53	0.15	0.45
<b>Performance</b>					
Return after charges (%)	13.43	4.81	(3.36)	13.43	(5.44)
<b>Other information</b>					
Closing net asset value (£000)	27,784	26,766	179,438	19,833	18,743
Closing number of shares	7,605,311	8,310,513	58,395,304	5,429,385	5,819,946
Operating charges (%)**	1.62 <sup>†</sup>	1.64	1.67	1.62 <sup>†</sup>	1.63 <sup>†</sup>
Direct transaction costs (%)***	0.08	0.13	0.17	0.08	0.13
<b>Prices</b>					
Highest share price (p)	384.94	361.28	319.86	384.91	361.28
Lowest share price (p)	321.76	273.44	290.84	321.74	273.44

## Threadneedle American Smaller Companies Fund (US)

### Comparative Table Disclosure

(continued)

	Class 1 USD – Accumulation shares	Class 2 – Accumulation shares		
	23/11/2018 <sup>1</sup>	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	340.58	366.85	348.03	357.93
Return before operating charges (p)	(29.55)	52.58	22.69	(6.23)
Operating charges (p)	(2.10)	(2.12)	(3.87)	(3.67)
Return after operating charges (p)*	(31.65)	50.46	18.82	(9.90)
Distributions (p)	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–
Closing net asset value per share (p)	308.93	417.31	366.85	348.03
*after direct transaction costs of (p)	0.17	0.17	0.50	0.59
<b>Performance</b>				
Return after charges (%)	(9.29)	13.75	5.41	(2.77)
<b>Other information</b>				
Closing net asset value (£000)	–	172,411	160,580	227,095
Closing number of shares	–	41,314,497	43,772,116	65,252,001
Operating charges (%)**	–	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	–	0.08	0.13	0.17
<b>Prices</b>				
Highest share price (p)	361.28	439.46	410.35	361.95
Lowest share price (p)	305.86	366.52	311.13	328.46
	Class 2 USD – Accumulation shares	Class X – Accumulation shares		
	23/11/2018 <sup>1</sup>	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	386.35	306.42	287.83	293.18
Return before operating charges (p)	(33.47)	43.95	18.77	(5.18)
Operating charges (p)	(1.55)	(0.10)	(0.18)	(0.17)
Return after operating charges (p)*	(35.02)	43.85	18.59	(5.35)
Distributions (p)	–	–	(2.92)	(2.74)
Retained distributions on accumulation shares (p)	–	–	2.92	2.74
Closing net asset value per share (p)	351.33	350.27	306.42	287.83
*after direct transaction costs of (p)	0.19	0.14	0.42	0.49
<b>Performance</b>				
Return after charges (%)	(9.06)	14.31	6.46	(1.82)
<b>Other information</b>				
Closing net asset value (£000)	–	13,479	11,033	9,278
Closing number of shares	–	3,848,281	3,600,793	3,223,328
Operating charges (%)**	–	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	–	0.08	0.13	0.17
<b>Prices</b>				
Highest share price (p)	410.35	368.49	341.05	298.91
Lowest share price (p)	347.69	306.15	259.36	270.41

## Threadneedle American Smaller Companies Fund (US)

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	195.39	185.31	190.56	257.42	243.78	250.28
Return before operating charges (p)	28.00	12.10	(3.32)	36.89	15.89	(4.37)
Operating charges (p)	(0.93)	(1.72)	(1.63)	(1.23)	(2.25)	(2.13)
Return after operating charges (p)*	27.07	10.38	(4.95)	35.66	13.64	(6.50)
Distributions (p)	–	(0.30)	(0.30)	–	(0.39)	(0.39)
Retained distributions on accumulation shares (p)	–	–	–	–	0.39	0.39
Closing net asset value per share (p)	222.46	195.39	185.31	293.08	257.42	243.78
*after direct transaction costs of (p)	0.09	0.27	0.32	0.12	0.35	0.42
<b>Performance</b>						
Return after charges (%)	13.85	5.60	(2.60)	13.85	5.60	(2.60)
<b>Other information</b>						
Closing net asset value (£000)	11,147	15,805	14,835	129,324	137,910	247,225
Closing number of shares	5,010,702	8,088,859	8,005,588	44,125,106	53,573,430	101,413,510
Operating charges (%)**	0.88 <sup>f</sup>	0.88	0.88	0.88 <sup>f</sup>	0.88	0.88
Direct transaction costs (%)***	0.08	0.13	0.17	0.08	0.13	0.17
<b>Prices</b>						
Highest share price (p)	234.23	218.69	192.98	308.59	287.69	253.47
Lowest share price (p)	195.21	165.90	175.03	257.19	218.24	229.89
	Class Z USD – Accumulation shares			Class Z EUR Hedged – Gross accumulation shares <sup>§</sup>		
	23/11/2018 <sup>f</sup>			23/11/2018 <sup>§</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	270.75			100.00		
Return before operating charges (p)	(23.44)			(8.39)		
Operating charges (p)	(0.90)			(0.39)		
Return after operating charges (p)*	(24.34)			(8.78)		
Distributions (p)	(0.18)			(0.12)		
Retained distributions on accumulation shares (p)	0.18			0.12		
Closing net asset value per share (p)	246.41			91.22		
*after direct transaction costs of (p)	0.13			0.06		
<b>Performance</b>						
Return after charges (%)	(8.99)			(8.78)		
<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)	287.69			109.64		
Lowest share price (p)	243.82			90.79		

## Threadneedle American Smaller Companies Fund (US)

### Comparative Table Disclosure

(continued)

	Class Z CHF Hedged – Gross accumulation shares <sup>5</sup> 05/11/2018 <sup>4</sup>
<b>Change in net assets per share</b>	
Opening net asset value per share (p)	100.00
Return before operating charges (p)	(5.25)
Operating charges (p)	(0.32)
Return after operating charges (p)*	(5.57)
Distributions (p)	–
Retained distributions on accumulation shares (p)	–
Closing net asset value per share (p)	94.43
*after direct transaction costs of (p)	0.05
<b>Performance</b>	
Return after charges (%)	(5.57)
<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)	111.66
Lowest share price (p)	91.60

\*\*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>Commenced 15 June 2018.

<sup>3</sup>Commenced 30 May 2018 and closed 23 November 2018.

<sup>4</sup>Commenced 30 May 2018 and closed 5 November 2018.

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

## Threadneedle American Smaller Companies Fund (US)

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	505,796
Shares issued	4,681
Shares redeemed	(38,964)
Net conversions	–
Closing shares	<u>471,513</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	8,310,513
Shares issued	209,820
Shares redeemed	(701,515)
Net conversions	(213,507)
Closing shares	<u>7,605,311</u>
<b>Class 1 EUR – Accumulation shares</b>	
Opening shares	5,819,946
Shares issued	600,994
Shares redeemed	(991,555)
Net conversions	–
Closing shares	<u>5,429,385</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	43,772,116
Shares issued	201,523
Shares redeemed	(2,659,142)
Net conversions	–
Closing shares	<u>41,314,497</u>
<b>Class X – Accumulation shares</b>	
Opening shares	3,600,793
Shares issued	247,488
Shares redeemed	–
Net conversions	–
Closing shares	<u>3,848,281</u>
<b>Class Z – Income shares</b>	
Opening shares	8,088,859
Shares issued	184,971
Shares redeemed	(3,269,642)
Net conversions	6,514
Closing shares	<u>5,010,702</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	53,573,430
Shares issued	103,737
Shares redeemed	(9,814,097)
Net conversions	262,036
Closing shares	<u>44,125,106</u>



## Threadneedle Dollar 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 (5 years or more).

The Fund is actively managed, and invests at least two-thirds of its assets in bonds issued by the US government and companies worldwide, denominated in US dollars (or hedged back to USD, if a different currency). The Fund may also invest in other bonds, including US denominated bonds issued by governments outside the US (or government agencies), as well as international organisations.

The Fund usually selects bonds that are investment grade, but may include some bonds with a lower credit rating in the portfolio if this is considered appropriate to achieve its investment objective.

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.

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

Over the six months to 7 September 2019, the published share price of the Threadneedle Dollar Bond Fund has risen from 59.97p to 67.76p.

The sterling total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +17.65% as compared to a median return of +17.67% over the same period. (For information the 50% ICE BofAML Euro-Dollar & Globals/50% ICE BofAML US Treasuries - Master Index gave a total return of +19.40% in sterling terms for the same period).

### Market Overview and Portfolio Activity

The six months under review constituted a volatile period in financial markets and a positive one for fixed income asset returns. US Treasury yields (which move inversely to price) fell sharply, helping corporate bonds to also deliver positive returns for the period. Credit spreads (the yield premiums offered by corporate bonds over "risk-free" government bonds of the same maturity) were little changed in the US investment-grade (IG) market but tightened modestly in US high yield (HY). Returns for sterling-based investors in these assets received a further boost as the dollar strengthened against the pound.

During the period, three broadly overlapping factors combined to push yields downwards: the ongoing US-China trade dispute, signs of deterioration in the global economy, and looser monetary policy from key central banks. Trade-war fears waxed and waned but escalated in August when President Trump announced new tariffs on \$300bn of Chinese imports, provoking retaliation in kind from Beijing. The dispute was increasingly evident in weaker global economic data, not least of which was German GDP, which contracted in the second quarter (Q2). The US economy has held up relatively well, buoyed by strong consumer spending, but US manufacturers have also been hit by the trade war.

Faced with these developments, sluggish inflation and pressure from markets (and the US president), the US Federal Reserve (Fed) cut interest rates in July for the first time in a decade. The European Central Bank provided further support for fixed-income assets, hinting (as has since transpired) that it was prepared to unleash a fresh round of monetary stimulus, including corporate bond purchases. This last helped European corporate bonds outperform their US and UK equivalents over the period. UK policymakers appeared hawkish in comparison; the Bank of England insisted that rate hikes were still a possibility in 2019, assuming a disorderly Brexit didn't derail the economy.

Against this background, the 10-year Treasury yield fell by around 108 basis points (bps) to 1.56% over the period. For several days in August it was trading below the 2-year yield – an inversion of the yield curve often seen as a harbinger of recession. Credit spreads in the US IG and HY markets tightened by 3 bps and 5 bps respectively.

We participated in new deals from a wide variety of companies. The largest of these (in terms of weighting in the portfolio) included new bonds from Apple, Bristol-Myers Squibb (later sold), Duke Energy, Anheuser-Busch InBev and IBM. We were also active in the secondary market, adding new exposure to Oncor Electric Delivery, United Technologies, Cardinal Health and San Diego Gas & Electric, as well as increasing a range of existing holdings, including those in Ausgrid, Bacardi, Plains All American Pipeline, NiSource and Abbvie. We reduced exposure to several issuers, such as British American Tobacco, Royal Bank of Scotland, Alibaba, and SGSP (Australia) Assets, while exiting others, including Sempra Energy, Barclays, HSBC, Japan Tobacco, Sunny Optical Technology and Bank of America.

Corporate credit markets are underpinned by increasingly accommodative monetary policy. The corporate credit cycle is, however, mature and though earnings have been strong, the benefits are largely accruing to shareholders – particularly within IG. That said, demand for income will remain a powerful and positive force. Valuations are around their long-term average.

On balance, we remain more constructive on the outlook for IG than HY, given the IG market's greater ability to withstand lower economic growth than its more leveraged counterpart.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	5,903	3,856
Revenue	761	1,238
Expenses	(202)	(432)
Interest payable and similar charges	(30)	(103)
Net revenue before taxation	529	703
Taxation	–	–
Net revenue after taxation	529	703
<b>Total return before distributions</b>	<b>6,432</b>	<b>4,559</b>
Distributions	(690)	(1,073)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>5,742</b>	<b>3,486</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	48,577	42,672
<b>Current assets:</b>		
Debtors	589	319
Cash and bank balances	5,158	464
Cash equivalents**	1,641	–
<b>Total assets</b>	<b>55,965</b>	<b>43,455</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(97)	(129)
<b>Creditors:</b>		
Distribution payable	(210)	(496)
Other creditors	(1,428)	(394)
<b>Total liabilities</b>	<b>(1,735)</b>	<b>(1,019)</b>
<b>Net assets attributable to shareholders</b>	<b>54,230</b>	<b>42,436</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>42,436</b>	<b>115,732</b>
Amounts receivable on the issue of shares	32,488	7,170
Amounts payable on the cancellation of shares	(26,986)	(64,706)
	5,502	(57,536)
Dilution adjustment	2	31
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	5,742	3,486
Retained distribution on accumulation shares	548	127
<b>Closing net assets attributable to shareholders</b>	<b>54,230</b>	<b>61,840</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

\*\*Gross performance is calculated in Factset using daily cash flows and daily global close valuations.

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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> 08/03/19 to 07/09/19	0.9283	–	0.9283	0.8149
<b>Group 2</b> 08/03/19 to 07/09/19	0.4884	0.4399	0.9283	0.8149
<b>Total distributions in the period</b>			<b>0.9283</b>	<b>0.8149</b>

#### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	2.1082	–	2.1082	1.7979
<b>Group 2</b> 08/03/19 to 07/09/19	0.8846	1.2236	2.1082	1.7979
<b>Total distributions in the period</b>			<b>2.1082</b>	<b>1.7979</b>

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

## Threadneedle Dollar 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>				
08/03/19 to 07/09/19	1.6633	–	1.6633	1.4128
<b>Group 2</b>				
08/03/19 to 07/09/19	0.2449	1.4184	1.6633	1.4128
<b>Total distributions in the period</b>			<b>1.6633</b>	<b>1.4128</b>

#### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/09/19	1.7794	–	1.7794	1.5532
<b>Group 2</b>				
08/03/19 to 07/09/19	0.8504	0.9290	1.7794	1.5532
<b>Total distributions in the period</b>			<b>1.7794</b>	<b>1.5532</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/09/19	2.2028	–	2.2028	1.8692
<b>Group 2</b>				
08/03/19 to 07/09/19	0.7234	1.4794	2.2028	1.8692
<b>Total distributions in the period</b>			<b>2.2028</b>	<b>1.8692</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Dollar Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross accumulation shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	59.04	56.45	65.29	134.10	124.62	140.84
Return before operating charges (p)	9.04	4.97	(6.74)	20.52	11.02	(14.63)
Operating charges (p)	(0.37)	(0.69)	(0.73)	(0.86)	(1.54)	(1.59)
Return after operating charges (p)*	8.67	4.28	(7.47)	19.66	9.48	(16.22)
Distributions (p)	(0.93)	(1.69)	(1.37)	(2.11)	(3.75)	(2.98)
Retained distributions on accumulation shares (p)	–	–	–	2.11	3.75	2.98
Closing net asset value per share (p)	66.78	59.04	56.45	153.76	134.10	124.62
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	14.68	7.58	(11.44)	14.66	7.61	(11.52)
<b>Other information</b>						
Closing net asset value (£000)	6,404	27,539	101,110	9,803	8,452	7,908
Closing number of shares	9,590,579	46,643,711	179,107,797	6,375,847	6,302,985	6,345,373
Operating charges (%)**	1.19 <sup>†</sup>	1.17	1.19	1.18 <sup>†</sup>	1.17	1.19
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	69.68	61.99	65.45	158.26	138.40	141.18
Lowest share price (p)	58.72	54.79	56.18	133.37	120.94	122.51
	Class X – Gross accumulation shares <sup>5</sup>			Class Z – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	102.10	93.83	100.00	113.05	107.53	123.75
Return before operating charges (p)	15.68	8.32	(6.17)	17.33	9.50	(12.81)
Operating charges (p)	(0.06)	(0.05)	–	(0.42)	(0.76)	(0.76)
Return after operating charges (p)*	15.62	8.27	(6.17)	16.91	8.74	(13.57)
Distributions (p)	(1.66)	(2.95)	(1.00)	(1.78)	(3.22)	(2.65)
Retained distributions on accumulation shares (p)	1.66	2.95	1.00	–	–	–
Closing net asset value per share (p)	117.72	102.10	93.83	128.18	113.05	107.53
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	15.30	8.81	(6.17)	14.96	8.13	(10.97)
<b>Other information</b>						
Closing net asset value (£000)	28,437	3	3	8,736	6,044	5,562
Closing number of shares	24,156,117	3,001	3,001	6,815,472	5,346,131	5,172,505
Operating charges (%)**	0.11 <sup>†</sup>	0.05	0.02 <sup>†</sup>	0.68 <sup>†</sup>	0.67	0.65
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	121.16	105.17	101.00	133.75	118.34	124.05
Lowest share price (p)	101.57	91.18	92.15	112.45	104.42	106.97

## Threadneedle Dollar Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Gross accumulation shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	139.94	129.40	145.47
Return before operating charges (p)	21.44	11.45	(15.18)
Operating charges (p)	(0.51)	(0.91)	(0.89)
Return after operating charges (p)*	20.93	10.54	(16.07)
Distributions (p)	(2.20)	(3.90)	(3.14)
Retained distributions on accumulation shares (p)	2.20	3.90	3.14
Closing net asset value per share (p)	160.87	139.94	129.40
* after direct transaction costs of (p)	–	–	–
<b>Performance</b>			
Return after charges (%)	14.96	8.15	(11.05)
<b>Other information</b>			
Closing net asset value (£000)	850	398	1,149
Closing number of shares	528,183	284,362	887,801
Operating charges (%)**	0.67 <sup>1</sup>	0.67	0.65
Direct transaction costs (%)***	–	–	–
<b>Prices</b>			
Highest share price (p)	165.57	144.31	145.82
Lowest share price (p)	139.20	125.65	127.15

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

<sup>1</sup>Commenced 5 October 2017.

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

## Threadneedle Dollar Bond Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	46,643,711
Shares issued	1,820,167
Shares redeemed	(38,853,520)
Net conversions	(19,779)
Closing shares	<u>9,590,579</u>
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	6,302,985
Shares issued	682,601
Shares redeemed	(609,739)
Net conversions	–
Closing shares	<u>6,375,847</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	3,001
Shares issued	24,153,116
Shares redeemed	–
Net conversions	–
Closing shares	<u>24,156,117</u>
<b>Class Z – Income shares</b>	
Opening shares	5,346,131
Shares issued	2,571,416
Shares redeemed	(1,112,401)
Net conversions	10,326
Closing shares	<u>6,815,472</u>
<b>Class Z – Gross accumulation shares</b>	
Opening shares	284,362
Shares issued	323,210
Shares redeemed	(79,389)
Net conversions	–
Closing shares	<u>528,183</u>

## Threadneedle Japan Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve capital growth over the long term. It looks to outperform the MSCI Japan 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 Japan, or which have significant Japanese business operations.

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 Japan Index.

The MSCI Japan Index is designed to measure the performance of shares across large and medium-sized companies in the Japanese market, currently with approximately 300 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 60 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 7 September 2019, the published share price of the Threadneedle Japan Fund has risen from 56.40p to 63.71p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including

net reinvested income, is +13.86% as compared to a median return of +9.28% over the same period. (For information the MSCI Japan Index returned +10.20% over the same period).

#### Market Overview and Portfolio Activity

Japanese equities endured some volatility over the reporting period, although a rebound in the final weeks meant that the MSCI Japan recovered to finish the period only slightly down. Perceived progress in US-China trade negotiations buoyed sentiment early on, with the US President and his Chinese counterpart making plans for further talks in the near future. Improving global economic data further increased optimism. However, the subsequent deterioration of US-China trade relations weighed on markets – as did signs of a continued slowdown in global growth, which is taking a toll on Japan's important export sector. Dovish central bank commentary provided support to global equities during June and July, though Japanese stocks lagged their global peers as falling manufacturing activity caused a drag. The Bank of Japan stood pat over the six months but said it would ease monetary policy 'without hesitation' if risks did not dissipate. A flight to safety, notably after August's tariff blows between Washington and Beijing, pushed the yen higher against major global currencies, which was a headwind for Japanese stocks. Adding to worries, diplomatic tensions between Japan and South Korea flared over the summer, with each side revoking the other's preferential trade status. Seoul also cancelled a long-standing intelligence-sharing pact between the two countries, while South Korean consumers launched a boycott of Japanese goods. A late rally in global stocks – Japan's included – was driven by the prospects of easing trade tensions as China called for calm and signalled that negotiations with the US would pick up again.

Second-quarter corporate earnings fell sharply on a year-on-year basis in Japan, driven in no small measure by global trade friction and attendant weak overseas demand. Capital spending by manufacturers dropped for the first time in eight quarters, though investment by non-manufacturers – particularly those of software-related firms – proved robust. However, this was not enough to offset the contraction in the manufacturing sector, a decline which was mirrored in downwardly revised GDP data. This showed annualised growth of 1.3% for the April-June quarter. Meanwhile, there were no strong indications of Japanese shoppers

moving spending forward ahead of October's consumption-tax hike, raising hopes that there would be no material impact to economic growth.

Within the fund, notable new positions included Lasertec, a manufacturer of photomask inspection systems used to make semiconductor devices. The company is well-placed to benefit as customers order new tools designed for leading-edge technologies. Elsewhere, we purchased Koshidaka, a provider of general leisure services which include karaoke, fitness and hot spring facilities. We are positive on the prospects of continued accelerations in growth, fuelled by the success of the company's self-service and low-price approaches within the karaoke segment. We also initiated a holding in ZOZO – formerly Start Today – an operator of online fashion shopping websites. Start Today experienced strong gross merchandise value growth (GMV) in recent years on its online apparel marketplace site, ZoZoTown, driven by a combination of the company's strategy and market growth (owing to e-commerce penetration of fashion apparel sales). The valuation fell over the past year following some strategic missteps. However, we feel management have been addressing these issues and the stock's valuation looked attractive following its pullback.

Sales to help fund these purchases included Astellas Pharma. Prospects for sustainable growth are unclear due to patent expirations and uncertainties around whether pipeline drugs will become major sellers. We also disposed of Maeda Kosen, a manufacturer of materials for civil engineering. We continue to believe that the company boasts competitive advantages in its unique technology and quality of its technical proposals, but we currently prefer other opportunities.

There is no doubt that the Japanese economy faces near-term headwinds from weaker global trade. The implications of October's rise in the consumption tax for growth also continues to create some uncertainty. However, in our view, Japanese stocks remain attractively valued, relative to both history and other key markets. Major trends, such as the push to improve corporate governance and reform the country's labour market, bode well on a longer-term view. Japanese companies are increasingly distributing their vast cash hoards to shareholders through dividends and buybacks, and institutional investors are becoming more assertive than has historically been the case. As always, selectivity is key, and our focus remains on well-run companies with wide competitive moats and, therefore, sustainable return profiles.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	86,762	7,155
Revenue	7,994	6,036
Expenses	(1,968)	(2,461)
Interest payable and similar charges	(35)	(31)
Net revenue before taxation	5,991	3,544
Taxation	(757)	(590)
Net revenue after taxation	5,234	2,954
<b>Total return before equalisation</b>	<b>91,996</b>	<b>10,109</b>
Equalisation	206	28
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>92,202</b>	<b>10,137</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	725,306	672,078
<b>Current assets:</b>		
Debtors	370	7,444
Cash and bank balances	31,357	27,291
<b>Total assets</b>	<b>757,033</b>	<b>706,813</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(3)	(3)
<b>Creditors:</b>		
Distribution payable	–	(31)
Other creditors	(2,151)	(5,281)
<b>Total liabilities</b>	<b>(2,154)</b>	<b>(5,315)</b>
<b>Net assets attributable to shareholders</b>	<b>754,879</b>	<b>701,498</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>701,498</b>	<b>693,751</b>
Amounts receivable on the issue of shares	169,593	54,044
Amounts payable on the cancellation of shares	(208,487)	(39,600)
	(38,894)	14,444
Dilution adjustment	73	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	92,202	10,137
<b>Closing net assets attributable to shareholders</b>	<b>754,879</b>	<b>718,332</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

## Threadneedle Japan Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	56.35	60.29	55.99	64.15	68.23	62.98
Return before operating charges (p)	7.78	(2.97)	5.28	8.85	(3.36)	5.95
Operating charges (p)	(0.49)	(0.97)	(0.98)	(0.37)	(0.72)	(0.70)
Return after operating charges (p)*	7.29	(3.94)	4.30	8.48	(4.08)	5.25
Distributions (p)	–	–	–	–	(0.30)	(0.29)
Retained distributions on accumulation shares (p)	–	–	–	–	0.30	0.29
Closing net asset value per share (p)	63.64	56.35	60.29	72.63	64.15	68.23
*after direct transaction costs of (p)	0.02	0.06	0.08	0.03	0.07	0.09
<b>Performance</b>						
Return after charges (%)	12.94	(6.54)	7.68	13.22	(5.98)	8.34
<b>Other information</b>						
Closing net asset value (£000)	11,976	120,505	121,061	239,067	229,529	231,075
Closing number of shares	18,817,272	213,843,169	200,799,874	329,150,544	357,825,938	338,658,021
Operating charges (%)**	1.65 <sup>†</sup>	1.63	1.67	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.07	0.10	0.14	0.07	0.10	0.14
<b>Prices</b>						
Highest share price (p)	65.12	65.69	65.14	74.29	74.59	73.66
Lowest share price (p)	55.72	53.12	52.59	63.43	60.40	59.20
	Class X – Income shares			Class X – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	148.99	159.31	147.62	136.85	144.13	131.71
Return before operating charges (p)	20.60	(7.95)	14.00	18.92	(7.19)	12.50
Operating charges (p)	(0.05)	(0.09)	(0.09)	(0.04)	(0.09)	(0.08)
Return after operating charges (p)*	20.55	(8.04)	13.91	18.88	(7.28)	12.42
Distributions (p)	–	(2.28)	(2.22)	–	(2.07)	(1.98)
Retained distributions on accumulation shares (p)	–	–	–	–	2.07	1.98
Closing net asset value per share (p)	169.54	148.99	159.31	155.73	136.85	144.13
*after direct transaction costs of (p)	0.06	0.16	0.22	0.06	0.15	0.20
<b>Performance</b>						
Return after charges (%)	13.79	(5.05)	9.42	13.80	(5.05)	9.43
<b>Other information</b>						
Closing net asset value (£000)	1,722	2,054	1,221	367,884	238,570	240,272
Closing number of shares	1,015,841	1,378,268	766,577	236,225,059	174,323,739	166,709,740
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	0.07	0.10	0.14	0.07	0.10	0.14
<b>Prices</b>						
Highest share price (p)	173.26	175.16	174.11	159.14	158.46	155.35
Lowest share price (p)	147.36	142.15	138.91	135.36	128.60	123.94

## Threadneedle Japan Fund

### Comparative Table Disclosure

(continued)

	Class X2 – Accumulation shares			Class Z – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018 <sup>1</sup>	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	240.97	253.78	226.05	195.91	208.03	191.68
Return before operating charges (p)	33.32	(12.66)	27.83	27.05	(10.30)	18.13
Operating charges (p)	(0.08)	(0.15)	(0.10)	(0.93)	(1.82)	(1.78)
Return after operating charges (p)*	33.24	(12.81)	27.73	26.12	(12.12)	16.35
Distributions (p)	–	(3.64)	(1.80)	–	(1.27)	(1.22)
Retained distributions on accumulation shares (p)	–	3.64	1.80	–	1.27	1.22
Closing net asset value per share (p)	274.21	240.97	253.78	222.03	195.91	208.03
*after direct transaction costs of (p)	0.10	0.26	0.29	0.08	0.22	0.29
<b>Performance</b>						
Return after charges (%)	13.79	(5.05)	12.27	13.33	(5.83)	8.53
<b>Other information</b>						
Closing net asset value (£000)	132,244	108,924	98,336	1,986	1,916	1,786
Closing number of shares	48,226,604	45,201,527	38,748,938	894,569	978,092	858,327
Operating charges (%)**	0.06 <sup>1</sup>	0.06	0.06 <sup>1</sup>	0.88 <sup>1</sup>	0.88	0.88
Direct transaction costs (%)***	0.07	0.10	0.14	0.07	0.10	0.14
<b>Prices</b>						
Highest share price (p)	280.22	279.02	273.54	227.07	227.65	224.50
Lowest share price (p)	238.34	226.44	223.38	193.74	184.40	180.19

\*\*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 12 May 2017.

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



# Threadneedle Japan Fund

## Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	213,843,169
Shares issued	31,020,034
Shares redeemed	(226,030,383)
Net conversions	(15,548)
Closing shares	<u>18,817,272</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	357,825,938
Shares issued	14,275,570
Shares redeemed	(42,950,964)
Net conversions	–
Closing shares	<u>329,150,544</u>
<b>Class X – Income shares</b>	
Opening shares	1,378,268
Shares issued	–
Shares redeemed	(362,427)
Net conversions	–
Closing shares	<u>1,015,841</u>
<b>Class X – Accumulation shares</b>	
Opening shares	174,323,739
Shares issued	73,312,478
Shares redeemed	(11,411,158)
Net conversions	–
Closing shares	<u>236,225,059</u>
<b>Class X2 – Accumulation shares</b>	
Opening shares	45,201,527
Shares issued	12,105,110
Shares redeemed	(9,080,033)
Net conversions	–
Closing shares	<u>48,226,604</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	978,092
Shares issued	130,240
Shares redeemed	(218,233)
Net conversions	4,470
Closing shares	<u>894,569</u>

## Threadneedle Asia Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve capital growth over the long term. It looks to outperform the MSCI AC Asia Pacific ex Japan 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 shares of companies domiciled in Asia (with the exclusion of Japan), or which have significant Asian (excluding Japan) business operations.

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 AC Asia Pacific ex Japan index.

The MSCI AC Asia Pacific ex Japan Index is designed to capture the share performance of large and medium-sized companies across the Asia Pacific region (excluding Japan), and is currently comprised of over 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 70 companies, which may include shares of some companies not within the Index. The Fund is permitted to invest up to 40% 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 7 September 2019, the published share price of the Threadneedle Asia Fund has risen from 216.85p to 238.20p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +8.86% as compared to a median return of +6.61% over the same period. (For information the MSCI AC Asia Pacific Ex Japan Index returned +5.58% over the same period).

### Market Overview and Portfolio Activity

Asian equity markets proved volatile over the six months under review. While markets were supported by the US Federal Reserve (Fed) dovish stance on monetary policy and selective stimulus by Chinese policymakers, there were notable bouts of volatility when trade tensions flared between the US and China.

Chinese equities enjoyed a positive start to the period buoyed by better-than-expected first quarter (Q1) GDP growth, and further government stimulus. There was a market sell-off in May following an escalation of trade tensions between the US and China before both sides agreed to a temporary tariff truce following the G-20 summit. Later in the period the US imposed tariffs on an additional \$300bn worth of Chinese goods which hurt markets. China's economic activity was hurt by trade tariffs over the period as well as the weaker global economy, with the country's growth slowing to an annualised rate of 6.2% in the Q2, from 6.4% in Q1. Korean equities had a challenging period amidst the trade concerns, which the market was particularly sensitive to, given the index's high exposure to technology. 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.

Early in the period, the fund purchased Thai Oil, as we expected the company to report stronger refining margins as the year progressed and the benefits started to accrue from its investment programme aimed at increasing output of higher-grade fuels. Other new positions included Petronet, an Indian supplier of liquefied natural gas, which should benefit from capacity additions and rising domestic demand. Aristocrat Leisure was another new purchase; the company manufactures and sells gaming machines, systems and software in Australia and internationally. It is successfully transitioning from land-based slot games to a more digitally driven strategy, buoyed by an attractive portfolio of new games. Later, the fund established a holding in Singapore's CapitaLand, a large property development company which is looking to unlock value through the sale of non-core assets and consolidating its industrial and logistics businesses. Hite Jirno in Korea was also added to the portfolio, as the launch of a new domestic beer brand should increase its market share.

We also increased some existing positions including Samsung Electronics and Taiwan Semiconductor Manufacturing, following an improvement in sentiment towards the technology sector. Both companies have also

demonstrated resilient cashflows amid the trade war and have been able to continue to grow dividends over the period. The fund also strengthened its position in MediaTek, on the back of optimism surrounding 5G technology.

To fund these purchases, we sold Public Bank in light of weak Malaysian economic data and the subdued outlook for loan growth. We also took profits in Indonesia's Bank Rakyat due to its high valuation, and exited Australian infrastructure company Transurban, as bond proxy stocks outperformed on expectations of lower interest rates. Another sale was Metro Pacific, as we had concerns about the slower progress in tariff negotiations with the government for key infrastructure assets. We exited LG Chem as the fund consolidated into Samsung SDI, which also has attractive electric vehicle battery and energy storage system businesses, without the drag from LG Chem's legacy petrochemicals exposure. Australian technology company Computershare was sold, as the recent management change and weaker performance in the UK market raised the risks around future earnings. In the Singapore banking space, we sold DBS and consolidated our holding in United Overseas Bank, as the valuation looked more attractive and there is a greater focus on the domestic market.

Looking ahead, the Fed's renewed dovishness should limit further strength in the US dollar and be favourable for Asian equities. Asian economies in general have room to ease monetary policy given positive real interest rates and a lack of inflationary pressures.

A key risk over the coming months relates to the progression of US-China trade talks, with extended negotiations likely to cause uncertainty in Asian markets. While we expect a deal given the interests of both sides, there are likely to be both positive and negative surprises, considering issues such as deficit reduction, market access, intellectual property protection and industrial policy. In China, the focus on deleveraging has shifted, with the government beginning to implement stimulus measures to stabilise the economy. We believe real activity growth will remain under pressure, with particular headwinds related to exports.

Reforms in Asian markets can be transformational in unlocking growth potential, paving the way for greater economic stability and stronger structural growth. The Indian government has implemented the goods and services tax, the Indonesian government has eased the regulatory burden, and the Chinese authorities are continuing with supply side reform.

We believe the valuation case remains attractive, with valuation metrics below their respective historical means. Improving cash flows have underpinned strong balance sheets, enabling greater dividend growth.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	41,087	(26,705)
Revenue	9,592	11,811
Expenses	(1,325)	(2,914)
Interest payable and similar charges	(6)	(7)
Net revenue before taxation	8,261	8,890
Taxation	(600)	(1,876)
Net revenue after taxation	7,661	7,014
<b>Total return before equalisation</b>	<b>48,748</b>	<b>(19,691)</b>
Equalisation	650	438
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>49,398</b>	<b>(19,253)</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	528,487	445,351
<b>Current assets:</b>		
Debtors	3,021	1,993
Cash and bank balances	4,966	4,271
Cash equivalents**	13,045	4
<b>Total assets</b>	<b>549,519</b>	<b>451,619</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Other creditors	(12,903)	(2,883)
<b>Total liabilities</b>	<b>(12,903)</b>	<b>(2,883)</b>
<b>Net assets attributable to shareholders</b>	<b>536,616</b>	<b>448,736</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>448,736</b>	<b>624,995</b>
Amounts receivable on the issue of shares	174,392	321,715
Amounts payable on the cancellation of shares	(135,986)	(303,783)
	38,406	17,932
Dilution adjustment	76	39
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	49,398	(19,253)
<b>Closing net assets attributable to shareholders</b>	<b>536,616</b>	<b>623,713</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

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

## Threadneedle Asia Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 1 EUR – Accumulation shares	
	07/09/2019	07/03/2019	07/03/2018	25/01/2019 <sup>1</sup>	
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	216.54	223.94	192.05	233.55	
Return before operating charges (p)	23.23	(3.76)	35.56	(24.27)	
Operating charges (p)	(1.88)	(3.64)	(3.67)	(1.92)	
Return after operating charges (p)*	21.35	(7.40)	31.89	(26.19)	
Distributions (p)	–	(1.74)	(0.65)	(1.60)	
Retained distributions on accumulation shares (p)	–	1.74	0.65	1.60	
Closing net asset value per share (p)	237.89	216.54	223.94	207.36	
*after direct transaction costs of (p)	0.13	0.53	0.49	0.15	
<b>Performance</b>					
Return after charges (%)	9.86	(3.30)	16.61	(11.21)	
<b>Other information</b>					
Closing net asset value (£000)	11,375	65,180	148,098	–	
Closing number of shares	4,781,508	30,101,025	66,133,496	–	
Operating charges (%)**	1.67 <sup>†</sup>	1.66	1.72	–	
Direct transaction costs (%)***	0.12	0.24	0.23	–	
<b>Prices</b>					
Highest share price (p)	245.07	237.99	237.58	232.75	
Lowest share price (p)	213.81	194.10	186.44	194.10	
	Class 1 USD – Accumulation shares		Class 2 – Accumulation shares		
	25/01/2019 <sup>1</sup>		07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>					
Opening net asset value per share (p)	233.55		243.60	250.48	213.50
Return before operating charges (p)	185.73		26.05	(4.23)	39.62
Operating charges (p)	(1.92)		(1.39)	(2.65)	(2.64)
Return after operating charges (p)*	183.81		24.66	(6.88)	36.98
Distributions (p)	(1.60)		–	(3.35)	(2.17)
Retained distributions on accumulation shares (p)	1.60		–	3.35	2.17
Closing net asset value per share (p)	207.36		268.26	243.60	250.48
*after direct transaction costs of (p)	0.15		0.15	0.59	0.54
<b>Performance</b>					
Return after charges (%)	(11.21)		10.12	(2.75)	17.32
<b>Other information</b>					
Closing net asset value (£000)	–		140,225	133,075	289,302
Closing number of shares	–		52,272,789	54,629,187	115,499,365
Operating charges (%)**	–		1.08 <sup>†</sup>	1.08	1.11
Direct transaction costs (%)***	–		0.12	0.24	0.23
<b>Prices</b>					
Highest share price (p)	232.75		276.31	266.58	265.55
Lowest share price (p)	194.10		240.53	217.85	207.41

## Threadneedle Asia Fund

### Comparative Table Disclosure

(continued)

	Class 2 EUR – Accumulation shares			Class 2 USD – Accumulation shares		
	25/01/2019 <sup>1</sup>			25/01/2019 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	261.64			261.64		
Return before operating charges (p)	(27.12)			(27.10)		
Operating charges (p)	(1.40)			(1.42)		
Return after operating charges (p)*	(28.52)			(28.52)		
Distributions (p)	(3.04)			(3.04)		
Retained distributions on accumulation shares (p)	3.04			3.04		
Closing net asset value per share (p)	233.12			233.12		
*after direct transaction costs of (p)	0.17			0.17		
<b>Performance</b>						
Return after charges (%)	(10.90)			(10.90)		
<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)	260.75			260.75		
Lowest share price (p)	217.85			217.85		
	Class X – Accumulation shares			Class X2 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018 <sup>2</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	162.75	165.70	139.83	630.61	642.14	555.71
Return before operating charges (p)	17.41	(2.82)	26.03	67.49	(11.03)	86.89
Operating charges (p)	(0.07)	(0.13)	(0.16)	(0.27)	(0.50)	(0.46)
Return after operating charges (p)*	17.34	(2.95)	25.87	67.22	(11.53)	86.43
Distributions (p)	–	(3.82)	(2.99)	–	(14.70)	(9.77)
Retained distributions on accumulation shares (p)	–	3.82	2.99	–	14.70	9.77
Closing net asset value per share (p)	180.09	162.75	165.70	697.83	630.61	642.14
*after direct transaction costs of (p)	0.10	0.39	0.36	0.40	1.51	1.17
<b>Performance</b>						
Return after charges (%)	10.65	(1.78)	18.50	10.66	(1.80)	15.55
<b>Other information</b>						
Closing net asset value (£000)	213,721	122,597	66,298	150,939	110,093	87,516
Closing number of shares	118,671,731	75,329,668	40,011,829	21,629,791	17,458,287	13,628,740
Operating charges (%)**	0.08 <sup>†</sup>	0.08	0.10	0.08 <sup>†</sup>	0.08	0.11 <sup>†</sup>
Direct transaction costs (%)***	0.12	0.24	0.23	0.12	0.24	0.23
<b>Prices</b>						
Highest share price (p)	185.33	176.79	175.46	718.11	685.12	680.02
Lowest share price (p)	160.70	144.97	136.00	622.67	561.72	547.25

## Threadneedle Asia Fund

### Comparative Table Disclosure

(continued)

	Class Z – Accumulation shares			Class Z USD – Accumulation shares
	07/09/2019	07/03/2019	07/03/2018	25/01/2019 <sup>1</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	190.87	195.92	166.70	204.75
Return before operating charges (p)	20.40	(3.32)	30.96	(21.02)
Operating charges (p)	(0.91)	(1.73)	(1.74)	(1.11)
Return after operating charges (p)*	19.49	(5.05)	29.22	(22.13)
Distributions (p)	–	(2.95)	(2.02)	(2.67)
Retained distributions on accumulation shares (p)	–	2.95	2.02	2.67
Closing net asset value per share (p)	210.36	190.87	195.92	182.62
*after direct transaction costs of (p)	0.12	0.46	0.43	0.16
<b>Performance</b>				
Return after charges (%)	10.21	(2.58)	17.53	(10.81)
<b>Other information</b>				
Closing net asset value (£000)	20,356	17,791	33,781	–
Closing number of shares	9,676,539	9,321,029	17,241,993	–
Operating charges (%)**	0.90 <sup>1</sup>	0.90	0.93	–
Performance fee (%)	–	–	–	–
Direct transaction costs (%)***	0.12	0.24	0.23	–
<b>Prices</b>				
Highest share price (p)	216.65	208.61	207.66	204.06
Lowest share price (p)	188.46	170.57	161.98	170.57

\*\*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 12 May 2017.

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

# Threadneedle Asia Fund

## Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	30,101,025
Shares issued	5,671,079
Shares redeemed	(30,973,262)
Net conversions	(17,334)
Closing shares	<u>4,781,508</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	54,629,187
Shares issued	14,198,264
Shares redeemed	(16,554,662)
Net conversions	–
Closing shares	<u>52,272,789</u>
<b>Class X – Accumulation shares</b>	
Opening shares	75,329,668
Shares issued	44,887,117
Shares redeemed	(1,545,054)
Net conversions	–
Closing shares	<u>118,671,731</u>
<b>Class X2 – Accumulation shares</b>	
Opening shares	17,458,287
Shares issued	6,849,587
Shares redeemed	(2,678,083)
Net conversions	–
Closing shares	<u>21,629,791</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	9,321,029
Shares issued	1,045,391
Shares redeemed	(709,538)
Net conversions	19,657
Closing shares	<u>9,676,539</u>

## Threadneedle Latin America Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve capital growth over the long term. It looks to outperform the MSCI EM Latin America 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 Latin America, or which have significant Latin American business operations.

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 EM Latin America 10/40 Index.

The MSCI EM Latin America 10/40 Index is designed to measure the share performance of large and medium-sized companies across 5 Emerging Market countries within Latin America (Brazil, Chile, Colombia, Mexico, and Peru). The Index currently includes approximately 100 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 65 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 7 September 2019, the published share price of the Threadneedle Latin America Fund has risen from 243.56p to 263.79p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +3.07% as compared to a median return of +2.26% over the same period. (For information the MSCI EM Latin America 10/40 Index returned +2.49% over the same period).

### Market Overview and Portfolio Activity

In the six months to 7 September, Latin American equities advanced, when measured in sterling. The asset class was supported by US policymakers' increasingly dovish stance, which undermined the case for further dollar strength, a key factor for Latin American equities.

In Brazil, there was continued progress in the government's high-profile pension-reform plan. Towards the end of the period, the bill received final approval from the legislature's lower house, a stage that some analysts had viewed as the riskiest for the measure. The country avoided recession as economic growth rebounded strongly in the second quarter (Q2) following a contraction in the first quarter (Q1). In August, President Jair Bolsonaro drew criticism as investors were concerned with the backlash over the Amazon crisis.

Mexico experienced a volatile period, as President Trump proposed incrementally rising tariffs on the country's exports to the US. Tensions also hurt the peso, which plummeted to a seven-month low against the dollar after Trump's threats. The Mexican economy unexpectedly contracted by 0.2% in Q1, hampered by widespread strikes for higher wages and gasoline shortages. Investors were surprised by the resignation of the finance minister, who sharply criticised the state's populist economic policies. The government and several private companies settled a dispute over contracts for the supply of natural gas that were signed under the previous administration, easing concern that existing agreements might be disregarded.

In the Andean region, sentiment was boosted by MSCI's decision to include Argentine stocks in its emerging-market index near the end of May and after business-friendly President Macri chose a Peronist as his running mate for October's election. However, Argentine assets sold off in August over concerns that populists may return to power in October's ballot, as Macri unexpectedly lost a primary election to the opposition candidate. Chilean equities were hindered by falls in the price of copper, the country's chief export. The government downgraded its GDP growth forecast and the finance minister announced \$600m of additional stimulus to help buoy the economy. In Colombia, the government announced six new reforms for the remainder of the year, including a proposal targeted at capital markets, to support the country's fragile economic recovery.

Over the period, activity including increasing the fund's exposure to Brazil by initiating a position in food retailer Burger King Brasil, due to the company's attractive growth opportunity and strong position in a fragmented market. We also purchased IRB Brasil, Arezzo and TOTVS.

Reinsurance firm IRB Brasil has an attractive earnings growth outlook as the company is expected to benefit from higher written premiums, driven by the macroeconomic recovery and global expansion. Arezzo is a market leader in Brazilian retail, with the expectation of strong performance in the multi-brand, franchise and web-commerce channels. The fund initiated its position in TOTVS, on continued improvement in the business software division, while strong growth is expected to lead to margin expansion. Outside Brazil, the fund purchased Mexican steel manufacturer Ternium, where we believe volume improvements supplement the positive long-term story while the valuation of the stock is attractive. To fund these purchases, we exited our positions in Alfa, Energisa, Companhia Cervecerias Unidas and Cyrela among others.

Latin American countries face diverse outlooks, considering their different points in the political, monetary and GDP growth cycles, as well as their varying exposures to commodities.

In terms of trade tensions, Latin America remains relatively protected compared to other global regions, as some of its economies are relatively closed, and most exports are related to raw commodities, so are less exposed to tariffs.

The outlook for the Brazilian economy continues to improve under the leadership of market-friendly President Bolsonaro, while the corporate sector has many high-quality companies with robust balance sheets and strong market positioning. This is leading to high structural profitability and attractive dividend yields. Several companies in Brazil are exposed to secular growth, where trends are driven by factors such as lower banking penetration, labour force formalisation (resulting in high growth in sectors such as asset management and insurance), and the digitalisation of the retail sector, which is reflected in the high growth rates of digital payments companies.

Mexico has recently suffered from political uncertainty, which has heightened investor concern. Regarding the future of US-Mexico trade relations, we hold a constructive outlook following the deal signed last year between the US, Mexico and Canada (USMCA), while we continue to monitor recent developments on the possibility of new tariffs.

In the Andean region, ongoing concerns regarding the rate of global growth continue to weigh on sentiment. Argentina has been feeling the repercussions of fiscal and monetary imbalances, as well as political uncertainty in the run up to the election in October, which has shaken investor confidence. In portfolios, we currently have limited exposure to domestic names given macro uncertainties due to concerns with the country's deficit, inflation and currency devaluation.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	31,424	(78,879)
Revenue	6,261	6,960
Expenses	(2,374)	(2,547)
Interest payable and similar charges	(3)	(4)
Net revenue before taxation	3,884	4,409
Taxation	(342)	(514)
Net revenue after taxation	3,542	3,895
<b>Total return before equalisation</b>	<b>34,966</b>	<b>(74,984)</b>
Equalisation	(120)	28
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>34,846</b>	<b>(74,956)</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	401,756	407,665
<b>Current assets:</b>		
Debtors	7,562	3,233
Cash and bank balances	517	15,442
Cash equivalents**	10,805	1,674
Total assets	420,640	428,014
<b>Liabilities:</b>		
<b>Creditors:</b>		
Bank overdrafts	(1,545)	–
Other creditors	(10,565)	(15,507)
Total liabilities	(12,110)	(15,507)
<b>Net assets attributable to shareholders</b>	<b>408,530</b>	<b>412,507</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>412,507</b>	<b>486,932</b>
Amounts receivable on the issue of shares	103,986	112,974
Amounts payable on the cancellation of shares	(142,902)	(108,612)
	(38,916)	4,362
Dilution adjustment	93	32
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	34,846	(74,956)
<b>Closing net assets attributable to shareholders</b>	<b>408,530</b>	<b>416,370</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

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

## Threadneedle Latin America Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	243.25	261.20	249.87	271.71	289.96	275.70
Return before operating charges (p)	22.49	(13.93)	15.53	25.15	(15.38)	17.24
Operating charges (p)	(2.18)	(4.02)	(4.20)	(1.56)	(2.87)	(2.98)
Return after operating charges (p)*	20.31	(17.95)	11.33	23.59	(18.25)	14.26
Distributions (p)	–	(3.29)	(2.67)	–	(5.30)	(4.68)
Retained distributions on accumulation shares (p)	–	3.29	2.67	–	5.30	4.68
Closing net asset value per share (p)	263.56	243.25	261.20	295.30	271.71	289.96
*after direct transaction costs of (p)	0.26	0.52	0.36	0.29	0.58	0.40
<b>Performance</b>						
Return after charges (%)	8.35	(6.87)	4.53	8.68	(6.29)	5.17
<b>Other information</b>						
Closing net asset value (£000)	52,274	56,823	70,691	307,142	314,532	363,530
Closing number of shares	19,833,663	23,360,248	27,064,208	104,009,262	115,759,137	125,373,778
Operating charges (%)**	1.69 <sup>†</sup>	1.69	1.70	1.08 <sup>†</sup>	1.08	1.09
Direct transaction costs (%)***	0.20	0.21	0.14	0.20	0.21	0.14
<b>Prices</b>						
Highest share price (p)	282.98	263.19	264.89	316.86	293.64	293.32
Lowest share price (p)	233.49	211.51	220.51	261.14	235.19	243.60
	Class X – Accumulation shares			Class Z – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	112.98	119.53	112.77	93.27	99.35	94.30
Return before operating charges (p)	10.41	(6.46)	6.85	8.63	(5.26)	5.90
Operating charges (p)	(0.04)	(0.09)	(0.09)	(0.45)	(0.82)	(0.85)
Return after operating charges (p)*	10.37	(6.55)	6.76	8.18	(6.08)	5.05
Distributions (p)	–	(3.09)	(2.81)	–	(1.98)	(1.76)
Retained distributions on accumulation shares (p)	–	3.09	2.81	–	1.98	1.76
Closing net asset value per share (p)	123.34	112.98	119.53	101.45	93.27	99.35
*after direct transaction costs of (p)	0.13	0.24	0.16	0.10	0.20	0.14
<b>Performance</b>						
Return after charges (%)	9.18	(5.48)	5.99	8.77	(6.12)	5.36
<b>Other information</b>						
Closing net asset value (£000)	7,260	223	261	41,854	40,929	52,450
Closing number of shares	5,886,120	197,394	218,070	41,255,584	43,884,360	52,791,368
Operating charges (%)**	0.07 <sup>†</sup>	0.08	0.08	0.90 <sup>†</sup>	0.90	0.91
Direct transaction costs (%)***	0.20	0.21	0.14	0.20	0.21	0.14
<b>Prices</b>						
Highest share price (p)	132.24	122.03	120.66	108.84	100.78	100.43
Lowest share price (p)	108.78	97.25	99.83	89.67	80.62	83.35

\*\*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 Latin America Fund

## Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	23,360,248
Shares issued	18,164,691
Shares redeemed	(21,612,621)
Net conversions	(78,655)
Closing shares	<u>19,833,663</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	115,759,137
Shares issued	17,434,322
Shares redeemed	(29,184,197)
Net conversions	–
Closing shares	<u>104,009,262</u>
<b>Class X – Accumulation shares</b>	
Opening shares	197,394
Shares issued	5,722,496
Shares redeemed	(33,770)
Net conversions	–
Closing shares	<u>5,886,120</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	43,884,360
Shares issued	1,100,864
Shares redeemed	(3,934,584)
Net conversions	204,944
Closing shares	<u>41,255,584</u>

## Threadneedle Emerging Market 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 J.P. Morgan Emerging Market Bond Index Global (EMBI Global) 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 bonds issued by governments (or quasi-government entities) of Emerging Market countries and companies which are domiciled or have significant business operations in such countries.

The Fund considers Emerging Market countries to be those characterised as developing or emerging by the World Bank, the United Nations, or the EMBI Global. The selected bonds may be of any credit quality, including those rated below investment grade or unrated, and are typically denominated in US dollars. Due to the perceived higher risk of investing in bonds issued by emerging market borrowers, these bonds typically offer higher yields than those of more stable bonds issued in developed countries.

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

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 EMBI Global is regarded as an appropriate performance measure of US dollar-denominated emerging market bonds issued by government and quasi-government entities. 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 7 September 2019, the published share price of the Threadneedle Emerging Market Bond Fund has risen from 60.04p to 65.53p.

The sterling total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +14.16% as compared to a median return of +14.10% over the same period. (For information the JPM Emerging Market Bonds Global Index gave a total return of +16.93% for the same period).

#### Market Overview and Portfolio Activity

Emerging-market (EM) bonds weathered heightened volatility to register gains over the review period.

The asset class was supported by US policymakers' increasingly dovish stance, which undermined the case for further dollar strength, a key factor for EM bonds. However, having weakened in anticipation of July's US rate cut, the dollar resumed an upward path after US Federal Reserve (Fed) Chairman Powell described the decision as a 'mid-cycle adjustment', disappointing those who had expected a sustained programme of cuts. Wider central-bank dovishness was supportive, as plunging yields on core government bonds pushed yield-hungry investors elsewhere.

The US-China trade war continued, and President Trump targeted Mexico in May, proposing increasingly rising tariffs on the country's exports to the US. In the event, Mexico escaped tariffs, and EMs benefited from a resurgence of trade optimism towards the end of June. Later in the review period, tensions escalated once more, with the US and China imposing further tariffs on each other, although both sides adopted a more conciliatory tone ahead of talks in September.

Currency volatility continued to weigh on EM bonds, as did the re-strengthening of the dollar, which reached a two-year high in early September. Political risk was also a focus: elections were held in Turkey and South Africa, and Argentina will hold elections in October. Falls in the prices of both oil and copper were unhelpful for the asset class.

In Brazil, the government's high-profile pension-reform plan obtained final approval from the legislature's lower house. The central bank slashed interest rates to a record low of 6%, responding to an improved economic outlook. President Bolsonaro drew criticism as he attempted to appoint his son as the country's ambassador to the US, and diplomatic tensions rose over the president's lack of action to combat wildfires in the Amazon. Following mounting diplomatic pressure and threats of potential boycotts of Brazilian goods, Bolsonaro announced a 60-day ban on the setting of fires in the region.

Mexico narrowly avoided falling into recession and the peso was volatile, plummeting to an eight-month low against the dollar in August. Weaker inflation and slowing economic growth prompted the Bank of Mexico to lower its main interest rate to 8% in August, the first reduction since 2014. Rating agency Fitch cut Mexico's sovereign rating to one notch above the lowest investment-grade level citing the risk to government finances from heavily-indebted state oil company Petroleos Mexicanos (Pemex).

Argentine assets traded with volatility on concerns that populists may return to power in October's ballot. The peso fell to a record low versus the US dollar early in March, prompting the central bank to hike rates. Argentine bonds rallied as business-friendly President Macri chose a senator from the Peronist movement as his running mate for October's election in an effort to broaden his appeal, but subsequently crashed as Macri unexpectedly lost a primary election to the opposition candidate in August. The government sought to extend maturities of about \$100bn of short-term debt and renegotiate the timing for repaying loans to the IMF. Credit rating agencies S&P, Fitch and Moody's downgraded Argentina's rating.

In Turkey, declining net foreign exchange reserves prompted speculation of interference by the central bank ahead of the elections. After losing control of Istanbul in municipal elections at the end of March, President Erdogan was awarded a runoff of the Istanbul vote by the country's electoral council, prompting the lira to plunge to its lowest level since October. However, the lira recovered after the candidate backed by Erdogan was decisively defeated. In July, Erdogan fired the central bank governor, following a disagreement over interest rates. The newly-appointed governor then cut rates by 4.25 percentage points, the largest cut since 2002. Fitch and Moody's responded by lowering Turkey's sovereign credit rating further into 'junk' territory.

Markets welcomed the re-election of President Ramaphosa in South Africa, on the expectation that he will focus on economic and land reforms. In July, the central bank cut its policy rate to stimulate the economy. However, after contracting -3.2% in the first quarter (Q1), the economy made a surprise return to growth in the second quarter (Q2) even as struggling electric utility Eskom, which is dependent on state aid, continued to put the firm on a sustainable footing, having already announced several billion US dollars in financial aid to Eskom during the year to date.

The US issued fresh sanctions against Russia, prohibiting US institutions from taking part in new sovereign issues. However, the sanctions were less punitive than many market participants had anticipated, impacting only non-rouble Eurobonds. Russia's credit rating was upgraded by Fitch, and the central bank cut rates in July. Activity within sovereign debt included initiating exposures to El Salvador, Ghana, Mongolia, Romania and Russia, as well as expanding positions in Abu Dhabi (United Arab Emirates), Indonesia, Peru, Qatar and Ukraine. Brazil, Ecuador, Dominican Republic, Ivory Coast and Turkey were among positions that were reduced. We exited Angola and Costa Rica. Elsewhere, we sold our exposures to CBB International Sukuk (Bahrain), Oman Sovereign Sukuk and the Argentine provinces of Cordoba and Buenos Aires.

Within corporate bonds, the fund established positions in oil company Saudi Aramco, telecommunications firm Millicom, technology company Tencent Holdings and conglomerate CK Hutchison, among others. We sold several holdings, including PT Saka Energi Indonesia, Tullow Oil and Petroleum Company of Trinidad and Tobago.

Valuations continue to look attractive within the asset class, particularly given the growing differential between developed markets and EM. A more dovish Fed should also provide support.

Trade-war worries and oil-price volatility could be key macro headwinds for EM corporate performance over the coming months. However, we believe that the strong fundamentals and healthy balance sheets of EM corporates will ensure solid performance.

We continue to seek to add value through idiosyncratic EM country and corporate stories, which are both key to overall EM performance.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	24,347	(5,374)
Revenue	6,074	7,379
Expenses	(1,154)	(1,309)
Interest payable and similar charges	(1)	(4)
Net revenue before taxation	4,919	6,066
Taxation	–	–
Net revenue after taxation	4,919	6,066
<b>Total return before distributions</b>	<b>29,266</b>	<b>692</b>
Distributions	(5,929)	(7,207)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>23,337</b>	<b>(6,515)</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	181,051	166,948
<b>Current assets:</b>		
Debtors	7,524	3,415
Cash and bank balances	4	9,092
Cash equivalents**	13,950	6,124
<b>Total assets</b>	<b>202,529</b>	<b>185,579</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	<b>(88)</b>	<b>(63)</b>
<b>Creditors:</b>		
Bank overdrafts	(2,765)	–
Distribution payable	(3,511)	(4,325)
Other creditors	(1,989)	(2,675)
<b>Total liabilities</b>	<b>(8,353)</b>	<b>(7,063)</b>
<b>Net assets attributable to shareholders</b>	<b>194,176</b>	<b>178,516</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>178,516</b>	<b>229,117</b>
Amounts receivable on the issue of shares	21,929	11,077
Amounts payable on the cancellation of shares	(31,942)	(36,574)
	(10,013)	(25,497)
Dilution adjustment	9	45
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	23,337	(6,515)
Retained distribution on accumulation shares	2,327	2,053
<b>Closing net assets attributable to shareholders</b>	<b>194,176</b>	<b>199,203</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

\*\*Gross performance is calculated in Factset using daily cash flows and daily global close valuations.

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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> 08/03/19 to 07/09/19	1.9297	–	1.9297	1.9335
<b>Group 2</b> 08/03/19 to 07/09/19	0.8564	1.0733	1.9297	1.9335
<b>Total distributions in the period</b>			<b>1.9297</b>	<b>1.9335</b>

#### Class 1 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	3.2802	–	3.2802	3.2866
<b>Group 2</b> 08/03/19 to 07/09/19	1.8476	1.4326	3.2802	3.2866
<b>Total distributions in the period</b>			<b>3.2802</b>	<b>3.2866</b>

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

## Threadneedle Emerging Market Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
Group 1 08/03/19 to 07/09/19	8.8498	–	8.8498	8.2846
Group 2 08/03/19 to 07/09/19	3.9278	4.9220	8.8498	8.2846
<b>Total distributions in the period</b>			<b>8.8498</b>	<b>8.2846</b>

#### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
Group 1 08/03/19 to 07/09/19	3.5153	–	3.5153	3.5045
Group 2 08/03/19 to 07/09/19	1.5909	1.9244	3.5153	3.5045
<b>Total distributions in the period</b>			<b>3.5153</b>	<b>3.5045</b>

#### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
Group 1 08/03/19 to 07/09/19	9.1298	–	9.1298	8.4980
Group 2 08/03/19 to 07/09/19	3.9558	5.1740	9.1298	8.4980
<b>Total distributions in the period</b>			<b>9.1298</b>	<b>8.4980</b>

#### Class X – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
Group 1 08/03/19 to 07/09/19	3.8132	–	3.8132	3.7630
Group 2 08/03/19 to 07/09/19	3.8132	–	3.8132	3.7630
<b>Total distributions in the period</b>			<b>3.8132</b>	<b>3.7630</b>

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
Group 1 08/03/19 to 07/09/19	4.0539	–	4.0539	3.7359
Group 2 08/03/19 to 07/09/19	4.0539	–	4.0539	3.7359
<b>Total distributions in the period</b>			<b>4.0539</b>	<b>3.7359</b>

#### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
Group 1 08/03/19 to 07/09/19	3.2859	–	3.2859	3.2641
Group 2 08/03/19 to 07/09/19	1.5445	1.7414	3.2859	3.2641
<b>Total distributions in the period</b>			<b>3.2859</b>	<b>3.2641</b>

#### Class Z – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
Group 1 08/03/19 to 07/09/19	3.0776	–	3.0776	3.0571
Group 2 08/03/19 to 07/09/19	1.9053	1.1723	3.0776	3.0571
<b>Total distributions in the period</b>			<b>3.0776</b>	<b>3.0571</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
Group 1 08/03/19 to 07/09/19	4.9652	–	4.9652	4.6089
Group 2 08/03/19 to 07/09/19	1.8886	3.0766	4.9652	4.6089
<b>Total distributions in the period</b>			<b>4.9652</b>	<b>4.6089</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Emerging Market Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross income shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	56.01	59.25	68.47	95.21	100.72	116.39
Return before operating charges (p)	9.90	1.70	(4.42)	16.82	2.90	(7.52)
Operating charges (p)	(0.50)	(0.95)	(1.10)	(0.85)	(1.62)	(1.86)
Return after operating charges (p)*	9.40	0.75	(5.52)	15.97	1.28	(9.38)
Distributions (p)	(1.93)	(3.99)	(3.70)	(3.28)	(6.79)	(6.29)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	63.48	56.01	59.25	107.90	95.21	100.72
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	16.78	1.27	(8.06)	16.77	1.27	(8.06)
<b>Other information</b>						
Closing net asset value (£000)	7,401	6,452	7,369	60,002	66,994	79,146
Closing number of shares	11,660,257	11,519,472	12,436,437	55,610,105	70,365,338	78,578,002
Operating charges (%)**	1.61 <sup>†</sup>	1.61	1.68	1.61 <sup>†</sup>	1.61	1.68
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	67.22	61.74	68.93	114.27	104.95	117.18
Lowest share price (p)	57.87	57.07	59.50	98.37	97.01	101.14
	Class 1 – Gross accumulation shares <sup>5</sup>			Class 2 – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	257.18	253.91	276.83	100.68	106.02	121.90
Return before operating charges (p)	45.05	7.42	(18.43)	17.81	3.06	(7.91)
Operating charges (p)	(2.30)	(4.15)	(4.49)	(0.61)	(1.16)	(1.24)
Return after operating charges (p)*	42.75	3.27	(22.92)	17.20	1.90	(9.15)
Distributions (p)	(8.85)	(17.41)	(15.16)	(3.52)	(7.24)	(6.73)
Retained distributions on accumulation shares (p)	8.85	17.41	15.16	–	–	–
Closing net asset value per share (p)	299.93	257.18	253.91	114.36	100.68	106.02
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	16.62	1.29	(8.28)	17.08	1.79	(7.51)
<b>Other information</b>						
Closing net asset value (£000)	37,003	30,844	33,097	1,815	1,477	1,508
Closing number of shares	12,337,416	11,993,171	13,034,914	1,586,735	1,466,898	1,422,592
Operating charges (%)**	1.61 <sup>†</sup>	1.61	1.68	1.09 <sup>†</sup>	1.09	1.07
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	308.28	272.53	278.68	121.10	110.72	122.73
Lowest share price (p)	265.40	246.41	248.01	104.03	102.40	106.49

## Threadneedle Emerging Market Bond Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Gross accumulation shares <sup>5</sup>			Class X – Gross income shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	261.79	257.11	278.62	108.93	113.56	129.24
Return before operating charges (p)	45.90	7.53	(18.62)	19.30	3.28	(8.42)
Operating charges (p)	(1.58)	(2.85)	(2.89)	(0.05)	(0.11)	(0.09)
Return after operating charges (p)*	44.32	4.68	(21.51)	19.25	3.17	(8.51)
Distributions (p)	(9.13)	(17.87)	(15.60)	(3.81)	(7.80)	(7.17)
Retained distributions on accumulation shares (p)	9.13	17.87	15.60	–	–	–
Closing net asset value per share (p)	306.11	261.79	257.11	124.37	108.93	113.56
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	16.93	1.82	(7.72)	17.67	2.79	(6.58)
<b>Other information</b>						
Closing net asset value (£000)	8,692	9,451	7,922	528	462	135
Closing number of shares	2,839,589	3,610,315	3,081,086	424,476	424,476	118,448
Operating charges (%)**	1.09 <sup>†</sup>	1.09	1.07	0.09 <sup>†</sup>	0.10	0.07
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	314.52	277.33	280.49	131.60	119.61	130.12
Lowest share price (p)	270.19	249.59	251.06	112.59	110.30	113.99
	Class X – Gross accumulation shares <sup>5</sup>			Class Z – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	115.95	112.75	120.96	95.17	99.82	114.30
Return before operating charges (p)	20.38	3.30	(8.13)	16.84	2.87	(7.43)
Operating charges (p)	(0.06)	(0.10)	(0.08)	(0.40)	(0.76)	(0.81)
Return after operating charges (p)*	20.32	3.20	(8.21)	16.44	2.11	(8.24)
Distributions (p)	(4.05)	(7.88)	(6.80)	(3.29)	(6.76)	(6.24)
Retained distributions on accumulation shares (p)	4.05	7.88	6.80	–	–	–
Closing net asset value per share (p)	136.27	115.95	112.75	108.32	95.17	99.82
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	17.52	2.84	(6.79)	17.27	2.11	(7.21)
<b>Other information</b>						
Closing net asset value (£000)	21,098	11,115	20,732	43,644	40,558	68,420
Closing number of shares	15,482,599	9,585,709	18,387,977	40,289,627	42,615,065	68,545,013
Operating charges (%)**	0.09 <sup>†</sup>	0.09	0.07	0.76 <sup>†</sup>	0.76	0.74
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	139.91	122.76	121.78	114.64	104.50	115.08
Lowest share price (p)	119.70	109.50	110.04	98.35	96.63	100.20

## Threadneedle Emerging Market Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Gross income shares <sup>§</sup>			Class Z – Gross accumulation shares <sup>§</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	89.14	93.49	107.05	143.98	140.95	152.25
Return before operating charges (p)	15.78	2.69	(6.96)	25.27	4.12	(10.21)
Operating charges (p)	(0.38)	(0.71)	(0.76)	(0.61)	(1.09)	(1.09)
Return after operating charges (p)*	15.40	1.98	(7.72)	24.66	3.03	(11.30)
Distributions (p)	(3.08)	(6.33)	(5.84)	(4.97)	(9.71)	(8.43)
Retained distributions on accumulation shares (p)	–	–	–	4.97	9.71	8.43
Closing net asset value per share (p)	101.46	89.14	93.49	168.64	143.98	140.95
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	17.28	2.12	(7.21)	17.13	2.15	(7.42)
<b>Other information</b>						
Closing net asset value (£000)	2,183	1,743	1,848	11,810	9,420	8,940
Closing number of shares	2,151,653	1,955,506	1,976,918	7,003,342	6,542,098	6,342,926
Operating charges (%)**	0.76 <sup>†</sup>	0.76	0.74	0.76 <sup>†</sup>	0.76	0.74
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	107.37	97.88	107.78	173.23	152.50	153.27
Lowest share price (p)	92.12	90.50	93.84	148.62	136.85	137.61

\*\*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 Bond Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	11,519,472
Shares issued	1,130,088
Shares redeemed	(872,718)
Net conversions	(116,585)
Closing shares	<u>11,660,257</u>
<b>Class 1 – Gross income shares</b>	
Opening shares	70,365,338
Shares issued	737,634
Shares redeemed	(15,471,126)
Net conversions	(21,741)
Closing shares	<u>55,610,105</u>
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	11,993,171
Shares issued	1,073,490
Shares redeemed	(692,833)
Net conversions	(36,412)
Closing shares	<u>12,337,416</u>
<b>Class 2 – Income shares</b>	
Opening shares	1,466,898
Shares issued	149,156
Shares redeemed	(32,788)
Net conversions	3,469
Closing shares	<u>1,586,735</u>
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	3,610,315
Shares issued	733,906
Shares redeemed	(1,502,718)
Net conversions	(1,914)
Closing shares	<u>2,839,589</u>
<b>Class X – Gross income shares</b>	
Opening shares	424,476
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>424,476</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	9,585,709
Shares issued	8,909,415
Shares redeemed	(3,012,525)
Net conversions	–
Closing shares	<u>15,482,599</u>

	2019
<b>Class Z – Income shares</b>	
Opening shares	42,615,065
Shares issued	2,427,014
Shares redeemed	(4,839,115)
Net conversions	86,663
Closing shares	<u>40,289,627</u>
<b>Class Z – Gross income shares</b>	
Opening shares	1,955,506
Shares issued	349,360
Shares redeemed	(153,213)
Net conversions	–
Closing shares	<u>2,151,653</u>
<b>Class Z – Gross accumulation shares</b>	
Opening shares	6,542,098
Shares issued	555,752
Shares redeemed	(162,997)
Net conversions	68,489
Closing shares	<u>7,003,342</u>

## Threadneedle High Yield Bond Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income. It looks to outperform the ICE BofAML European Currency High Yield Excluding Subordinated Financials Constrained (Hedged to Sterling) 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 bonds issued by companies worldwide that are denominated in euros (EUR) or sterling (GBP) and rated below investment grade. The Fund may invest to a lesser extent in bonds denominated in currencies other than euro and sterling, bonds of other credit quality (as well as unrated bonds) and bonds issued by governments and quasi-government entities. Non-sterling bonds are typically hedged into sterling.

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 ICE BofAML European Currency High Yield Excluding Subordinated Financials Constrained (Hedged to Sterling) Index is regarded as an appropriate performance measure of euro and sterling-denominated below investment grade bonds, issued by a broad range of companies. 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 7 September 2019, the published share price of the Threadneedle High Yield Bond Fund has risen from 41.83p to 42.91p. The total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +4.76% as compared to a median return of +4.14% over the same period. (For information the ICE BofAML European Currency High Yield Excluding Subordinated Financials Constrained (Hedged to Sterling) Index gave a total return of +5.21% for the same period).

### Market Overview and Portfolio Activity

Overall, the six months under review proved a strong period for the European high yield bond market. In response to softening economic conditions, central banks in the major economies signalled that they would pause along their path towards normalising monetary policy.

However, there was an increase in geopolitical risk. Initial expectations of an imminent resolution to the US-China trade war dissipated, as both countries levied additional tariffs, and the issues surrounding embattled telecom company Huawei continued. Additionally, tensions between the US and Iran resurfaced as the latter breached its enriched uranium limits.

The usually uneventful European parliamentary elections garnered a lot of attention, especially in the UK, where the two largest parties suffered significant losses. In the run-up to the elections, Prime Minister Theresa May resigned, triggering an internal party leadership contest. Towards the end of the period, fears of a no-deal Brexit on 31 October increased, as new prime minister Boris Johnson received the Queen's approval for a prorogation of parliament.

Across all geographies, data releases started to point towards a global economic slowdown. The European Central Bank reduced its 2019 GDP estimate for the eurozone and the Bank of England similarly downgraded its UK growth estimate, citing the ongoing confusion over Brexit as a key reason. In the US, Purchasing Managers Index numbers were weaker and the official GDP forecast was lowered. Until recently, jobs data on both sides of the Atlantic had remained robust, despite the slowing pace of growth.

Inflation data generally came in below expectations, which fuelled the more dovish stance by central banks and pushed government bond yields lower. This was especially the case for German bunds, where yields reached record lows and moved into negative territory across the maturity spectrum. The US Treasury yield curve inverted, which some commentators consider to be an indicator of an upcoming recession. At the end of July, the US Federal Reserve lowered interest rates by 25 basis points. Following August's strong rally in government bond markets, as much as \$17tn of debt was trading on negative yields by the end of the month.

Within the European high yield bond market, volumes in the primary market lagged those of previous years. One of the most notable

new deals was from Eircom, a strategically well-positioned Irish telecommunications company, which should see the continuation of its steady operating performance. We also took part in a new issue from Balkan cable operator United Group, on the back of strong operational performance and valuations that provided adequate compensation for the deal's payment-in-kind (PIK) structure. Additionally, we entered a new position in CPI, a German real estate company, as it presented a compelling valuation for a well-diversified and improving credit story. CPI is expected to benefit from rating upgrades, driven by an increasing proportion of unencumbered assets.

In the secondary market, we sold out of Sealed Air after a sector review highlighted concerns over the company's exposure to single-use plastics. We also lowered our position in Israeli pharmaceutical company Teva, due to concerns surrounding opioid litigation in the US.

By contrast, we added to Virgin Media, a British telecommunications company, due to its reasonable valuation and the defensive nature of the business. In August, we also entered a new position in Vodafone, which saw its hybrid bonds enter the high yield index in September, following the company's acquisition of Unity. Conversely, we continued to reduce our position in Unity as, on aggregate, its bonds were upgraded to an investment grade rating.

Market fundamentals are showing signs of suffering from the US-driven international trade talks. We are still expecting GDP and earnings growth, but at a slower pace and with more risks. More cyclical companies are exposed to the challenges, while more domestic companies show little to no impact for the time being. We expect that the trade talks will continue to provide an overhang and dampen economic growth.

The technicals for the high yield market are largely supportive, with moderately positive flows. Central banks continue to be dovish and are guiding for a low rate environment further out into 2020. Low government and investment grade yields should continue to support the high yield and wider markets.

Even though high yield spreads continued to tighten following the strong second quarter, spreads remain quite wide as a consequence of government yields tightening as well. Thus, they continue to offer good compensation for current default expectations of around 2%.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains/(losses)	23,828	(7,818)
Revenue	16,890	16,685
Expenses	(2,878)	(3,056)
Interest payable and similar charges	(9)	(19)
Net revenue before taxation	14,003	13,610
Taxation	–	–
Net revenue after taxation	14,003	13,610
<b>Total return before distributions</b>	<b>37,831</b>	<b>5,792</b>
Distributions	(16,484)	(16,267)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>21,347</b>	<b>(10,475)</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	784,337	686,141
<b>Current assets:</b>		
Debtors	44,426	13,605
Cash and bank balances	4,779	7,675
Cash equivalents**	38,264	47,975
<b>Total assets</b>	<b>871,806</b>	<b>755,396</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(327)	(66)
<b>Creditors:</b>		
Bank overdrafts	(149)	(143)
Distribution payable	(1,291)	(1,632)
Other creditors	(27,405)	(9,618)
<b>Total liabilities</b>	<b>(29,172)</b>	<b>(11,459)</b>
<b>Net assets attributable to shareholders</b>	<b>842,634</b>	<b>743,937</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>743,937</b>	<b>758,600</b>
Amounts receivable on the issue of shares	151,402	34,631
Amounts payable on the cancellation of shares	(81,990)	(48,807)
	69,412	(14,176)
Dilution adjustment	327	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	21,347	(10,475)
Retained distribution on accumulation shares	7,599	5,909
Unclaimed distributions	12	6
<b>Closing net assets attributable to shareholders</b>	<b>842,634</b>	<b>739,864</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

\*\*Gross performance is calculated in Factset using daily cash flows and daily global close valuations.

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 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>				
08/03/19 to 07/04/19	0.1457	–	0.1457	0.1436
08/04/19 to 07/05/19	0.1556	–	0.1556	0.1660
08/05/19 to 07/06/19	0.1559	–	0.1559	0.1506
08/06/19 to 07/07/19	0.1513	–	0.1513	0.1518
08/07/19 to 07/08/19	0.1533	–	0.1533	0.1533
08/08/19 to 07/09/19	0.1326	–	0.1326	0.1492
<b>Group 2</b>				
08/03/19 to 07/04/19	0.0704	0.0753	0.1457	0.1436
08/04/19 to 07/05/19	0.0872	0.0684	0.1556	0.1660
08/05/19 to 07/06/19	0.0742	0.0817	0.1559	0.1506
08/06/19 to 07/07/19	0.0466	0.1047	0.1513	0.1518
08/07/19 to 07/08/19	0.0958	0.0575	0.1533	0.1533
08/08/19 to 07/09/19	0.0768	0.0558	0.1326	0.1492
<b>Total distributions in the period</b>			<b>0.8944</b>	<b>0.9145</b>

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



# Threadneedle High Yield Bond Fund

## DISTRIBUTION TABLE

(continued)

### Class 1 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.1458	–	0.1458	0.1437
08/04/19 to 07/05/19	0.1558	–	0.1558	0.1662
08/05/19 to 07/06/19	0.1560	–	0.1560	0.1507
08/06/19 to 07/07/19	0.1514	–	0.1514	0.1520
08/07/19 to 07/08/19	0.1534	–	0.1534	0.1535
08/08/19 to 07/09/19	0.1328	–	0.1328	0.1493
<b>Group 2</b>				
08/03/19 to 07/04/19	0.0259	0.1199	0.1458	0.1437
08/04/19 to 07/05/19	0.0896	0.0662	0.1558	0.1662
08/05/19 to 07/06/19	0.1018	0.0542	0.1560	0.1507
08/06/19 to 07/07/19	0.0332	0.1181	0.1514	0.1520
08/07/19 to 07/08/19	0.0748	0.0786	0.1534	0.1535
08/08/19 to 07/09/19	0.0321	0.1007	0.1328	0.1493
<b>Total distributions in the period</b>			<b>0.8952</b>	<b>0.9154</b>

### Class 1 USD Hedged – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.2577	–	0.2577	0.2346
08/04/19 to 07/05/19	0.2785	–	0.2785	0.2721
08/05/19 to 07/06/19	0.2849	–	0.2849	0.2574
08/06/19 to 07/07/19	0.2795	–	0.2795	0.2631
08/07/19 to 07/08/19	0.2894	–	0.2894	0.2690
08/08/19 to 07/09/19	0.2557	–	0.2557	0.2678
<b>Group 2</b>				
08/03/19 to 07/04/19	–	0.2577	0.2577	0.2346
08/04/19 to 07/05/19	–	0.2785	0.2785	0.2721
08/05/19 to 07/06/19	–	0.2849	0.2849	0.2574
08/06/19 to 07/07/19	–	0.2795	0.2795	0.2631
08/07/19 to 07/08/19	–	0.2894	0.2894	0.2690
08/08/19 to 07/09/19	–	0.2557	0.2557	0.2678
<b>Total distributions in the period</b>			<b>1.6457</b>	<b>1.5640</b>

### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.4025	–	0.4025	0.3803
08/04/19 to 07/05/19	0.4314	–	0.4314	0.4411
08/05/19 to 07/06/19	0.4338	–	0.4338	0.4015
08/06/19 to 07/07/19	0.4227	–	0.4227	0.4121
08/07/19 to 07/08/19	0.4295	–	0.4295	0.4119
08/08/19 to 07/09/19	0.3731	–	0.3731	0.4022
<b>Group 2</b>				
08/03/19 to 07/04/19	0.0616	0.3409	0.4025	0.3803
08/04/19 to 07/05/19	0.1928	0.2386	0.4314	0.4411
08/05/19 to 07/06/19	0.4338	–	0.4338	0.4015
08/06/19 to 07/07/19	0.4227	–	0.4227	0.4121
08/07/19 to 07/08/19	0.4194	0.0101	0.4295	0.4119
08/08/19 to 07/09/19	0.1731	0.2000	0.3731	0.4022
<b>Total distributions in the period</b>			<b>2.4930</b>	<b>2.4491</b>

### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.2154	–	0.2154	0.2115
08/04/19 to 07/05/19	0.2297	–	0.2297	0.2439
08/05/19 to 07/06/19	0.2304	–	0.2304	0.2217
08/06/19 to 07/07/19	0.2238	–	0.2238	0.2234
08/07/19 to 07/08/19	0.2268	–	0.2268	0.2257
08/08/19 to 07/09/19	0.1969	–	0.1969	0.2199
<b>Group 2</b>				
08/03/19 to 07/04/19	0.0612	0.1542	0.2154	0.2115
08/04/19 to 07/05/19	0.0823	0.1474	0.2297	0.2439
08/05/19 to 07/06/19	0.1288	0.1016	0.2304	0.2217
08/06/19 to 07/07/19	0.0889	0.1349	0.2238	0.2234
08/07/19 to 07/08/19	0.0683	0.1585	0.2268	0.2257
08/08/19 to 07/09/19	0.0473	0.1496	0.1969	0.2199
<b>Total distributions in the period</b>			<b>1.3230</b>	<b>1.3461</b>

### Class 2 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.1854	–	0.1854	0.1820
08/04/19 to 07/05/19	0.1978	–	0.1978	0.2099
08/05/19 to 07/06/19	0.1983	–	0.1983	0.1908
08/06/19 to 07/07/19	0.1926	–	0.1926	0.1923
08/07/19 to 07/08/19	0.1952	–	0.1952	0.1943
08/08/19 to 07/09/19	0.1695	–	0.1695	0.1891
<b>Group 2</b>				
08/03/19 to 07/04/19	0.0671	0.1183	0.1854	0.1820
08/04/19 to 07/05/19	0.1217	0.0761	0.1978	0.2099
08/05/19 to 07/06/19	0.0682	0.1301	0.1983	0.1908
08/06/19 to 07/07/19	0.1624	0.0302	0.1926	0.1923
08/07/19 to 07/08/19	0.1350	0.0602	0.1952	0.1943
08/08/19 to 07/09/19	0.0992	0.0703	0.1695	0.1891
<b>Total distributions in the period</b>			<b>1.1388</b>	<b>1.1584</b>

### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.6526	–	0.6526	0.6131
08/04/19 to 07/05/19	0.6984	–	0.6984	0.7090
08/05/19 to 07/06/19	0.7029	–	0.7029	0.6473
08/06/19 to 07/07/19	0.6853	–	0.6853	0.6546
08/07/19 to 07/08/19	0.6971	–	0.6971	0.6642
08/08/19 to 07/09/19	0.6073	–	0.6073	0.6492
<b>Group 2</b>				
08/03/19 to 07/04/19	0.0946	0.5580	0.6526	0.6131
08/04/19 to 07/05/19	0.2397	0.4587	0.6984	0.7090
08/05/19 to 07/06/19	0.5788	0.1241	0.7029	0.6473
08/06/19 to 07/07/19	0.0591	0.6262	0.6853	0.6546
08/07/19 to 07/08/19	0.1602	0.5369	0.6971	0.6642
08/08/19 to 07/09/19	0.0709	0.5364	0.6073	0.6492
<b>Total distributions in the period</b>			<b>4.0436</b>	<b>3.9374</b>

### Class X – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.3534	–	0.3534	0.3445
08/04/19 to 07/05/19	0.3773	–	0.3773	0.3974
08/05/19 to 07/06/19	0.3786	–	0.3786	0.3615
08/06/19 to 07/07/19	0.3678	–	0.3678	0.3667
08/07/19 to 07/08/19	0.3732	–	0.3732	0.3687
08/08/19 to 07/09/19	0.3240	–	0.3240	0.3592
<b>Group 2</b>				
08/03/19 to 07/04/19	0.3534	–	0.3534	0.3445
08/04/19 to 07/05/19	0.2741	0.1032	0.3773	0.3974
08/05/19 to 07/06/19	0.1086	0.2700	0.3786	0.3615
08/06/19 to 07/07/19	0.3678	–	0.3678	0.3667
08/07/19 to 07/08/19	0.3732	–	0.3732	0.3687
08/08/19 to 07/09/19	0.2940	0.0300	0.3240	0.3592
<b>Total distributions in the period</b>			<b>2.1743</b>	<b>2.1980</b>

### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.4281	–	0.4281	0.3993
08/04/19 to 07/05/19	0.4587	–	0.4587	0.4623
08/05/19 to 07/06/19	0.4618	–	0.4618	0.4221
08/06/19 to 07/07/19	0.4506	–	0.4506	0.4272
08/07/19 to 07/08/19	0.4586	–	0.4586	0.4337
08/08/19 to 07/09/19	0.3998	–	0.3998	0.4241
<b>Group 2</b>				
08/03/19 to 07/04/19	0.3681	0.0600	0.4281	0.3993
08/04/19 to 07/05/19	0.1627	0.2960	0.4587	0.4623
08/05/19 to 07/06/19	0.4618	–	0.4618	0.4221
08/06/19 to 07/07/19	0.4506	–	0.4506	0.4272
08/07/19 to 07/08/19	0.0786	0.3800	0.4586	0.4337
08/08/19 to 07/09/19	0.3998	–	0.3998	0.4241
<b>Total distributions in the period</b>			<b>2.6576</b>	<b>2.5687</b>

### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.3534	–	0.3534	0.3463
08/04/19 to 07/05/19	0.3777	–	0.3777	0.4006
08/05/19 to 07/06/19	0.3785	–	0.3785	0.3633
08/06/19 to 07/07/19	0.3677	–	0.3677	0.3666
08/07/19 to 07/08/19	0.3726	–	0.3726	0.3704
08/08/19 to 07/09/19	0.3225	–	0.3225	0.3605
<b>Group 2</b>				
08/03/19 to 07/04/19	0.1730	0.1804	0.3534	0.3463
08/04/19 to 07/05/19	0.1875	0.1902	0.3777	0.4006
08/05/19 to 07/06/19	0.2133	0.1652	0.3785	0.3633
08/06/19 to 07/07/19	0.1480	0.2197	0.3677	0.3666
08/07/19 to 07/08/19	0.1790	0.1936	0.3726	0.3704
08/08/19 to 07/09/19	0.1510	0.1715	0.3225	0.3605
<b>Total distributions in the period</b>			<b>2.1724</b>	<b>2.2077</b>

### Class Z – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.4148	–	0.4148	0.3892
08/04/19 to 07/05/19	0.4450	–	0.4450	0.4517
08/05/19 to 07/06/19	0.4474	–	0.4474	0.4114
08/06/19 to 07/07/19	0.4362	–	0.4362	0.4165
08/07/19 to 07/08/19	0.4436	–	0.4436	0.4223
08/08/19 to 07/09/19	0.3853	–	0.3853	0.4126
<b>Group 2</b>				
08/03/19 to 07/04/19	0.2253	0.1895	0.4148	0.3892
08/04/19 to 07/05/19	0.2160	0.2290	0.4450	0.4517
08/05/19 to 07/06/19	0.3052	0.1422	0.4474	0.4114
08/06/19 to 07/07/19	0.2178	0.2184	0.4362	0.4165
08/07/19 to 07/08/19	0.2395	0.2041	0.4436	0.4223
08/08/19 to 07/09/19	0.2109	0.1744	0.3853	0.4126
<b>Total distributions in the period</b>			<b>2.5723</b>	<b>2.5037</b>

## Threadneedle High Yield Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class Z – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.3442	–	0.3442	0.3373
08/04/19 to 07/05/19	0.3678	–	0.3678	0.3901
08/05/19 to 07/06/19	0.3686	–	0.3686	0.3540
08/06/19 to 07/07/19	0.3581	–	0.3581	0.3570
08/07/19 to 07/08/19	0.3629	–	0.3629	0.3608
08/08/19 to 07/09/19	0.3141	–	0.3141	0.3512
<b>Group 2</b>				
08/03/19 to 07/04/19	0.1548	0.1894	0.3442	0.3373
08/04/19 to 07/05/19	0.2259	0.1419	0.3678	0.3901
08/05/19 to 07/06/19	0.0999	0.2687	0.3686	0.3540
08/06/19 to 07/07/19	0.1391	0.2190	0.3581	0.3570
08/07/19 to 07/08/19	0.1940	0.1689	0.3629	0.3608
08/08/19 to 07/09/19	0.1262	0.1879	0.3141	0.3512
<b>Total distributions in the period</b>			<b>2.1157</b>	<b>2.1504</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b>				
08/03/19 to 07/04/19	0.5117	–	0.5117	0.4801
08/04/19 to 07/05/19	0.5486	–	0.5486	0.5572
08/05/19 to 07/06/19	0.5519	–	0.5519	0.5074
08/06/19 to 07/07/19	0.5382	–	0.5382	0.5137
08/07/19 to 07/08/19	0.5471	–	0.5471	0.5210
08/08/19 to 07/09/19	0.4754	–	0.4754	0.5089
<b>Group 2</b>				
08/03/19 to 07/04/19	0.2911	0.2206	0.5117	0.4801
08/04/19 to 07/05/19	0.3324	0.2162	0.5486	0.5572
08/05/19 to 07/06/19	0.3253	0.2266	0.5519	0.5074
08/06/19 to 07/07/19	0.2860	0.2522	0.5382	0.5137
08/07/19 to 07/08/19	0.2766	0.2705	0.5471	0.5210
08/08/19 to 07/09/19	0.2104	0.2650	0.4754	0.5089
<b>Total distributions in the period</b>			<b>3.1729</b>	<b>3.0883</b>

Group 2: shares purchased during a distribution period.

## Threadneedle High Yield Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross income shares <sup>§</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	41.53	42.59	43.03	41.57	42.63	43.07
Return before operating charges (p)	2.25	1.31	2.19	2.26	1.31	2.19
Operating charges (p)	(0.28)	(0.56)	(0.62)	(0.28)	(0.56)	(0.62)
Return after operating charges (p)*	1.97	0.75	1.57	1.98	0.75	1.57
Distributions (p)	(0.89)	(1.81)	(2.01)	(0.90)	(1.81)	(2.01)
Retained distributions on accumulation shares (p)**	–	–	–	–	–	–
Closing net asset value per share (p)	42.61	41.53	42.59	42.65	41.57	42.63
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	4.74	1.76	3.65	4.76	1.76	3.65
<b>Other information</b>						
Closing net asset value (£000)	71,739	74,794	87,344	8,447	31,262	41,092
Closing number of shares	168,364,076	180,080,571	205,095,991	19,806,115	75,196,806	96,396,972
Operating charges (%)**	1.33 <sup>†</sup>	1.33	1.42	1.34 <sup>†</sup>	1.33	1.42
Direct transaction costs (%)**	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	43.07	42.85	43.90	43.11	42.89	43.95
Lowest share price (p)	41.60	40.37	42.70	41.64	40.41	42.74
	Class 1 USD Hedged – Gross income shares <sup>§</sup>			Class 1 – Gross accumulation shares <sup>§</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	73.54	70.35	79.90	114.75	112.67	108.70
Return before operating charges (p)	9.91	7.34	(5.01)	6.27	3.59	5.52
Operating charges (p)	(0.52)	(0.98)	(1.07)	(0.79)	(1.51)	(1.55)
Return after operating charges (p)*	9.39	6.36	(6.08)	5.48	2.08	3.97
Distributions (p)	(1.65)	(3.17)	(3.47)	(2.49)	(4.90)	(5.18)
Retained distributions on accumulation shares (p)**	–	–	–	2.49	4.90	5.18
Closing net asset value per share (p)	81.28	73.54	70.35	120.23	114.75	112.67
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	12.77	9.04	(7.61)	4.78	1.85	3.65
<b>Other information</b>						
Closing net asset value (£000)	6,041	5,312	3,927	843	776	37
Closing number of shares	7,432,220	7,223,373	5,582,725	700,942	675,945	32,987
Operating charges (%)**	1.33 <sup>†</sup>	1.33	1.42	1.33 <sup>†</sup>	1.34	1.38
Direct transaction costs (%)**	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	83.96	76.62	80.40	121.14	115.30	114.19
Lowest share price (p)	73.40	68.51	69.60	114.93	110.32	108.45

## Threadneedle High Yield Bond Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Income shares			Class 2 – Gross income shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	60.29	61.54	61.86	51.89	52.96	53.25
Return before operating charges (p)	3.27	1.91	3.15	2.82	1.65	2.70
Operating charges (p)	(0.25)	(0.49)	(0.51)	(0.21)	(0.42)	(0.44)
Return after operating charges (p)*	3.02	1.42	2.64	2.61	1.23	2.26
Distributions (p)	(1.32)	(2.67)	(2.96)	(1.14)	(2.30)	(2.55)
Retained distributions on accumulation shares (p)**	–	–	–	–	–	–
Closing net asset value per share (p)	61.99	60.29	61.54	53.36	51.89	52.96
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	5.01	2.31	4.27	5.03	2.32	4.24
<b>Other information</b>						
Closing net asset value (£000)	8,163	9,527	17,050	1,176	2,122	3,741
Closing number of shares	13,167,783	15,801,121	27,706,416	2,204,411	4,089,792	7,063,089
Operating charges (%)**	0.81 <sup>†</sup>	0.81	0.81	0.81 <sup>†</sup>	0.81	0.81
Direct transaction costs (%)**	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	62.66	61.95	63.34	53.93	53.32	54.52
Lowest share price (p)	60.39	58.55	61.68	51.98	50.40	53.09
	Class 2 – Gross accumulation shares <sup>5</sup>			Class X – Gross income shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	182.61	178.37	171.04	98.90	100.19	99.98
Return before operating charges (p)	9.99	5.70	8.76	5.38	3.14	5.07
Operating charges (p)	(0.76)	(1.46)	(1.43)	(0.03)	(0.06)	(0.06)
Return after operating charges (p)*	9.23	4.24	7.33	5.35	3.08	5.01
Distributions (p)	(4.04)	(7.90)	(8.36)	(2.17)	(4.37)	(4.80)
Retained distributions on accumulation shares (p)**	4.04	7.90	8.36	–	–	–
Closing net asset value per share (p)	191.84	182.61	178.37	102.08	98.90	100.19
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	5.05	2.38	4.29	5.41	3.07	5.01
<b>Other information</b>						
Closing net asset value (£000)	259,898	184,313	195,709	4,940	8,042	2,130
Closing number of shares	135,478,353	100,931,916	109,722,377	4,839,356	8,131,106	2,125,776
Operating charges (%)**	0.81 <sup>†</sup>	0.81	0.81	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)**	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	193.29	183.49	180.66	103.17	100.95	102.89
Lowest share price (p)	182.90	175.41	170.70	99.07	95.93	99.80

## Threadneedle High Yield Bond Fund

### Comparative Table Disclosure

(continued)

	Class X – Gross accumulation shares <sup>5</sup>			Class Z – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	119.80	116.14	110.53	100.72	102.66	103.06
Return before operating charges (p)	6.57	3.73	5.68	5.48	3.18	5.22
Operating charges (p)	(0.04)	(0.07)	(0.07)	(0.38)	(0.74)	(0.76)
Return after operating charges (p)*	6.53	3.66	5.61	5.10	2.44	4.46
Distributions (p)	(2.66)	(5.17)	(5.42)	(2.17)	(4.38)	(4.86)
Retained distributions on accumulation shares (p)**	2.66	5.17	5.42	–	–	–
Closing net asset value per share (p)	126.33	119.80	116.14	103.65	100.72	102.66
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	5.45	3.15	5.08	5.06	2.38	4.33
<b>Other information</b>						
Closing net asset value (£000)	115,543	76,912	49,498	276,927	272,757	285,789
Closing number of shares	91,462,331	64,200,212	42,618,521	267,186,816	270,795,387	278,392,263
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.73 <sup>†</sup>	0.73	0.73
Direct transaction costs (%)**	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	127.27	120.37	117.54	104.75	103.36	105.62
Lowest share price (p)	120.00	114.93	110.33	100.89	97.79	102.86
	Class Z – Accumulation shares			Class Z – Gross income shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	118.21	115.38	110.55	98.11	99.99	100.38
Return before operating charges (p)	6.47	3.68	5.67	5.33	3.11	5.08
Operating charges (p)	(0.45)	(0.85)	(0.84)	(0.37)	(0.72)	(0.74)
Return after operating charges (p)*	6.02	2.83	4.83	4.96	2.39	4.34
Distributions (p)	(2.57)	(5.02)	(5.32)	(2.12)	(4.27)	(4.73)
Retained distributions on accumulation shares (p)**	2.57	5.02	5.32	–	–	–
Closing net asset value per share (p)	124.23	118.21	115.38	100.95	98.11	99.99
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	5.09	2.45	4.37	5.06	2.39	4.32
<b>Other information</b>						
Closing net asset value (£000)	29,726	21,275	13,756	36,988	37,501	42,593
Closing number of shares	23,928,779	17,998,360	11,922,607	36,639,873	38,225,545	42,597,550
Operating charges (%)**	0.73 <sup>†</sup>	0.73	0.73	0.73 <sup>†</sup>	0.73	0.73
Direct transaction costs (%)**	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	125.16	118.77	116.85	102.03	100.67	102.87
Lowest share price (p)	118.40	113.53	110.33	98.26	95.25	100.19

## Threadneedle High Yield Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Gross accumulation shares <sup>5</sup>		
	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	145.82	142.32	136.37
Return before operating charges (p)	7.97	4.55	6.98
Operating charges (p)	(0.55)	(1.05)	(1.03)
Return after operating charges (p)*	7.42	3.50	5.95
Distributions (p)	(3.17)	(6.20)	(6.56)
Retained distributions on accumulation shares (p)**	3.17	6.20	6.56
Closing net asset value per share (p)	153.24	145.82	142.32
*after direct transaction costs of (p)	–	–	–
<b>Performance</b>			
Return after charges (%)	5.09	2.46	4.36
<b>Other information</b>			
Closing net asset value (£000)	22,203	19,344	15,934
Closing number of shares	14,489,194	13,266,056	11,195,946
Operating charges (%)***	0.73 <sup>†</sup>	0.73	0.73
Direct transaction costs (%)****	–	–	–
<b>Prices</b>			
Highest share price (p)	154.40	146.51	144.14
Lowest share price (p)	146.05	140.05	136.11

\*\*\*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>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 High Yield Bond Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	180,080,571
Shares issued	2,941,377
Shares redeemed	(12,867,202)
Net conversions	(1,790,670)
Closing shares	<u>168,364,076</u>
<b>Class 1 – Gross income shares</b>	
Opening shares	75,196,806
Shares issued	1,361,137
Shares redeemed	(56,544,975)
Net conversions	(206,853)
Closing shares	<u>19,806,115</u>
<b>Class 1 USD Hedged – Gross income shares</b>	
Opening shares	7,223,373
Shares issued	222,493
Shares redeemed	(13,646)
Net conversions	–
Closing shares	<u>7,432,220</u>
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	675,945
Shares issued	33,230
Shares redeemed	(8,233)
Net conversions	–
Closing shares	<u>700,942</u>
<b>Class 2 – Income shares</b>	
Opening shares	15,801,121
Shares issued	505,013
Shares redeemed	(3,096,863)
Net conversions	(41,488)
Closing shares	<u>13,167,783</u>
<b>Class 2 – Gross income shares</b>	
Opening shares	4,089,792
Shares issued	143,204
Shares redeemed	(2,020,685)
Net conversions	(7,900)
Closing shares	<u>2,204,411</u>
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	100,931,916
Shares issued	47,556,200
Shares redeemed	(13,005,884)
Net conversions	(3,879)
Closing shares	<u>135,478,353</u>

2019

##### Class X – Gross income shares

Opening shares	8,131,106
Shares issued	643,709
Shares redeemed	(3,935,459)
Net conversions	–
Closing shares	<u>4,839,356</u>

##### Class X – Gross accumulation shares

Opening shares	64,200,212
Shares issued	27,273,905
Shares redeemed	(11,786)
Net conversions	–
Closing shares	<u>91,462,331</u>

##### Class Z – Income shares

Opening shares	270,795,387
Shares issued	10,455,844
Shares redeemed	(14,421,189)
Net conversions	356,774
Closing shares	<u>267,186,816</u>

##### Class Z – Accumulation shares

Opening shares	17,998,360
Shares issued	7,673,335
Shares redeemed	(1,731,172)
Net conversions	(11,744)
Closing shares	<u>23,928,779</u>

##### Class Z – Gross income shares

Opening shares	38,225,545
Shares issued	855,302
Shares redeemed	(2,949,738)
Net conversions	508,764
Closing shares	<u>36,639,873</u>

##### Class Z – Gross accumulation shares

Opening shares	13,266,056
Shares issued	2,195,856
Shares redeemed	(986,555)
Net conversions	13,837
Closing shares	<u>14,489,194</u>

## Threadneedle Global Select 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 shares of companies worldwide.

The Fund selects companies considered to have good prospects for share price growth, from any economic sector or geographic region, 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 providing an appropriate representation of the share performance of large and medium-sized companies worldwide, with over 2,700 companies currently 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 90 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 7 September 2019, the published share price of the Threadneedle Global Select Fund has risen from 223.02p to 262.47p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +17.77% as compared to a median return of +11.75% over the same period. (For information the MSCI AC World Index returned +12.56% over the same period).

### Market Overview and Portfolio Activity

Despite bouts of volatility over the reporting period, global markets enjoyed gains. Worries about the US-China trade war and health of the global economy weighed on investor sentiment. However, the dovish pivot by key global central banks provided some succour.

North American equities performed particularly strongly, helped by the Federal Reserve (Fed)'s monetary policy U-turn, decent corporate results and signs of continued strength from the US consumer. As anticipated, the Fed cut the benchmark rate at its July meeting, although Chair Jerome Powell described it as a 'mid-cycle adjustment' rather than the start of aggressive easing. Key parts of the treasury yield curve inverted towards the end of the period, amid escalating trade tensions, and the dollar gained as investors flocked to safe-haven assets.

Europe ex-UK stocks also outperformed, as the European Central Bank signalled a readiness to support the struggling regional economy, both through rate cuts and further bond purchases. Economic data remained weak, with the German economy contracting in the second quarter, as the export-dependent manufacturing sector continued to reel. More positively, the formation of a new coalition government in Italy lifted the chances of an end to the fiscal friction with the EU. UK stocks lagged, as the new Prime Minister Boris Johnson stoked fears of a 'no-deal' departure from the EU, and economic data indicated growing Brexit-related strain. The UK economy contracted in the second quarter, and businesses showed continued reluctance to invest. The Bank of England held rates but revised its 2019 growth forecast from 1.5% to 1.3%, while underlining growing chances of a recession next year.

Emerging markets (EM) underperformed over the six months, as anxiety around trade and the global economy drove investors away from perceived risk assets. A number of country-specific events, notably the economic crisis in Argentina, also undermined sentiment. Japan lagged its peers on worries about trade, lacklustre corporate results, a strengthening yen and the intensification of tensions with South Korea.

New positions in the fund over the period included composite decking manufacturer Trex. The company uses recycled materials in the production process and has a cost advantage over peers using more traditional, plastic-production-based methods. This enables Trex to produce compelling returns on capital and promotes market-share gains

given the lower costs to the consumer. We are positive on the company's planned product pipeline and initiatives, strong distribution networks and the secular conversion to composites by consumers.

We also purchased Japanese semiconductor circuit manufacturer Rohm. The firm is exposed to the growth in vehicle electrification, a space where product quality and reliability are paramount, and lead times and product cycles are long. We feel this will both stabilise and increase the company's top-line growth and its returns on capital.

Elsewhere, we added Medtronic to the portfolio. The company develops therapeutic and diagnostic medical products and boasts defensive characteristics, with a sustainable revenue and earnings profile. It is well positioned across its product lines, with strong market share in many of the fastest growing areas of its industry. Forthcoming product launches should help to accelerate shorter-term growth too.

The disposal of mining company Rio Tinto helped to fund these purchases. We decided to close our position as the valuation had become somewhat rich following the stock's strong run on the back of higher iron-ore prices. We also sold Brazilian digital-payments firm PagSeguro due to concerns around competition. This followed the decision of rival Itaú Unibanco's card-processing unit to reduce interest rates for small- and medium-sized merchants. Additionally, oilfield-services company Schlumberger was exited. We felt that the firm's underinvestment in 2019 – to cover its dividend – is not sustainable and could affect shareholder returns.

Global equity markets continue to provide 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 will remain 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, we believe that structural factors driving a world which is 'lower for longer' will 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 on capital and earnings growth through the market cycle.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	154,342	79,563
Revenue	7,403	10,773
Expenses	(4,075)	(6,607)
Interest payable and similar charges	–	(5)
Net revenue before taxation	3,328	4,161
Taxation	(742)	(896)
Net revenue after taxation	2,586	3,265
<b>Total return before equalisation</b>	<b>156,928</b>	<b>82,828</b>
Equalisation	627	(237)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>157,555</b>	<b>82,591</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	993,516	855,427
<b>Current assets:</b>		
Debtors	5,956	2,843
Cash and bank balances	6,003	15,244
Cash equivalents**	22,021	9,144
Total assets	1,027,496	882,658
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(10)	(1)
<b>Creditors:</b>		
Distribution payable	–	(8)
Other creditors	(3,772)	(10,271)
Total liabilities	(3,782)	(10,280)
<b>Net assets attributable to shareholders</b>	<b>1,023,714</b>	<b>872,378</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>872,378</b>	<b>1,204,359</b>
Amounts receivable on the issue of shares	240,452	552,688
Amounts payable on the cancellation of shares	(246,671)	(566,835)
	(6,219)	(14,147)
Dilution adjustment	–	90
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	157,555	82,591
<b>Closing net assets attributable to shareholders</b>	<b>1,023,714</b>	<b>1,272,893</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

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



## Threadneedle Global Select Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 1 EUR – Accumulation shares
	07/09/2019	07/03/2019	07/03/2018	25/01/2019 <sup>1</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	223.00	214.97	194.22	228.14
Return before operating charges (p)	41.38	11.63	24.18	(12.22)
Operating charges (p)	(1.99)	(3.60)	(3.43)	(1.94)
Return after operating charges (p)*	39.39	8.03	20.75	(14.16)
Distributions (p)	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–
Closing net asset value per share (p)	262.39	223.00	214.97	213.98
*after direct transaction costs of (p)	0.06	0.16	0.17	0.19
<b>Performance</b>				
Return after charges (%)	17.66	3.74	10.68	(6.21)
<b>Other information</b>				
Closing net asset value (£000)	317,775	394,056	560,883	–
Closing number of shares	121,107,830	176,705,657	260,918,033	–
Operating charges (%)**	1.63 <sup>†</sup>	1.63	1.67	–
Direct transaction costs (%)***	0.05	0.07	0.09	–
<b>Prices</b>				
Highest share price (p)	265.26	238.91	225.26	238.91
Lowest share price (p)	221.19	198.87	186.69	198.87
	Class 1 USD – Accumulation shares	Class 2 – Accumulation shares		
	25/01/2019 <sup>1</sup>	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	228.14	321.74	308.39	276.95
Return before operating charges (p)	(12.15)	59.81	16.71	34.57
Operating charges (p)	(2.01)	(1.89)	(3.36)	(3.13)
Return after operating charges (p)*	(14.16)	57.92	13.35	31.44
Distributions (p)	–	–	(1.18)	(0.97)
Retained distributions on accumulation shares (p)	–	–	1.18	0.97
Closing net asset value per share (p)	213.98	379.66	321.74	308.39
*after direct transaction costs of (p)	0.29	0.09	0.23	0.25
<b>Performance</b>				
Return after charges (%)	(6.21)	18.00	4.33	11.35
<b>Other information</b>				
Closing net asset value (£000)	–	38,841	32,258	137,407
Closing number of shares	–	10,230,586	10,026,116	44,556,195
Operating charges (%)**	–	1.06 <sup>†</sup>	1.07	1.06
Direct transaction costs (%)***	–	0.05	0.07	0.09
<b>Prices</b>				
Highest share price (p)	238.91	383.58	343.60	322.97
Lowest share price (p)	198.87	319.13	286.62	266.42

## Threadneedle Global Select Fund

### Comparative Table Disclosure

(continued)

	Class 2 EUR – Accumulation shares			Class 2 USD – Accumulation shares		
	25/01/2019 <sup>1</sup>			25/01/2019 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	327.82			327.82		
Return before operating charges (p)	(17.35)			(17.43)		
Operating charges (p)	(1.92)			(1.84)		
Return after operating charges (p)*	(19.27)			(19.27)		
Distributions (p)	(0.73)			(0.73)		
Retained distributions on accumulation shares (p)	0.73			0.73		
Closing net asset value per share (p)	308.55			308.55		
*after direct transaction costs of (p)	0.28			0.21		
<b>Performance</b>						
Return after charges (%)	(5.88)			(5.88)		
<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)	343.60			343.60		
Lowest share price (p)	286.62			286.62		
	Class X – Accumulation shares			Class Z – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	170.11	161.42	143.52	182.77	175.83	158.39
Return before operating charges (p)	31.68	8.79	17.99	33.98	9.53	19.78
Operating charges (p)	(0.06)	(0.10)	(0.09)	(0.86)	(1.54)	(1.49)
Return after operating charges (p)*	31.62	8.69	17.90	33.12	7.99	18.29
Distributions (p)	–	(2.29)	(2.04)	–	(1.05)	(0.85)
Retained distributions on accumulation shares (p)	–	2.29	2.04	–	–	–
Closing net asset value per share (p)	201.73	170.11	161.42	215.89	182.77	175.83
*after direct transaction costs of (p)	0.05	0.12	0.13	0.05	0.13	0.14
<b>Performance</b>						
Return after charges (%)	18.59	5.38	12.47	18.12	4.54	11.55
<b>Other information</b>						
Closing net asset value (£000)	483,061	272,362	288,261	1,655	1,421	1,320
Closing number of shares	239,455,370	160,111,848	178,581,526	766,653	777,506	751,020
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.85 <sup>†</sup>	0.85	0.88
Direct transaction costs (%)***	0.05	0.07	0.09	0.05	0.07	0.09
<b>Prices</b>						
Highest share price (p)	203.61	180.63	168.85	218.08	196.07	184.99
Lowest share price (p)	168.73	151.24	138.23	181.29	163.68	152.39

## Threadneedle Global Select Fund

### Comparative Table Disclosure

(continued)

	Class Z – Accumulation shares			Class Z USD – Accumulation shares
	07/09/2019	07/03/2019	07/03/2018	25/01/2019 <sup>1</sup>
<b>Change in net assets per share</b>				
Opening net asset value per share (p)	232.35	222.25	199.23	236.38
Return before operating charges (p)	43.20	12.05	24.89	(12.52)
Operating charges (p)	(1.09)	(1.95)	(1.87)	(1.09)
Return after operating charges (p)*	42.11	10.10	23.02	(13.61)
Distributions (p)	–	(1.32)	(1.07)	(0.94)
Retained distributions on accumulation shares (p)	–	1.32	1.07	0.94
Closing net asset value per share (p)	274.46	232.35	222.25	222.77
*after direct transaction costs of (p)	0.06	0.17	0.18	0.21
<b>Performance</b>				
Return after charges (%)	18.12	4.54	11.55	(5.76)
<b>Other information</b>				
Closing net asset value (£000)	182,382	172,281	216,488	–
Closing number of shares	66,451,759	74,146,666	97,407,726	–
Operating charges (%)**	0.85 <sup>1</sup>	0.85	0.88	–
Direct transaction costs (%)***	0.05	0.07	0.09	–
<b>Prices</b>				
Highest share price (p)	277.24	247.84	232.69	247.84
Lowest share price (p)	230.47	206.90	191.69	206.90

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

## Threadneedle Global Select Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	176,705,657
Shares issued	31,521,179
Shares redeemed	(86,754,003)
Net conversions	(365,003)
Closing shares	<u>121,107,830</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	10,026,116
Shares issued	1,111,600
Shares redeemed	(907,130)
Net conversions	–
Closing shares	<u>10,230,586</u>
<b>Class X – Accumulation shares</b>	
Opening shares	160,111,848
Shares issued	81,712,741
Shares redeemed	(2,369,219)
Net conversions	–
Closing shares	<u>239,455,370</u>
<b>Class Z – Income shares</b>	
Opening shares	777,506
Shares issued	4,194
Shares redeemed	(49,532)
Net conversions	34,485
Closing shares	<u>766,653</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	74,146,666
Shares issued	1,308,176
Shares redeemed	(9,325,755)
Net conversions	322,672
Closing shares	<u>66,451,759</u>

## Threadneedle Global 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 JP Morgan Government Bond Index Global (GBI Global) 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 bonds issued or guaranteed by governments, government agencies or quasigovernment entities worldwide. In addition, the Fund may invest in other bonds, including bonds issued by companies.

The Fund usually selects bonds that are investment grade, but may include some bonds with a lower credit rating in the portfolio, if this is considered appropriate. The bonds selected may be denominated in various currencies.

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 GBI Global is regarded as a good performance measure of local currency bonds issued by developed 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 7 September 2019, the published share price of the Threadneedle Global Bond Fund has risen from 62.06p to 71.11p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +18.90% as compared to a median return of +13.99% over the same period. (For information the GBI Global gave a total return of +17.46% for the same period).

#### Market Overview and Portfolio Activity

Over the six months under review, core government bond yields remained on a downward trend and prices rose. The asset class was helped as investors'

risk appetite receded amid the slowdown in the global economy, heightened trade tensions between the US and China, and other adverse geopolitical developments, including the increased risk of a no-deal Brexit.

In the US, the yield on the benchmark 10-year Treasury bond fell from 2.64% to 1.56% during the period under review. Amid concerns over the outlook for US and global growth, investors favoured 'safer' long-term investments; consequently, yields on short-dated bonds have risen above those on 10-year issues, referred to as an inversion of the yield curve. Some commentators feel that such a move could be a harbinger of recession.

During the review period, Treasury yields were also pressured by the US Federal Reserve (Fed) adopting a more dovish stance. This culminated in the central bank's decision to lower official interest rates by 25 basis points in July. The reduction had been widely anticipated; the Fed cited global economic developments and muted inflation as key considerations, and stated that it is prepared to act further to support the US economy.

In Europe, yields on German government bonds reached new lows and turned negative across the maturity spectrum. The benchmark 10-year bund yield fell from 0.07% to -0.64% between 7 March and the end of the review period. Germany is particularly exposed to increased trade friction, and the economy contracted in the second quarter (Q2). The inflation rate for the euro area remains very low, and with economic growth under pressure, the European Central Bank (ECB) has indicated its willingness to adopt looser monetary policy, although official interest rates were left unchanged during the review period. The ECB's more accommodative stance buoyed sentiment towards sovereign debt issued by countries in the eurozone's so-called periphery. Notably, Greek and Italian 10-year yields fell to record lows during the review period, as the political backdrop in both countries appeared to turn more favourable. Greek debt was buoyed by the prospect, then reality that a snap election could result in a government more inclined towards fiscal authority. Italian bonds were initially volatile amid fears of budget clashes between the country's populist government and the EU. However, late in the period, Italian sovereign debt reacted positively to the formation of a new government, which investors hope will be more mainstream.

In the UK, the benchmark 10-year gilt yield fell from 1.17% to 0.51% over the six months under review. In addition to benefiting from the demand for safe-havens, gilts also rallied on growing fears of a no-deal Brexit. Alongside its US counterpart, the gilt yield curve inverted during August. In Q2 of 2019, GDP contracted for the first time in seven years, shrinking by 0.2%.

This compared with growth of 0.5% in Q1, when activity was buoyed by stockpiling ahead of the original Brexit deadline of 31 March 2019. The Bank of England (BoE) left official interest rates unchanged at 0.75% throughout the period, but made clear that its future assumptions did not take account of a no-deal Brexit.

Over the review period, we substantially increased our allocation to US Treasuries. We also increased exposure to sovereign debt issued by Japan, Belgium, Italy and France. We sold out of debt issued by the German and Australian governments, and reduced the allocations to the UK and Spain.

In terms of agency/quasi-sovereign debt, new additions to the portfolio included the Tennessee Valley Authority, and a 'sustainability bond' issued by the Basque government (Spain). We added to our holdings in the US Federal Home Loan Bank, the Australian state of Queensland and Export Development Canada.

Global growth is moderating, with the US outlook becoming notably cloudier. We expect this trend to continue. Meanwhile, downside risks have become elevated since the re-escalation of trade tensions, and the increasing vulnerability of financial conditions and business sentiment.

We favour duration as monetary policy easing continues and recession risks rise.

Against a backdrop of low inflation, the Fed's mantra of 'patience' has given way to a willingness to act somewhat pre-emptively to mitigate the risks to the domestic economy from heightened global uncertainty and the effect on business spending. We expect the rate-cutting cycle to extend into 2020.

Eurozone economic expectations are at risk from further declines in global trade volumes. So far, there are tentative signs that growth is stabilising. Nevertheless, the ECB recently announced stimulus measures, via a cut to the deposit rate, more generous terms for long-term cheap financing for banks, and the reintroduction of its monthly bond-purchase programme. From here, the heavy lifting must increasingly be done by fiscal policy, although we expect progress on this front to be slow. Eurozone curves should continue to flatten.

In the UK, we feel that rising political uncertainty will limit the BoE's ability to hike rates this year.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	64,892	8,959
Revenue	5,226	5,074
Expenses	(1,820)	(2,711)
Interest payable and similar charges	(12)	(52)
Net revenue before taxation	3,394	2,311
Taxation	–	–
Net revenue after taxation	3,394	2,311
<b>Total return before distributions</b>	<b>68,286</b>	<b>11,270</b>
Distributions	(5,008)	(4,760)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>63,278</b>	<b>6,510</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	513,787	373,121
<b>Current assets:</b>		
Debtors	2,830	7,618
Cash and bank balances	20,438	8,852
Cash equivalents**	834	749
<b>Total assets</b>	<b>537,889</b>	<b>390,340</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	<b>(2,602)</b>	<b>(1,855)</b>
<b>Creditors:</b>		
Bank overdrafts	(243)	(222)
Distribution payable	(464)	(3,118)
Other creditors	(8,293)	(6,701)
<b>Total liabilities</b>	<b>(11,602)</b>	<b>(11,896)</b>
<b>Net assets attributable to shareholders</b>	<b>526,287</b>	<b>378,444</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>378,444</b>	<b>415,895</b>
Amounts receivable on the issue of shares	379,198	105,884
Amounts payable on the cancellation of shares	(299,679)	(59,923)
	79,519	45,961
Dilution adjustment	19	30
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	63,278	6,510
Retained distribution on accumulation shares	5,027	1,868
<b>Closing net assets attributable to shareholders</b>	<b>526,287</b>	<b>470,264</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

\*\*Gross performance is calculated in Factset using daily cash flows and daily global close valuations.

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 2019

Interest distribution in pence per share

Distribution Period	Class 1 – Income shares		Distribution Paid/Payable 2019	Distribution Paid 2018
	Gross Revenue	Equalisation		
<b>Group 1</b>				
08/03/19 to 07/09/19	0.7206	–	0.7206	0.6412
<b>Group 2</b>				
08/03/19 to 07/09/19	0.2036	0.5170	0.7206	0.6412
<b>Total distributions in the period</b>			<b>0.7206</b>	<b>0.6412</b>
Distribution Period	Class 1 – Accumulation shares		Revenue Accumulated 2019	Revenue Accumulated 2018
	Gross Revenue	Equalisation		
<b>Group 1</b>				
08/03/19 to 07/09/19	0.7066	–	0.7066	0.6156
<b>Group 2</b>				
08/03/19 to 07/09/19	0.1156	0.5910	0.7066	0.6156
<b>Total distributions in the period</b>			<b>0.7066</b>	<b>0.6156</b>

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

## Threadneedle Global Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class 1 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	0.9853	–	0.9853	0.8758
<b>Group 2</b> 08/03/19 to 07/09/19	0.5074	0.4779	0.9853	0.8758
<b>Total distributions in the period</b>			<b>0.9853</b>	<b>0.8758</b>

#### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	1.4902	–	1.4902	1.2981
<b>Group 2</b> 08/03/19 to 07/09/19	0.9944	0.4958	1.4902	1.2981
<b>Total distributions in the period</b>			<b>1.4902</b>	<b>1.2981</b>

#### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	0.8345	–	0.8345	0.7402
<b>Group 2</b> 08/03/19 to 07/09/19	0.3823	0.4522	0.8345	0.7402
<b>Total distributions in the period</b>			<b>0.8345</b>	<b>0.7402</b>

#### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	1.2697	–	1.2697	1.1018
<b>Group 2</b> 08/03/19 to 07/09/19	0.6585	0.6112	1.2697	1.1018
<b>Total distributions in the period</b>			<b>1.2697</b>	<b>1.1018</b>

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	1.3417	–	1.3417	1.1556
<b>Group 2</b> 08/03/19 to 07/09/19	0.5203	0.8214	1.3417	1.1556
<b>Total distributions in the period</b>			<b>1.3417</b>	<b>1.1556</b>

#### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	1.2423	–	1.2423	1.0972
<b>Group 2</b> 08/03/19 to 07/09/19	0.2772	0.9651	1.2423	1.0972
<b>Total distributions in the period</b>			<b>1.2423</b>	<b>1.0972</b>

#### Class Z – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	1.2421	–	1.2421	1.0971
<b>Group 2</b> 08/03/19 to 07/09/19	0.2193	1.0228	1.2421	1.0971
<b>Total distributions in the period</b>			<b>1.2421</b>	<b>1.0971</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019	Gross Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	1.4730	–	1.4730	1.2738
<b>Group 2</b> 08/03/19 to 07/09/19	0.5698	0.9032	1.4730	1.2738
<b>Total distributions in the period</b>			<b>1.4730</b>	<b>1.2738</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Global Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	61.35	61.41	66.37	60.16	58.96	62.68
Return before operating charges (p)	10.18	2.12	(3.01)	9.98	2.03	(2.86)
Operating charges (p)	(0.46)	(0.86)	(0.91)	(0.45)	(0.83)	(0.86)
Return after operating charges (p)*	9.72	1.26	(3.92)	9.53	1.20	(3.72)
Distributions (p)	(0.72)	(1.32)	(1.04)	(0.71)	(1.27)	(0.99)
Retained distributions on accumulation shares (p)	–	–	–	0.71	1.27	0.99
Closing net asset value per share (p)	70.35	61.35	61.41	69.69	60.16	58.96
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	15.84	2.05	(5.91)	15.84	2.04	(5.93)
<b>Other information</b>						
Closing net asset value (£000)	2,501	2,084	2,414	2,184	1,609	1,212
Closing number of shares	3,555,296	3,396,893	3,930,410	3,133,367	2,674,651	2,056,094
Operating charges (%)**	1.38 <sup>†</sup>	1.38	1.42	1.38 <sup>†</sup>	1.38	1.42
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	73.31	64.91	66.87	71.88	62.95	63.16
Lowest share price (p)	61.10	59.65	60.24	59.92	57.27	57.31
	Class 1 – Gross income shares <sup>§</sup>			Class 1 – Gross accumulation shares <sup>§</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	83.79	83.88	90.65	126.86	124.33	132.17
Return before operating charges (p)	13.90	2.88	(4.10)	21.06	4.27	(6.02)
Operating charges (p)	(0.61)	(1.17)	(1.24)	(0.95)	(1.74)	(1.82)
Return after operating charges (p)*	13.29	1.71	(5.34)	20.11	2.53	(7.84)
Distributions (p)	(0.99)	(1.80)	(1.43)	(1.49)	(2.69)	(2.09)
Retained distributions on accumulation shares (p)	–	–	–	1.49	2.69	2.09
Closing net asset value per share (p)	96.09	83.79	83.88	146.97	126.86	124.33
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	15.86	2.04	(5.89)	15.85	2.03	(5.93)
<b>Other information</b>						
Closing net asset value (£000)	31	247,003	286,222	38,502	32,591	36,390
Closing number of shares	32,148	294,771,253	341,215,581	26,198,088	25,689,992	29,269,187
Operating charges (%)**	1.40 <sup>†</sup>	1.38	1.42	1.38 <sup>†</sup>	1.38	1.42
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	100.13	88.66	91.34	151.59	132.75	133.18
Lowest share price (p)	83.46	81.48	82.28	126.36	120.76	120.85

## Threadneedle Global Bond Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Income shares			Class 2 – Gross accumulation shares <sup>§</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	68.57	68.30	73.44	104.33	101.66	107.42
Return before operating charges (p)	11.39	2.35	(3.33)	17.35	3.51	(4.91)
Operating charges (p)	(0.30)	(0.56)	(0.57)	(0.46)	(0.84)	(0.85)
Return after operating charges (p)*	11.09	1.79	(3.90)	16.89	2.67	(5.76)
Distributions (p)	(0.83)	(1.52)	(1.24)	(1.27)	(2.28)	(1.82)
Retained distributions on accumulation shares (p)	–	–	–	1.27	2.28	1.82
Closing net asset value per share (p)	78.83	68.57	68.30	121.22	104.33	101.66
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	16.17	2.62	(5.31)	16.19	2.63	(5.36)
<b>Other information</b>						
Closing net asset value (£000)	25,282	20,610	14,717	115,805	44,395	37,337
Closing number of shares	32,071,871	30,057,613	21,548,284	95,532,768	42,550,857	36,726,257
Operating charges (%)**	0.81 <sup>†</sup>	0.81	0.81	0.80 <sup>†</sup>	0.81	0.81
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	82.16	72.50	74.21	125.02	109.07	108.56
Lowest share price (p)	68.30	66.38	66.99	103.93	98.81	98.77
	Class X – Gross accumulation shares <sup>§</sup>			Class Z – Income shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	110.04	106.42	111.61	105.57	104.89	112.50
Return before operating charges (p)	18.33	3.69	(5.12)	17.55	3.61	(5.10)
Operating charges (p)	(0.04)	(0.07)	(0.07)	(0.36)	(0.67)	(0.69)
Return after operating charges (p)*	18.29	3.62	(5.19)	17.19	2.94	(5.79)
Distributions (p)	(1.34)	(2.40)	(1.90)	(1.24)	(2.26)	(1.82)
Retained distributions on accumulation shares (p)	1.34	2.40	1.90	–	–	–
Closing net asset value per share (p)	128.33	110.04	106.42	121.52	105.57	104.89
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	16.62	3.40	(4.65)	16.28	2.80	(5.15)
<b>Other information</b>						
Closing net asset value (£000)	325,179	18,494	23,025	16,234	11,282	14,038
Closing number of shares	253,384,304	16,806,511	21,635,279	13,358,990	10,686,980	13,384,306
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.63 <sup>†</sup>	0.63	0.63
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	132.35	114.89	113.20	126.61	111.55	113.78
Lowest share price (p)	109.63	103.53	103.32	105.16	101.96	102.82



## Threadneedle Global Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Gross income shares <sup>§</sup>			Class Z – Gross accumulation shares <sup>§</sup>		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	105.55	104.87	112.48	125.24	121.82	128.49
Return before operating charges (p)	17.56	3.61	(5.10)	20.82	4.20	(5.88)
Operating charges (p)	(0.36)	(0.67)	(0.69)	(0.43)	(0.78)	(0.79)
Return after operating charges (p)*	17.20	2.94	(5.79)	20.39	3.42	(6.67)
Distributions (p)	(1.24)	(2.26)	(1.82)	(1.47)	(2.64)	(2.08)
Retained distributions on accumulation shares (p)	–	–	–	1.47	2.64	2.08
Closing net asset value per share (p)	121.51	105.55	104.87	145.63	125.24	121.82
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	16.30	2.80	(5.15)	16.28	2.81	(5.19)
<b>Other information</b>						
Closing net asset value (£000)	438	263	442	131	113	98
Closing number of shares	360,518	249,599	421,836	89,751	89,859	80,448
Operating charges (%)**	0.63 <sup>†</sup>	0.63	0.63	0.63 <sup>†</sup>	0.63	0.63
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	126.59	111.53	113.77	150.19	130.88	129.96
Lowest share price (p)	105.15	101.95	102.81	124.76	118.42	118.33

\*\*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>Only available to eligible investors.

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

# Threadneedle Global Bond Fund

## Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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		2019
<b>Class 1 – Income shares</b>		<b>Class Z – Income shares</b>	
Opening shares	3,396,893	Opening shares	10,686,980
Shares issued	897,880	Shares issued	3,575,804
Shares redeemed	(689,752)	Shares redeemed	(932,678)
Net conversions	(49,725)	Net conversions	28,884
Closing shares	<u>3,555,296</u>	Closing shares	<u>13,358,990</u>
<b>Class 1 – Accumulation shares</b>		<b>Class Z – Gross income shares</b>	
Opening shares	2,674,651	Opening shares	249,599
Shares issued	860,817	Shares issued	137,777
Shares redeemed	(402,101)	Shares redeemed	(26,858)
Net conversions	–	Net conversions	–
Closing shares	<u>3,133,367</u>	Closing shares	<u>360,518</u>
<b>Class 1 – Gross income shares</b>		<b>Class Z – Gross accumulation shares</b>	
Opening shares	294,771,253	Opening shares	89,859
Shares issued	14,490,599	Shares issued	3,262
Shares redeemed	(309,229,704)	Shares redeemed	(3,370)
Net conversions	–	Net conversions	–
Closing shares	<u>32,148</u>	Closing shares	<u>89,751</u>
<b>Class 1 – Gross accumulation shares</b>			
Opening shares	25,689,992		
Shares issued	3,730,373		
Shares redeemed	(3,222,277)		
Net conversions	–		
Closing shares	<u>26,198,088</u>		
<b>Class 2 – Income shares</b>			
Opening shares	30,057,613		
Shares issued	3,537,549		
Shares redeemed	(1,523,291)		
Net conversions	–		
Closing shares	<u>32,071,871</u>		
<b>Class 2 – Gross accumulation shares</b>			
Opening shares	42,550,857		
Shares issued	60,638,888		
Shares redeemed	(7,656,977)		
Net conversions	–		
Closing shares	<u>95,532,768</u>		
<b>Class X – Gross accumulation shares</b>			
Opening shares	16,806,511		
Shares issued	237,923,259		
Shares redeemed	(1,345,466)		
Net conversions	–		
Closing shares	<u>253,384,304</u>		

## Threadneedle UK Institutional Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve 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 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 are 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 the 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. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

The Fund typically invests in fewer than 130 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 7 September 2019, the published share price of the Threadneedle UK Institutional Fund has risen from 159.61p to 164.30p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +3.37% as compared to a median return of +4.33% over the same period. (For information the FTSE All-Share Total Return Index returned +4.28% over the same period).

#### Market Overview and Portfolio Activity

UK equities rallied over the review period, largely because of expectations of stimulus measures from key central banks. That said, the stock market's

gains were periodically punctured by worries around Brexit, the US-China trade war and the global economic outlook.

In terms of UK politics, fears of a no-deal Brexit rose over the review period, especially after Prime Minister Theresa May announced her resignation in May. During the subsequent leadership campaign, frontrunner Boris Johnson pledged to take the UK out of the EU by the extended Article 50 deadline of 31 October 2019, with or without a deal. He duly became the new prime minister, and at the end of August, he unveiled plans to suspend parliament until just before the extended Brexit deadline. This lowered the likelihood that the UK and the EU would manage to agree on a deal before the end of October. However, the opposition subsequently managed to successfully rally MPs to pass a bill in favour of a further extension in the likely event of parliament again vetoing a no-deal Brexit.

Concerns around Brexit were particularly painful for small- and mid-caps, especially as they also weighed on the pound. However, the currency's fall buoyed sentiment towards export-oriented stocks and resulted in several overseas takeover bids being launched for UK companies such as Merlin Entertainments and Cobham.

On the economic front, UK GDP growth was strong in the first quarter of 2019, partly due to the boost to manufacturing from firms stockpiling inventories ahead of the original Brexit date of 29 March. However, subsequent data showed that this effect was wearing off, and the economy contracted in the second quarter. More encouragingly, consumption data held up reasonably well, thanks to the recovery in real wages over the last year. The Bank of England continued to signal that rate hikes were still possible this year, assuming that Brexit doesn't derail the economy, though investors remained sceptical that policymakers would tighten policy.

During the review period, we initiated positions in consumer-staples giant Reckitt Benckiser and power-generation equipment provider Aggreko. Reckitt Benckiser is soon to become the largest pure-play operator in the global consumer health market and is much more favourably valued than its overseas-listed rivals. We feel that the separation of health and hygiene/home segments is likely to create shareholder value. While Aggreko still has significant issues to tackle in its turnaround, in our view, the business is now on track to enhance both earnings and returns on capital.

We also added to some existing holdings, such as Prudential, Royal Mail and Hays. Prudential released solid results in August, which showed robust underlying growth in Asia. The company also confirmed

that the de-merger of its UK unit will take place in the fourth quarter of this year. This is viewed as a step towards simplification, which should be beneficial. Following Royal Mail's dividend cut and disappointing productivity gains earlier this year, the company is now investing to reconfigure its network, grow, and take market share. Moreover, the valuation (using a peer multiple) of the global parcel business alone exceeds the company's current market cap. Hays' shares have been somewhat pressured by its sensitivity to the European labour market. Nevertheless, the firm is more diversified by business line and geography than ever before, and is making progress implementing its five-year strategic plan.

We profitably closed our position in AVEVA and realised some gains in St James's Place; both stocks have performed well this year.

While allocations and sentiment towards the UK market remain depressed, we are more constructive about the outlook for UK equities. Many non-commodity driven UK-listed companies with global exposure are trading at excessive discounts to their overseas-listed peers. UK domestics are trading at even cheaper valuations, owing to poor Brexit sentiment. This valuation dynamic creates opportunities for active managers, and should continue to entice activist investments and takeover bids from overseas firms.

Moreover, the uncertainty around Brexit is enabling the fund to pick up proven franchises in the small- and mid-cap space. Within this segment, we believe it is increasingly imperative to own businesses with pricing power, innovation and an ability to grow market share in difficult operating environments.

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. This comes as the global monetary easing cycle seems to be restarting, which, along with any significant resolution to the US-China trade talks, could see the current economic cycle extended a while longer. However, we are monitoring the situation closely.

We will focus on company fundamentals and use volatile markets to top up and buy favoured stocks, with a view to delivering solid risk-adjusted returns.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	17,061	40,832
Revenue	27,766	23,781
Expenses	(5,030)	(4,807)
Interest payable and similar charges	–	(2)
Net revenue before taxation	22,736	18,972
Taxation	–	–
Net revenue after taxation	22,736	18,972
<b>Total return before distributions</b>	<b>39,797</b>	<b>59,804</b>
Distributions	(22,736)	(18,972)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>17,061</b>	<b>40,832</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	1,241,783	1,157,362
<b>Current assets:</b>		
Debtors	12,671	12,457
Cash and bank balances	2,075	1,062
Cash equivalents**	2,000	–
Total assets	1,258,529	1,170,881
<b>Liabilities:</b>		
<b>Creditors:</b>		
Other creditors	(2,420)	(1,476)
Total liabilities	(2,420)	(1,476)
<b>Net assets attributable to shareholders</b>	<b>1,256,109</b>	<b>1,169,405</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>1,169,405</b>	<b>1,062,155</b>
Amounts receivable on the issue of shares	97,146	85,391
Amounts payable on the cancellation of shares	(50,473)	(74,134)
	46,673	11,257
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	17,061	40,832
Retained distribution on accumulation shares	22,970	19,255
<b>Closing net assets attributable to shareholders</b>	<b>1,256,109</b>	<b>1,133,499</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 2019

Dividend distribution in pence per share

#### Class 1 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	2.3582	–	2.3582	2.1670
<b>Group 2</b> 08/03/19 to 07/09/19	1.2499	1.1083	2.3582	2.1670
<b>Total distributions in the period</b>			<b>2.3582</b>	<b>2.1670</b>

#### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	3.4425	–	3.4425	3.2274
<b>Group 2</b> 08/03/19 to 07/09/19	2.0314	1.4111	3.4425	3.2274
<b>Total distributions in the period</b>			<b>3.4425</b>	<b>3.2274</b>

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

## Threadneedle UK Institutional Fund

### DISTRIBUTION TABLE

(continued)

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

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2019
<b>Group 1</b> 08/03/19 to 07/09/19	1.4553	–	1.4553
<b>Group 2</b> 08/03/19 to 07/09/19	1.4553	–	1.4553
<b>Total distributions in the period</b>			<b>1.4553</b>

*Group 2: shares purchased during a distribution period.*

## Threadneedle UK Institutional Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	159.50	157.79	155.68	180.88	177.49	173.61
Return before operating charges (p)	6.00	4.38	4.79	6.81	4.88	5.34
Operating charges (p)	(1.33)	(2.67)	(2.68)	(0.75)	(1.49)	(1.46)
Return after operating charges (p)*	4.67	1.71	2.11	6.06	3.39	3.88
Distributions (p)	(2.36)	(3.51)	(2.75)	(3.44)	(5.48)	(4.63)
Retained distributions on accumulation shares (p)	2.36	3.51	2.75	3.44	5.48	4.63
Closing net asset value per share (p)	164.17	159.50	157.79	186.94	180.88	177.49
*after direct transaction costs of (p)	0.08	–	0.13	0.09	–	0.15
<b>Performance</b>						
Return after charges (%)	2.93	1.08	1.36	3.35	1.91	2.23
<b>Other information</b>						
Closing net asset value (£000)	25,863	40,772	52,596	1,216,824	1,128,633	1,009,559
Closing number of shares	15,753,926	25,561,786	33,333,758	650,924,864	623,973,751	568,798,273
Operating charges (%)**	1.64 <sup>†</sup>	1.63	1.67	0.81 <sup>†</sup>	0.81	0.81
Direct transaction costs (%)***	0.09	0.13	0.08	0.09	0.13	0.08
<b>Prices</b>						
Highest share price (p)	168.71	173.78	167.50	191.94	196.16	188.20
Lowest share price (p)	155.88	145.20	154.20	177.12	164.40	172.15
<b>Class X – Gross accumulation shares</b>						
<b>07/09/2019<sup>†</sup></b>						
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	100.00					
Return before operating charges (p)	2.70					
Operating charges (p)	(0.02)					
Return after operating charges (p)*	2.68					
Distributions (p)	(1.46)					
Retained distributions on accumulation shares (p)	1.46					
Closing net asset value per share (p)	102.68					
*after direct transaction costs of (p)	0.05					
<b>Performance</b>						
Return after charges (%)	2.68					
<b>Other information</b>						
Closing net asset value (£000)	13,422					
Closing number of shares	13,071,556					
Operating charges (%)**	0.06 <sup>†</sup>					
Direct transaction costs (%)***	0.09					
<b>Prices</b>						
Highest share price (p)	105.35					
Lowest share price (p)	97.10					

\*\*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 Institutional Fund

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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	25,561,786
Shares issued	3,905,547
Shares redeemed	(13,713,407)
Net conversions	–
Closing shares	<u>15,753,926</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	623,973,751
Shares issued	41,963,788
Shares redeemed	(15,012,675)
Net conversions	–
Closing shares	<u>650,924,864</u>
<b>Class X – Gross accumulation shares*</b>	
Opening shares	–
Shares issued	14,461,967
Shares redeemed	(1,390,411)
Net conversions	–
Closing shares	<u>13,071,556</u>

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

## Threadneedle UK Equity Opportunities Fund (formerly UK Overseas Earnings Fund)

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve 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 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 are considered to provide good opportunities for share price growth, from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on the 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. It provides a helpful benchmark against which the performance of the Fund can be measured and evaluated over time.

The Fund is relatively concentrated, and typically invests in fewer than 55 companies, which may include the 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 2 – Income shares\*

Over the six months to 7 September 2019, the published share price of the Threadneedle UK Equity Opportunities Fund has risen from 124.06p to 125.09p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2019, including net reinvested income, is +2.54% as compared to a median return of +4.33% over the same period. (For information the FTSE All-Share Total Return Index returned +4.28% over the same period).

### Market Overview and Portfolio Activity

UK equities rallied over the review period, largely because of expectations of stimulus measures from key central banks. That said, the stock market's gains were periodically punctured by worries around Brexit, the US-China trade war and the global economic outlook.

In terms of UK politics, fears of a no-deal Brexit rose over the review period, especially after Prime Minister Theresa May announced her resignation in May. During the subsequent leadership campaign, frontrunner Boris Johnson pledged to take the UK out of the EU by the extended Article 50 deadline of 31 October 2019, with or without a deal. He duly became the new prime minister, and at the end of August, he unveiled plans to suspend parliament until just before the extended Brexit deadline. This lowered the likelihood that the UK and the EU would manage to agree on a deal before the end of October. However, the opposition subsequently managed to successfully rally MPs to pass a bill in favour of a further extension in the likely event of parliament again vetoing a no-deal Brexit.

Concerns around Brexit were particularly painful for small- and mid-caps, especially as they also weighed on the pound. However, the currency's fall buoyed sentiment towards export-oriented stocks and resulted in several overseas takeover bids being launched for UK companies such as Merlin Entertainments and Cobham.

On the economic front, UK GDP growth was strong in the first quarter of 2019, partly due to the boost to manufacturing from firms stockpiling inventories ahead of the original Brexit date of 29 March. However, subsequent data showed that this effect was wearing off, and the economy contracted in the second quarter. More encouragingly, consumption data held up reasonably well, thanks to the recovery in real wages over the last year. The Bank of England continued to signal that rate hikes were still possible this year, assuming that Brexit doesn't derail the economy, though investors remained sceptical that policymakers would tighten policy.

During the review period, we initiated positions in power-generation equipment provider Aggreko and recruitment firm Hays. While Aggreko still has significant issues to tackle in its turnaround, in our view, the business is now on track to enhance both earnings and returns on capital. Hays' shares have been somewhat pressured this year, owing to the business' sensitivity to the European labour market. Nevertheless,

the firm is more diversified by business line and geography than ever before, and is making progress implementing its five-year strategic plan.

We also added to some existing holdings, such as Restaurant Group and Marks & Spencer. In our view, Restaurant Group's current valuation does not fully capture the possible upside from rolling out new Wagamama outlets across the still under-penetrated UK market – especially in airport hubs where the company already boasts a strong presence. Moreover, the existing pubs and concessions segment continues to make solid progress. We added to Marks & Spencer via a rights issue, which was launched to fund the company's 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 believe 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.

We profitably closed our position in Britvic. We also realised some gains in 3i and Rentokil Initial, both stocks have performed well this year.

While allocations and sentiment towards the UK market remain depressed, we are more constructive about the outlook for UK equities. Many non-commodity driven UK-listed companies with global exposure are trading at excessive discounts to their overseas-listed peers. UK domestics are trading at even cheaper valuations, owing to poor Brexit sentiment. This valuation dynamic creates opportunities for active managers, and should continue to entice activist investments and takeover bids from overseas firms.

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. This comes as the global monetary easing cycle seems to be restarting, which, along with any significant resolution to the US-China trade talks, could see the current economic cycle extended a while longer. However, we are monitoring the situation closely.

We will focus on company fundamentals and use volatile markets to top up and buy favoured stocks with a view to delivering solid risk-adjusted returns.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Income		
Net capital gains	79	5,251
Revenue	2,254	2,220
Expenses	(745)	(839)
Net revenue before taxation	1,509	1,381
Taxation	–	–
Net revenue after taxation	1,509	1,381
<b>Total return before distributions</b>	<b>1,588</b>	<b>6,632</b>
Distributions	(1,509)	(1,381)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>79</b>	<b>5,251</b>

### BALANCE SHEET

as at 7 September 2019

	2019 £000	March 2019 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	95,370	97,232
<b>Current assets:</b>		
Debtors	1,152	1,830
Cash and bank balances	45	49
Total assets	96,567	99,111
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(1,484)	(810)
Other creditors	(641)	(446)
Total liabilities	(2,125)	(1,256)
<b>Net assets attributable to shareholders</b>	<b>94,442</b>	<b>97,855</b>

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

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
<b>Opening net assets attributable to shareholders</b>	<b>97,855</b>	<b>101,950</b>
Amounts receivable on the issue of shares	1,227	4,825
Amounts payable on the cancellation of shares	(4,721)	(8,443)
	(3,494)	(3,618)
Dilution adjustment	–	15
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	79	5,251
Unclaimed distributions	2	1
<b>Closing net assets attributable to shareholders</b>	<b>94,442</b>	<b>103,599</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 7 March 2019 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2018.

\*In pound Sterling and against UK peer group (See Performance summary on pages 223 to 224).

### DISTRIBUTION TABLE

for the accounting period 8 March 2019 to 7 September 2019

Dividend distribution in pence per share

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	1.9115	–	1.9115	1.6913
<b>Group 2</b> 08/03/19 to 07/09/19	1.3509	0.5606	1.9115	1.6913
<b>Total distributions in the period</b>			<b>1.9115</b>	<b>1.6913</b>

#### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019	Revenue Accumulated 2018
<b>Group 1</b> 08/03/19 to 07/09/19	1.6934	–	1.6934	1.4855
<b>Group 2</b> 08/03/19 to 07/09/19	1.4934	0.2000	1.6934	1.4855
<b>Total distributions in the period</b>			<b>1.6934</b>	<b>1.4855</b>

## Threadneedle UK Equity Opportunities Fund (formerly UK Overseas Earnings Fund)

### DISTRIBUTION TABLE

(continued)

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019	Distribution Paid 2018
<b>Group 1</b> 08/03/19 to 07/09/19	2.3327	–	2.3327	2.1405
<b>Group 2</b> 08/03/19 to 07/09/19	0.7835	1.5492	2.3327	2.1405
<b>Total distributions in the period</b>			<b>2.3327</b>	<b>2.1405</b>

Group 2: shares purchased during a distribution period.



## Threadneedle UK Equity Opportunities Fund (formerly UK Overseas Earnings Fund)

### Comparative Table Disclosure

	Class 2 – Income shares			Class 2 – Accumulation shares		
	07/09/2019	07/03/2019	07/03/2018	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	122.98	123.29	125.40	107.98	105.94	105.63
Return before operating charges (p)	3.01	4.39	2.36	2.65	3.70	1.96
Operating charges (p)	(0.98)	(2.01)	(2.01)	(0.85)	(1.66)	(1.65)
Return after operating charges (p)*	2.03	2.38	0.35	1.80	2.04	0.31
Distributions (p)	(1.91)	(2.69)	(2.46)	(1.69)	(2.38)	(2.13)
Retained distributions on accumulation shares (p)	–	–	–	1.69	2.38	2.13
Closing net asset value per share (p)	123.10	122.98	123.29	109.78	107.98	105.94
*after direct transaction costs of (p)	0.02	0.08	0.07	0.02	0.07	0.06
<b>Performance</b>						
Return after charges (%)	1.65	1.93	0.28	1.67	1.93	0.29
<b>Other information</b>						
Closing net asset value (£000)	89,342	92,626	99,927	13	3	3
Closing number of shares	72,576,339	75,318,113	81,051,072	12,138	3,001	3,001
Operating charges (%)**	1.58 <sup>†</sup>	1.58	1.57	1.56 <sup>†</sup>	1.51	1.52
Direct transaction costs (%)***	0.03	0.06	0.06	0.03	0.06	0.06
<b>Prices</b>						
Highest share price (p)	129.34	137.49	133.44	113.57	118.16	112.41
Lowest share price (p)	117.75	113.67	121.76	103.39	98.99	104.05

	Class Z – Income shares		
	07/09/2019	07/03/2019	07/03/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	122.86	123.18	125.32
Return before operating charges (p)	3.02	4.37	2.34
Operating charges (p)	(0.56)	(1.14)	(1.15)
Return after operating charges (p)*	2.46	3.23	1.19
Distributions (p)	(2.33)	(3.55)	(3.33)
Retained distributions on accumulation shares (p)	–	–	–
Closing net asset value per share (p)	122.99	122.86	123.18
*after direct transaction costs of (p)	0.02	0.08	0.07
<b>Performance</b>			
Return after charges (%)	2.00	2.62	0.95
<b>Other information</b>			
Closing net asset value (£000)	5,087	5,226	2,020
Closing number of shares	4,135,901	4,253,130	1,640,001
Operating charges (%)**	0.90 <sup>†</sup>	0.90	0.90
Direct transaction costs (%)***	0.03	0.06	0.06
<b>Prices</b>			
Highest share price (p)	129.56	137.57	133.56
Lowest share price (p)	117.83	113.79	122.02

\*\*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 Equity Opportunities Fund (formerly UK Overseas Earnings Fund)

### Notes to the financial statements

for the accounting period 8 March 2019 to 7 September 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 7 March 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 – Income shares</b>	
Opening shares	75,318,113
Shares issued	699,236
Shares redeemed	(3,426,988)
Net conversions	(14,022)
Closing shares	<u>72,576,339</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	3,001
Shares issued	9,137
Shares redeemed	–
Net conversions	–
Closing shares	<u>12,138</u>
<b>Class Z – Income shares</b>	
Opening shares	4,253,130
Shares issued	284,435
Shares redeemed	(415,669)
Net conversions	14,005
Closing shares	<u>4,135,901</u>

## Threadneedle UK Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 6.21% (6.90%)</b>				<b>Tobacco 5.23% (7.27%)</b>			
	<b>Oil &amp; Gas Producers 4.46% (4.57%)</b>			2,206,632	British American Tobacco	64,345	3.25
3,909,395	Royal Dutch Shell 'B' Shares	88,274	4.46	1,839,484	Imperial Brands	39,080	1.98
	<b>Oil Equipment, Services &amp; Distribution 1.75% (2.33%)</b>			<b>Total Consumer Goods</b>			
2,928,552	Hunting	13,870	0.70	<b>400,736 20.26</b>			
5,455,650	John Wood Group	20,753	1.05	<b>HEALTH CARE 6.91% (6.26%)</b>			
<b>Total Oil &amp; Gas</b>				1,889,949	<b>Health Care Equipment &amp; Services 1.87% (1.82%)</b>		
		<b>122,897</b>	<b>6.21</b>		Smith & Nephew	37,052	1.87
<b>BASIC MATERIALS 5.89% (5.95%)</b>				5,826,571	<b>Pharmaceuticals &amp; Biotechnology 5.04% (4.44%)</b>		
	<b>Chemicals 2.68% (2.23%)</b>				GlaxoSmithKline	99,634	5.04
6,124,389	Elementis	9,285	0.47	<b>Total Health Care</b>			
1,420,199	Johnson Matthey	43,728	2.21	<b>136,686 6.91</b>			
	<b>Mining 3.21% (3.72%)</b>			<b>CONSUMER SERVICES 20.25% (19.78%)</b>			
1,504,931	Rio Tinto	63,493	3.21	17,019,261	<b>Food &amp; Drug Retailers 1.99% (2.20%)</b>		
<b>Total Basic Materials</b>					Tesco	39,280	1.99
		<b>116,506</b>	<b>5.89</b>	2,388,134	<b>General Retailers 0.74% (0.56%)</b>		
<b>INDUSTRIALS 16.82% (16.11%)</b>					Inchcape	14,603	0.74
	<b>Construction &amp; Materials 3.57% (4.19%)</b>				<b>Media 7.76% (7.27%)</b>		
28,044,091	Breedon Aggregates	17,331	0.88	627,945	Euromoney Institutional Investor	8,716	0.44
1,070,730	CRH (London Listing)	29,274	1.48	4,794,544	Informa	40,667	2.06
11,669,310	Melrose Industries	23,864	1.21	32,791,340	ITV	39,858	2.01
	<b>Aerospace &amp; Defence 2.73% (2.48%)</b>			3,286,944	RELX (London Listing)	64,260	3.25
16,636,637	Cobham	26,951	1.36		<b>Travel &amp; Leisure 9.76% (9.75%)</b>		
3,467,218	Rolls-Royce Holdings	27,176	1.37	1,055,137	Carnival	36,729	1.86
	<b>General Industrials 2.62% (2.47%)</b>			2,007,229	Compass Group	41,891	2.12
7,143,577	DS Smith	24,938	1.26	2,144,796	easyJet	19,964	1.01
1,601,889	Smiths Group	27,000	1.36	1,899,330	Greene King	15,966	0.81
	<b>Industrial Engineering 2.96% (2.43%)</b>			517,498	Intercontinental Hotels Group	26,315	1.33
5,892,263	Rotork	18,637	0.94	1,497,502	SSP Group	10,557	0.53
2,658,203	Weir Group	39,953	2.02	9,434,812	Stagecoach Group	11,746	0.59
	<b>Industrial Transportation 0.49% (0.60%)</b>			672,114	Whitbread	29,882	1.51
4,366,840	Royal Mail	9,651	0.49	<b>Total Consumer Services</b>			
	<b>Support Services 4.45% (3.94%)</b>			<b>400,434 20.25</b>			
1,550,806	Aggreko	12,171	0.62	<b>TELECOMMUNICATIONS 1.98% (2.50%)</b>			
498,271	Ferguson	31,879	1.61	23,350,824	<b>Fixed Line Telecommunications 1.98% (2.50%)</b>		
3,856,708	Howden Joinery Group	21,197	1.07		BT Group	39,229	1.98
4,911,443	Rentokil Initial	22,720	1.15	<b>Total Telecommunications</b>			
<b>Total Industrials</b>				<b>39,229 1.98</b>			
		<b>332,742</b>	<b>16.82</b>	<b>FINANCIALS 18.06% (19.23%)</b>			
<b>CONSUMER GOODS 20.26% (20.30%)</b>					<b>Banks 3.50% (4.08%)</b>		
	<b>Automobiles &amp; Parts 0.00% (0.00%)</b>			23,134,328	Barclays	32,448	1.64
	<b>Beverages 3.89% (3.77%)</b>			5,669,977	Standard Chartered	36,776	1.86
2,246,777	Diageo	76,986	3.89		<b>Nonlife Insurance 0.86% (0.96%)</b>		
	<b>Food Producers 1.91% (1.36%)</b>			3,245,636	RSA Insurance Group	17,033	0.86
1,597,023	Associated British Foods	37,770	1.91		<b>Life Insurance 6.48% (7.03%)</b>		
	<b>Household Goods &amp; Home Construction 5.04% (4.08%)</b>			13,899,780	Legal & General Group	32,122	1.62
357,059	Berkeley Group Holdings	14,132	0.71	4,858,881	Prudential	68,437	3.46
5,676,531	Crest Nicholson Holdings	20,129	1.02	2,860,298	St James's Place	27,619	1.40
1,026,962	Reckitt Benckiser Group	65,428	3.31		<b>Real Estate Investment &amp; Services 1.13% (1.24%)</b>		
	<b>Personal Goods 4.19% (3.82%)</b>			9,214,685	Grainger	22,447	1.13
729,644	Burberry Group	16,702	0.84		<b>Real Estate Investment Trusts 1.58% (1.92%)</b>		
1,279,268	Unilever	66,164	3.35	500,575	Derwent London	15,558	0.79
				2,039,787	Land Securities Group REIT	15,613	0.79

## Threadneedle UK Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>FINANCIALS 18.06% (19.23%) (continued)</b>			
<b>Financial Services 4.51% (4.00%)</b>			
2,266,902	Intermediate Capital Group	31,601	1.60
558,874	London Stock Exchange Group	40,720	2.06
754,118	Schroders Non-voting	16,892	0.85
	<b>Total Financials</b>	<b>357,266</b>	<b>18.06</b>
<b>TECHNOLOGY 2.48% (2.92%)</b>			
<b>Software &amp; Computer Services 2.48% (2.92%)</b>			
1,704,397	FDM Group Holdings IPO	13,039	0.66
5,085,996	Sage Group	36,100	1.82
	<b>Total Technology</b>	<b>49,139</b>	<b>2.48</b>
<b>COLLECTIVE INVESTMENT SCHEMES 1.00% (0.01%)</b>			
<b>Liquidity Funds 1.00% (0.01%)<sup>1</sup></b>			
19,676,849	BlackRock Institutional Cash Series Sterling Liquidity Platinum	19,677	1.00
	<b>Total Collective Investment Schemes</b>	<b>19,677</b>	<b>1.00</b>
<b>Total value of investments<sup>2</sup></b>		<b>1,975,312</b>	<b>99.86</b>
<b>Net other assets (0.04%)</b>		<b>2,701</b>	<b>0.14</b>
<b>Net assets</b>		<b>1,978,013</b>	<b>100.00</b>

March 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 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	306,283	239,039
Total sales for the period	531,227	234,033

## Threadneedle UK Select Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 8.98% (11.56%)</b>				<b>TELECOMMUNICATIONS 6.39% (3.99%)</b>			
	<b>Oil &amp; Gas Producers 8.98% (11.56%)</b>				<b>Fixed Line Telecommunications 3.11% (3.99%)</b>		
3,144,497	BP	15,735	3.98	7,307,770	BT Group	12,277	3.11
874,430	Royal Dutch Shell 'B' Shares	19,745	5.00		<b>Mobile Telecommunications 3.28% (0.00%)</b>		
	<b>Total Oil &amp; Gas</b>	<b>35,480</b>	<b>8.98</b>	8,353,729	Vodafone Group	12,988	3.28
					<b>Total Telecommunications</b>	<b>25,265</b>	<b>6.39</b>
<b>BASIC MATERIALS 4.92% (7.02%)</b>				<b>FINANCIALS 25.28% (21.40%)</b>			
	<b>Chemicals 1.59% (3.66%)</b>				<b>Life Insurance 10.30% (10.72%)</b>		
203,948	Johnson Matthey	6,280	1.59	5,203,931	Legal & General Group	12,026	3.04
	<b>Mining 3.33% (3.36%)</b>			1,025,704	Prudential	14,447	3.66
312,428	Rio Tinto	13,181	3.33	1,472,386	St James's Place	14,217	3.60
	<b>Total Basic Materials</b>	<b>19,461</b>	<b>4.92</b>		<b>Real Estate Investment Trusts 3.48% (3.14%)</b>		
				443,072	Derwent London	13,771	3.48
<b>INDUSTRIALS 6.14% (6.55%)</b>					<b>Financial Services 11.50% (7.54%)</b>		
	<b>Construction &amp; Materials 3.24% (2.84%)</b>			1,114,095	Intermediate Capital Group	15,531	3.93
20,740,139	<sup>1</sup> Breedon Aggregates	12,818	3.24	204,482	London Stock Exchange Group	14,899	3.77
	<b>General Industrials 1.06% (3.71%)</b>			670,193	Schroders Non-voting	15,012	3.80
1,206,121	DS Smith	4,211	1.06		<b>Total Financials</b>	<b>99,903</b>	<b>25.28</b>
	<b>Industrial Engineering 1.84% (0.00%)</b>						
482,784	Weir Group	7,256	1.84				
	<b>Total Industrials</b>	<b>24,285</b>	<b>6.14</b>				
<b>CONSUMER GOODS 21.47% (16.98%)</b>				<b>TECHNOLOGY 2.29% (7.44%)</b>			
	<b>Beverages 6.87% (4.69%)</b>			1,275,872	<b>Software &amp; Computer Services 2.29% (7.44%)</b>		
552,964	Diageo	18,947	4.79		Sage Group	9,056	2.29
352,684	<sup>1</sup> Fevertree Drinks IPO	8,235	2.08		<b>Total Technology</b>	<b>9,056</b>	<b>2.29</b>
	<b>Food Producers 3.09% (1.43%)</b>						
515,935	Associated British Foods	12,202	3.09				
	<b>Household Goods &amp; Home Construction 3.70% (0.00%)</b>						
229,546	Reckitt Benckiser Group	14,624	3.70				
	<b>Personal Goods 3.70% (2.48%)</b>						
283,101	Unilever	14,642	3.70				
	<b>Tobacco 4.11% (8.38%)</b>						
555,048	British American Tobacco	16,185	4.11				
	<b>Total Consumer Goods</b>	<b>84,835</b>	<b>21.47</b>				
<b>HEALTH CARE 5.57% (6.32%)</b>				<b>COLLECTIVE INVESTMENT SCHEMES 0.77% (1.04%)</b>			
	<b>Pharmaceuticals &amp; Biotechnology 5.57% (6.32%)</b>				<b>Liquidity Funds 0.77% (1.04%)<sup>1</sup></b>		
1,286,167	GlaxoSmithKline	21,994	5.57	3,061,312	BlackRock Institutional Cash Series	3,061	0.77
	<b>Total Health Care</b>	<b>21,994</b>	<b>5.57</b>		Sterling Liquidity Platinum	3,061	0.77
					<b>Total Collective Investment Schemes</b>	<b>3,061</b>	<b>0.77</b>
<b>CONSUMER SERVICES 15.84% (15.09%)</b>				<b>Total value of investments<sup>2</sup></b>			
	<b>Food &amp; Drug Retailers 3.63% (5.42%)</b>					<b>385,951</b>	<b>97.65</b>
6,223,140	Tesco	14,363	3.63		<b>Net other assets (2.61%)</b>	<b>9,281</b>	<b>2.35</b>
	<b>Media 8.83% (5.74%)</b>				<b>Net assets</b>	<b>395,232</b>	<b>100.00</b>
2,586,952	Ascential	10,120	2.56				
5,919,283	ITV	7,195	1.82				
899,189	RELX (London Listing)	17,579	4.45				
	<b>Travel &amp; Leisure 3.38% (3.93%)</b>						
639,881	Compass Group	13,354	3.38				
	<b>Total Consumer Services</b>	<b>62,611</b>	<b>15.84</b>				

March 2019 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

<sup>3</sup>Alternative Investment Market.

### Total Purchases and Sales

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	224,771	160,490
Total sales for the period	321,245	113,597



## Threadneedle UK Smaller Companies Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>TECHNOLOGY 14.57% (16.84%)</b>			
<b>Software &amp; Computer Services 11.46% (13.28%)</b>			
16,005,844	<sup>1</sup> Spatial	4,642	2.83
1,487,693	<sup>1</sup> Blanco Technology	1,860	1.14
378,178	<sup>1</sup> Blue Prism Group	3,385	2.07
174,315	FDM Group Holdings IPO	1,334	0.82
124,964	<sup>1</sup> First Derivatives	2,899	1.77
1,289,185	<sup>1</sup> Ideagen	1,895	1.16
4,044,679	<sup>1</sup> QDEO Group	1,658	1.01
56,868,156	<sup>1</sup> Shearwater Group (Suspended)	1,081	0.66
<b>Technology Hardware &amp; Equipment 3.11% (3.56%)</b>			
2,678,731	Spirent Communications	5,100	3.11
	<b>Total Technology</b>	<b>23,854</b>	<b>14.57</b>
<b>DERIVATIVES 0.00% (0.00%)</b>			
<b>Forward Foreign Exchange Contracts 0.00% (0.00%)</b>			
	Sell GBP 956		
	Buy CHF 1,151 J.P. Morgan <sup>1</sup>	–	–
	Sell GBP 21		
	Buy CHF 26 J.P. Morgan <sup>1</sup>	–	–
	<b>Total Derivatives</b>	<b>–</b>	<b>–</b>
<b>Total value of investments</b>		<b>157,527</b>	<b>96.19</b>
<b>Net other assets/(liabilities) (-0.24%)</b>		<b>6,242</b>	<b>3.81</b>
<b>Net assets</b>		<b>163,769</b>	<b>100.00</b>

March 2019 comparatives in brackets.

<sup>1</sup>Alternative Investment Market.

<sup>1</sup>Less than £500, rounded to nil.

### Total Purchases and Sales

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	45,494	44,520
Total sales for the period	60,375	44,333

## Threadneedle UK Growth & Income Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 3.30% (3.70%)</b>				<b>General Retailers 2.11% (2.59%)</b>			
	<b>Oil &amp; Gas Producers 3.30% (3.70%)</b>			3,286,328	Marks & Spencer Group	6,476	2.11
448,965	Royal Dutch Shell 'B' Shares	10,138	3.30		<b>Media 7.90% (7.84%)</b>		
	<b>Total Oil &amp; Gas</b>	<b>10,138</b>	<b>3.30</b>	4,758,492	ITV	5,784	1.88
				1,032,537	Pearson	8,851	2.88
				493,891	RELX (London Listing)	9,656	3.14
<b>BASIC MATERIALS 2.21% (2.40%)</b>					<b>Travel &amp; Leisure 11.49% (10.31%)</b>		
	<b>Chemicals 2.21% (2.40%)</b>			410,877	Compass Group	8,575	2.79
220,825	Johnson Matthey	6,799	2.21	4,089,648	Firstgroup	5,325	1.73
	<b>Total Basic Materials</b>	<b>6,799</b>	<b>2.21</b>	485,131	J D Wetherspoon	7,733	2.52
				2,400,853	Rank Group	4,043	1.32
<b>INDUSTRIALS 29.12% (27.34%)</b>				6,041,829	Restaurant Group	7,685	2.50
	<b>Construction &amp; Materials 2.37% (2.29%)</b>			1,565,729	Stagecoach Group	1,949	0.63
3,559,524	Melrose Industries	7,279	2.37		<b>Total Consumer Services</b>	<b>83,274</b>	<b>27.10</b>
	<b>Aerospace &amp; Defence 5.69% (5.16%)</b>						
1,120,762	BAE Systems	6,330	2.06	<b>TELECOMMUNICATIONS 1.70% (2.26%)</b>			
4,758,563	Cobham	7,709	2.51		<b>Fixed Line Telecommunications 1.70% (2.26%)</b>		
439,692	Rolls-Royce Holdings	3,446	1.12	3,104,592	BT Group	5,216	1.70
	<b>General Industrials 4.39% (4.27%)</b>				<b>Total Telecommunications</b>	<b>5,216</b>	<b>1.70</b>
1,652,430	DS Smith	5,769	1.88	<b>UTILITIES 2.27% (3.30%)</b>			
457,190	Smiths Group	7,706	2.51		<b>Gas, Water &amp; Multiutilities 2.27% (3.30%)</b>		
	<b>Electronic &amp; Electrical Equipment 0.61% (0.68%)</b>			4,242,057	Centrica	2,826	0.92
736,128	Morgan Advanced Materials	1,887	0.61	269,191	Pennon Group	2,021	0.66
	<b>Industrial Engineering 0.87% (0.76%)</b>			271,962	United Utilities Group	2,125	0.69
260,217	IMI	2,663	0.87		<b>Total Utilities</b>	<b>6,972</b>	<b>2.27</b>
	<b>Industrial Transportation 1.33% (1.45%)</b>			<b>FINANCIALS 10.21% (10.95%)</b>			
1,834,221	Wincanton	4,090	1.33		<b>Banks 0.84% (0.87%)</b>		
	<b>Support Services 13.86% (12.73%)</b>			204,304	Secure Trust Bank	2,574	0.84
2,269,769	Electrocomponents	13,578	4.42		<b>Nonlife Insurance 2.51% (2.62%)</b>		
123,218	Ferguson	7,884	2.57	1,468,363	RSA Insurance Group	7,706	2.51
2,729,296	Hays	4,039	1.31		<b>Life Insurance 2.06% (2.86%)</b>		
3,692,395	Rentokil Initial	17,081	5.56	2,740,060	Legal & General Group	6,332	2.06
	<b>Total Industrials</b>	<b>89,461</b>	<b>29.12</b>		<b>Financial Services 4.80% (4.60%)</b>		
<b>CONSUMER GOODS 9.05% (9.18%)</b>				1,069,567	3i Group	12,311	4.00
	<b>Food Producers 1.91% (1.91%)</b>			4,203,503	Sherborne Investors Guernsey	2,026	0.66
798,973	Tate & Lyle	5,864	1.91	5,110,134	Sherborne Investors Guernsey B	434	0.14
	<b>Personal Goods 4.49% (3.77%)</b>				<b>Total Financials</b>	<b>31,383</b>	<b>10.21</b>
266,767	Unilever	13,797	4.49	<b>TECHNOLOGY 3.27% (2.91%)</b>			
	<b>Tobacco 2.65% (3.50%)</b>				<b>Technology Hardware &amp; Equipment 3.27% (2.91%)</b>		
383,620	Imperial Brands	8,150	2.65	5,270,895	Spirent Communications	10,036	3.27
	<b>Total Consumer Goods</b>	<b>27,811</b>	<b>9.05</b>		<b>Total Technology</b>	<b>10,036</b>	<b>3.27</b>
<b>HEALTH CARE 12.64% (11.53%)</b>				<b>Total value of investments</b>			
	<b>Pharmaceuticals &amp; Biotechnology 12.64% (11.53%)</b>					<b>309,918</b>	<b>100.87</b>
313,720	AstraZeneca	22,695	7.39	<b>Net other liabilities (-1.08%)</b>			
943,456	GlaxoSmithKline	16,133	5.25			<b>(2,665)</b>	<b>(0.87)</b>
	<b>Total Health Care</b>	<b>38,828</b>	<b>12.64</b>	<b>Net assets</b>			
<b>CONSUMER SERVICES 27.10% (27.51%)</b>						<b>307,253</b>	<b>100.00</b>
	<b>Food &amp; Drug Retailers 5.60% (6.77%)</b>			<i>March 2019 comparatives in brackets.</i>			
3,136,045	Tesco	7,238	2.36	<b>Total Purchases and Sales</b>			
5,304,557	WM Morrison Supermarkets	9,959	3.24			<b>2019</b>	<b>2018</b>
						<b>£000</b>	<b>£000</b>
				<i>for the accounting period 8 March 2019 to 7 September 2019</i>			
				Total purchases for the period			
				4,235			
				Total sales for the period			
				14,368			
				95,477			



## Threadneedle UK Equity Income Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 3.34% (3.65%)</b>				<b>CONSUMER SERVICES 21.47% (22.43%)</b>			
	<b>Oil &amp; Gas Producers 3.34% (3.65%)</b>				<b>Food &amp; Drug Retailers 5.04% (5.98%)</b>		
6,161,262	Royal Dutch Shell 'B' Shares	139,121	3.34	29,490,489	Tesco	68,064	1.63
	<b>Total Oil &amp; Gas</b>	<b>139,121</b>	<b>3.34</b>	75,604,289	WM Morrison Supermarkets	141,947	3.41
<b>BASIC MATERIALS 2.51% (2.69%)</b>					<b>General Retailers 2.24% (2.69%)</b>		
	<b>Chemicals 2.51% (2.69%)</b>			47,399,194	Marks & Spencer Group	93,400	2.24
18,076,938	Elementis	27,405	0.66		<b>Media 7.36% (7.38%)</b>		
2,510,275	Johnson Matthey	77,291	1.85	65,987,426	ITV	80,208	1.92
	<b>Total Basic Materials</b>	<b>104,696</b>	<b>2.51</b>	13,491,976	Pearson	115,653	2.78
<b>INDUSTRIALS 27.16% (24.73%)</b>				5,673,049	RELX (London Listing)	110,908	2.66
	<b>Construction &amp; Materials 2.19% (2.21%)</b>				<b>Travel &amp; Leisure 6.83% (6.38%)</b>		
29,751,485	Melrose Industries	60,842	1.46	5,420,562	Compass Group	113,127	2.71
2,586,931	Morgan Sindall Group	30,474	0.73	2,025,405	Go-Ahead Group	43,789	1.05
	<b>Aerospace &amp; Defence 5.16% (4.62%)</b>			4,074,744	J D Wetherspoon	64,951	1.56
18,718,485	BAE Systems	105,722	2.54	18,638,282	Rank Group	31,387	0.75
67,458,456	Cobham	109,283	2.62	25,297,474	Stagecoach Group	31,495	0.76
	<b>General Industrials 4.01% (3.84%)</b>				<b>Total Consumer Services</b>	<b>894,929</b>	<b>21.47</b>
21,841,756	DS Smith	76,250	1.83	<b>TELECOMMUNICATIONS 2.06% (2.46%)</b>			
5,404,020	Smiths Group	91,085	2.18		<b>Fixed Line Telecommunications 2.06% (2.46%)</b>		
	<b>Electronic &amp; Electrical Equipment 1.86% (1.68%)</b>			51,009,377	BT Group	85,696	2.06
8,280,180	Morgan Advanced Materials	21,230	0.51		<b>Total Telecommunications</b>	<b>85,696</b>	<b>2.06</b>
4,374,137	Oxford Instruments	56,164	1.35	<b>UTILITIES 2.57% (3.65%)</b>			
	<b>Industrial Engineering 0.81% (0.56%)</b>				<b>Gas, Water &amp; Multiutilities 2.57% (3.65%)</b>		
3,296,973	IMI	33,744	0.81	64,897,131	Centrica	43,234	1.04
	<b>Industrial Transportation 0.78% (0.84%)</b>			4,466,881	Pennon Group	33,528	0.80
14,646,514	Wincanton	32,662	0.78	3,898,498	United Utilities Group	30,455	0.73
	<b>Support Services 12.35% (10.98%)</b>				<b>Total Utilities</b>	<b>107,217</b>	<b>2.57</b>
30,007,084	Electrocomponents	179,502	4.31	<b>FINANCIALS 14.22% (15.02%)</b>			
1,216,657	Ferguson	77,842	1.87		<b>Nonlife Insurance 3.59% (3.66%)</b>		
41,586,480	Hays	61,548	1.48	28,489,028	RSA Insurance Group	149,510	3.59
42,251,260	Rentokil Initial	195,454	4.69		<b>Life Insurance 6.40% (7.45%)</b>		
	<b>Total Industrials</b>	<b>1,131,802</b>	<b>27.16</b>	10,893,173	Chesnara	29,412	0.71
<b>CONSUMER GOODS 10.25% (10.66%)</b>				41,285,390	Legal & General Group	95,411	2.29
	<b>Food Producers 2.11% (2.06%)</b>			21,874,248	Phoenix Group Holdings	141,767	3.40
11,974,282	Tate & Lyle	87,891	2.11		<b>Financial Services 4.23% (3.91%)</b>		
	<b>Personal Goods 4.05% (3.32%)</b>			13,351,672	3i Group	153,678	3.69
3,262,114	Unilever	168,717	4.05	41,029,444	Sherborne Investors Guernsey	19,776	0.47
	<b>Tobacco 4.09% (5.28%)</b>			35,760,377	Sherborne Investors Guernsey B	3,040	0.07
8,036,760	Imperial Brands	170,741	4.09		<b>Total Financials</b>	<b>592,594</b>	<b>14.22</b>
	<b>Total Consumer Goods</b>	<b>427,349</b>	<b>10.25</b>	<b>HEALTH CARE 15.73% (14.19%)</b>			
	<b>Pharmaceuticals &amp; Biotechnology 15.73% (14.19%)</b>						
5,376,275	AstraZeneca	388,920	9.33				
15,599,948	GlaxoSmithKline	266,759	6.40				
	<b>Total Health Care</b>	<b>655,679</b>	<b>15.73</b>				

## Threadneedle UK Equity Income Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>COLLECTIVE INVESTMENT SCHEMES 0.74% (0.61%)</b>			
Liquidity Funds 0.74% (0.61%) <sup>1</sup>			
30,594,701	BlackRock Institutional Cash Series		
	Sterling Liquidity Platinum	30,595	0.74
	<b>Total Collective Investment Schemes</b>	<b>30,595</b>	<b>0.74</b>
<b>Total value of investments<sup>2</sup></b>		<b>4,169,678</b>	<b>100.05</b>
<b>Net other liabilities (-0.09%)</b>		<b>(1,881)</b>	<b>(0.05)</b>
<b>Net assets</b>		<b>4,167,797</b>	<b>100.00</b>

March 2019 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

### Total Purchases and Sales

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	189,438	130,307
Total sales for the period	199,054	190,466

## Threadneedle UK Monthly Income Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 9.60% (9.34%)</b>				<b>CONSUMER SERVICES 12.97% (14.40%)</b>			
	<b>Oil &amp; Gas Producers 9.60% (9.34%)</b>				<b>General Retailers 1.17% (1.50%)</b>		
1,850,000	BP	9,257	2.16	1,475,000	Marks & Spencer Group	2,906	0.68
1,415,000	Royal Dutch Shell 'B' Shares	31,951	7.44	875,000	ScS Group	2,126	0.49
	<b>Total Oil &amp; Gas</b>	<b>41,208</b>	<b>9.60</b>		<b>Media 5.49% (4.95%)</b>		
<b>BASIC MATERIALS 4.29% (3.66%)</b>				6,350,000	ITV	7,718	1.80
	<b>Chemicals 1.63% (1.11%)</b>			810,000	RELX (London Listing)	15,835	3.69
90,000	Johnson Matthey	2,771	0.65		<b>Travel &amp; Leisure 6.31% (7.95%)</b>		
1,331,250	Synthomer	4,191	0.98	235,000	Compass Group	4,904	1.14
	<b>Mining 2.66% (2.55%)</b>			715,000	Fuller Smith & Turner	8,294	1.93
650,000	BHP Group	11,434	2.66	220,000	Go-Ahead Group	4,756	1.11
	<b>Total Basic Materials</b>	<b>18,396</b>	<b>4.29</b>	1,750,000	Rank Group	2,947	0.69
<b>INDUSTRIALS 12.64% (12.00%)</b>				3,175,000	Stagecoach Group	3,953	0.92
	<b>Construction &amp; Materials 0.90% (0.79%)</b>			50,000	Whitbread	2,223	0.52
1,880,000	Melrose Industries	3,845	0.90		<b>Total Consumer Services</b>	<b>55,662</b>	<b>12.97</b>
	<b>Aerospace &amp; Defence 4.33% (3.41%)</b>			<b>TELECOMMUNICATIONS 1.64% (3.72%)</b>			
2,115,000	BAE Systems	11,946	2.78		<b>Fixed Line Telecommunications 1.64% (3.72%)</b>		
4,115,000	Cobham	6,666	1.55	4,190,000	BT Group	7,039	1.64
	<b>General Industrials 1.01% (1.92%)</b>				<b>Total Telecommunications</b>	<b>7,039</b>	<b>1.64</b>
1,240,000	DS Smith	4,329	1.01	<b>UTILITIES 4.82% (5.05%)</b>			
	<b>Electronic &amp; Electrical Equipment 2.42% (1.31%)</b>				<b>Electricity 1.92% (1.17%)</b>		
180,000	Halma	3,604	0.84	720,000	SSE	8,226	1.92
265,000	Oxford Instruments	3,403	0.79		<b>Gas, Water &amp; Multiutilities 2.90% (3.88%)</b>		
145,000	Spectris	3,384	0.79	2,100,000	Centrica	1,399	0.33
	<b>Industrial Engineering 0.89% (0.83%)</b>			1,095,000	Pennon Group	8,219	1.91
6,175,000	Severfield	3,816	0.89	140,000	Severn Trent	2,822	0.66
	<b>Industrial Transportation 0.48% (0.47%)</b>				<b>Total Utilities</b>	<b>20,666</b>	<b>4.82</b>
100,000	James Fisher & Sons	2,055	0.48	<b>FINANCIALS 26.67% (27.48%)</b>			
	<b>Support Services 2.61% (3.27%)</b>				<b>Banks 3.84% (5.09%)</b>		
910,000	Electrocomponents	5,444	1.27	440,000	Close Brothers Group	5,839	1.36
90,000	Ferguson	5,758	1.34	1,150,000	HSBC Holdings	6,924	1.61
	<b>Total Industrials</b>	<b>54,250</b>	<b>12.64</b>	1,975,000	Royal Bank of Scotland Group	3,710	0.87
<b>CONSUMER GOODS 12.50% (12.36%)</b>					<b>Nonlife Insurance 2.55% (1.45%)</b>		
	<b>Beverages 2.47% (2.13%)</b>			1,700,000	Direct Line Insurance Group	4,830	1.13
310,000	Diageo	10,622	2.47	865,000	Lancashire Holdings	6,111	1.42
	<b>Household Goods &amp; Home Construction 0.22% (0.25%)</b>				<b>Life Insurance 12.33% (13.69%)</b>		
15,000	Reckitt Benckiser Group	956	0.22	4,050,000	Chesnara	10,935	2.55
	<b>Personal Goods 4.87% (4.07%)</b>			6,705,000	Legal & General Group	15,495	3.61
110,000	Burberry Group	2,518	0.59	2,115,000	Phoenix Group Holdings	13,707	3.20
355,000	Unilever	18,361	4.28	550,000	Prudential	7,747	1.81
	<b>Tobacco 4.94% (5.91%)</b>			515,000	St James's Place	4,973	1.16
260,000	British American Tobacco	7,582	1.77		<b>Real Estate Investment Trusts 4.38% (4.16%)</b>		
640,000	Imperial Brands	13,597	3.17	185,000	Derwent London	5,750	1.34
	<b>Total Consumer Goods</b>	<b>53,636</b>	<b>12.50</b>	3,725,000	Empiric Student Property REIT	3,446	0.80
<b>HEALTH CARE 11.87% (11.21%)</b>				2,800,000	Londonmetric Property REIT	5,846	1.36
	<b>Pharmaceuticals &amp; Biotechnology 11.87% (11.21%)</b>			3,609,351	Warehousing REIT	3,790	0.88
295,000	AstraZeneca	21,340	4.97		<b>Financial Services 3.57% (3.09%)</b>		
1,730,000	GlaxoSmithKline	29,583	6.90	900,000	3i Group	10,359	2.41
	<b>Total Health Care</b>	<b>50,923</b>	<b>11.87</b>	625,337	AJ Bell	2,542	0.59
				4,302,702	Sherborne Investors Guernsey	2,074	0.48
				4,275,000	Sherborne Investors Guernsey B	363	0.09
					<b>Total Financials</b>	<b>114,441</b>	<b>26.67</b>

## Threadneedle UK Monthly Income Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>COLLECTIVE INVESTMENT SCHEMES 2.34% (1.13%)</b>			
	<b>Liquidity Funds 2.34% (1.13%)<sup>1</sup></b>		
10,022,960	BlackRock Institutional Cash Series		
	Sterling Liquidity Platinum	10,023	2.34
	<b>Total Collective Investment Schemes</b>	<b>10,023</b>	<b>2.34</b>
<b>Total value of investments<sup>2</sup></b>		<b>426,244</b>	<b>99.34</b>
<b>Net other assets/(liabilities) (-0.35%)</b>		<b>2,839</b>	<b>0.66</b>
<b>Net assets</b>		<b>429,083</b>	<b>100.00</b>

March 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 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	61,469	28,646
Total sales for the period	81,679	56,879

## Threadneedle Monthly Extra Income Fund

### Portfolio Statement

as at 7 September 2019

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>AUSTRALIA 0.83% (0.81%)</b>					GBP 100,000 Total Capital International 1.405% 03/09/2031 99 0.03				
<b>Corporate Bonds 0.83% (0.81%)</b>					GBP 400,000 Total Capital International 1.66% 22/07/2026 412 0.13				
GBP	786,000	APT Pipelines 3.5% 22/03/2030	876	0.28	<b>Total France</b> 3,686 1.19				
GBP	573,000	Asciano Finance 5% 19/09/2023	640	0.21	<b>GERMANY 0.12% (0.17%)</b>				
GBP	472,000	*BHP Billiton Finance 6.5% 22/10/2077	535	0.17	<b>Corporate Bonds 0.12% (0.17%)</b>				
USD	400,000	SGSP Australia Assets 3.25% 29/07/2026	338	0.11	EUR 400,000 ADLER Real Estate 3% 27/04/2026 386 0.12				
GBP	165,000	Vicinity Centres 3.375% 07/04/2026	178	0.06	<b>Total Germany</b> 386 0.12				
<b>Total Australia</b> 2,567 0.83					<b>GUERNSEY 0.51% (0.67%)</b>				
<b>BELGIUM 0.46% (0.41%)</b>					<b>Corporate Bonds 0.00% (0.67%)</b>				
<b>Corporate Bonds 0.46% (0.41%)</b>					2,908,581 Sherborne Investors Guernsey 1,402 0.45				
GBP	1,185,000	Anheuser-Busch 2.25% 24/05/2029	1,229	0.40	2,194,813 Sherborne Investors Guernsey B 187 0.06				
EUR	200,000	*KBC Groep Variable 05/09/2167	192	0.06	<b>Total Guernsey</b> 1,589 0.51				
<b>Total Belgium</b> 1,421 0.46					<b>JERSEY 0.49% (0.45%)</b>				
<b>BERMUDA 1.83% (1.90%)</b>					<b>Corporate Bonds 0.49% (0.45%)</b>				
<b>Corporate Bonds 0.16% (0.13%)</b>					GBP 134,000 Glencore Finance Europe 3.125% 26/03/2026 137 0.04				
USD	550,000	Bacardi 4.7% 15/05/2028	490	0.16	GBP 160,000 Hastings Group Finance 3% 24/05/2025 159 0.05				
<b>Nonlife Insurance 1.67% (1.77%)</b>					GBP 170,000 Heathrow Funding 2.75% 09/08/2049 177 0.06				
	334,580	Hiscox	5,186	1.67	GBP 185,000 Heathrow Funding 4.625% 31/10/2046 259 0.08				
<b>Total Bermuda</b> 5,676 1.83					GBP 215,000 Heathrow Funding 6.45% 10/12/2031 318 0.10				
<b>BRITISH VIRGIN ISLANDS 0.17% (0.22%)</b>					GBP 411,000 Porterbrook Rail Finance 4.625% 04/04/2029 483 0.16				
<b>Corporate Bonds 0.17% (0.22%)</b>					<b>Total Jersey</b> 1,533 0.49				
GBP	477,000	Global Switch Holdings 4.375% 13/12/2022	520	0.17	<b>LUXEMBOURG 0.00% (0.10%)</b>				
<b>Total British Virgin Islands</b> 520 0.17					<b>Corporate Bonds 0.00% (0.10%)</b>				
<b>CANADA 0.00% (0.10%)</b>					<b>Total Luxembourg</b> - -				
<b>Corporate Bonds 0.00% (0.10%)</b>					<b>MEXICO 0.24% (0.25%)</b>				
<b>Total Canada</b> - -					<b>Corporate Bonds 0.17% (0.19%)</b>				
<b>CAYMAN ISLANDS 0.38% (0.44%)</b>					GBP 259,000 *America Movil 6.375% 06/09/2073 271 0.09				
<b>Corporate Bonds 0.38% (0.44%)</b>					GBP 248,000 Petroleos Mexicanos 3.75% 16/11/2025 234 0.08				
GBP	191,000	Dwr Cymru Financing 6.015% 31/03/2028	263	0.08	<b>Government Bonds 0.07% (0.06%)</b>				
USD	190,000	Noble Holding International 6.95% 01/04/2045	84	0.03	GBP 202,000 United Mexican States 5.625% 19/03/2114 226 0.07				
GBP	325,000	Thames Water Utilities 2.375% 03/05/2023	327	0.11	<b>Total Mexico</b> 731 0.24				
GBP	388,000	Thames Water Utilities Cayman Finance 2.625% 24/01/2032	402	0.13	<b>NETHERLANDS 1.13% (1.33%)</b>				
GBP	100,000	*Trafford Centre Finance FRN 28/07/2035 A3	89	0.03	<b>Corporate Bonds 1.13% (1.33%)</b>				
<b>Total Cayman Islands</b> 1,165 0.38					GBP 435,000 Deutsche Telekom International Finance 2.5% 10/10/2025 461 0.15				
<b>FRANCE 1.19% (1.02%)</b>					GBP 300,000 E.ON International Finance 6.375% 07/06/2032 439 0.14				
<b>Corporate Bonds 1.19% (1.02%)</b>					GBP 913,000 Innogy Finance 6.25% 03/06/2030 1,272 0.41				
GBP	150,000	*AXA FRN 16/01/2054	180	0.06	GBP 283,000 LafargeHolcim Sterling Finance 3% 12/05/2032 299 0.10				
GBP	500,000	Banque Fédérative du Cr�dit Mutuel 1.75% 19/12/2024	510	0.16	USD 525,000 Syngenta Finance 5.182% 24/04/2028 454 0.14				
GBP	300,000	BPCE 5.25% 16/04/2029	370	0.12	EUR 300,000 *Telefonica Europe Perpetual 3% 04/12/2066 278 0.09				
GBP	450,000	Electricite de France 5.125% 22/09/2050	673	0.22	GBP 300,000 Volkswagen International Finance 3.375% 16/11/2026 322 0.10				
GBP	400,000	Electricite de France 5.5% 17/10/2041	593	0.19	<b>Total Netherlands</b> 3,525 1.13				
GBP	400,000	Orange 3.25% 15/01/2032	451	0.15					
GBP	150,000	Orange 5.625% 23/01/2034	214	0.07					
GBP	120,000	Orange 8.125% 20/11/2028	184	0.06					

## Threadneedle Monthly Extra Income Fund

### Portfolio Statement

(continued)

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>REPUBLIC OF IRELAND 0.52% (0.50%)</b>					GBP	150,000	Eversholt Funding 6.359% 02/12/2025	186	0.06
<b>Corporate Bonds 0.52% (0.50%)</b>					GBP	260,000	Experian Finance 2.125% 27/09/2024	270	0.09
EUR	340,000	*Bank of Ireland 7.375% 29/12/2049	317	0.10	GBP	480,000	First Hydro Finance 9% 31/07/2021	545	0.18
GBP	744,000	GE Capital UK Funding 5.875% 18/01/2033	928	0.30	EUR	355,000	G4S International Finance 1.5% 02/06/2024	329	0.11
GBP	165,000	PGH Capital 4.125% 20/07/2022	172	0.05	EUR	195,000	G4S International Finance 1.875% 24/05/2025	183	0.06
GBP	185,000	PGH Capital 6.625% 28/12/2025	206	0.07	GBP	531,000	GKN Holdings 4.625% 15/05/2032	534	0.17
<b>Total Republic of Ireland</b>			<b>1,623</b>	<b>0.52</b>	GBP	427,000	GKN Holdings 5.375% 19/09/2022	464	0.15
<b>SWEDEN 0.24% (0.25%)</b>					GBP	205,000	Home Group 3.125% 27/03/2043	220	0.07
<b>Corporate Bonds 0.24% (0.25%)</b>					GBP	140,000	HSBC Bank 4.75% 24/03/2046	175	0.06
EUR	325,000	Akelius Residential 1.75% 07/02/2025	309	0.10	GBP	679,000	HSBC Bank 5.375% 22/08/2033	865	0.28
GBP	430,000	Akelius Residential 2.375% 15/08/2025	439	0.14	GBP	200,000	*HSBC Holdings Variable 22/07/2028	212	0.07
<b>Total Sweden</b>			<b>748</b>	<b>0.24</b>	GBP	260,000	Imperial Brands Finance 4.875% 07/06/2032	320	0.10
<b>SWITZERLAND 0.20% (1.57%)</b>					GBP	484,000	Imperial Brands Finance 5.5% 28/09/2026	585	0.19
<b>Corporate Bonds 0.20% (0.27%)</b>					GBP	280,000	Imperial Brand Finance 8.125% 15/03/2024	359	0.12
USD	700,000	*UBS Group 7% 29/12/2049	626	0.20	GBP	211,000	Incommunities 3.25% 21/03/2049	249	0.08
<b>Support Services 0.00% (1.30%)</b>					GBP	289,000	Juturna European Loan Conduit No 16 5.0636% 10/08/2033	306	0.10
<b>Total Switzerland</b>			<b>626</b>	<b>0.20</b>	GBP	775,000	Land Securities Capital Markets 2.375% 29/03/2029	820	0.26
<b>UNITED KINGDOM 87.20% (86.05%)</b>					GBP	325,000	*Legal & General Group 5.5% 27/06/2064	363	0.12
<b>Corporate Bonds 10.66% (11.00%)</b>					GBP	211,000	*Legal & General Group 10% 23/07/2041	243	0.08
GBP	180,000	Anglian Water Services Financing 2.625% 15/06/2027	180	0.06	GBP	279,000	*Legal & General Group Variable 27/10/2045	310	0.10
GBP	267,000	Anglian Water Services Financing 2.75% 26/10/2029	293	0.09	GBP	100,000	*Legal & General Group Variable 14/11/2048	110	0.03
GBP	140,000	Annington Funding 3.935% 12/07/2047	159	0.05	GBP	490,000	Lloyds Bank 6.5% 17/09/2040	816	0.26
GBP	281,000	*Aviva 4.375% 12/09/2049	299	0.10	GBP	277,000	Lloyds Bank 7.625% 22/04/2025	353	0.11
GBP	307,000	*Aviva 6.625% 03/06/2041	332	0.11	GBP	250,000	London Power Networks 2.625% 01/03/2029	269	0.09
GBP	374,000	Barclays 3.25% 17/01/2033	372	0.12	GBP	810,000	Longstone Finance 4.791% 19/04/2030	538	0.17
EUR	300,000	Barclays Bank 6.625% 30/03/2022	309	0.10	GBP	212,000	Marks & Spencer 4.75% 12/06/2025	232	0.07
GBP	200,000	*Barclays Bank 7.75% 08/03/2075	212	0.07	GBP	104,000	*Marstons Issuer 5.1576% 15/10/2027	94	0.03
GBP	168,000	Barclays Bank 10% 21/05/2021	191	0.06	GBP	361,000	Mitchells & Butlers Finance 5.574% 15/12/2030	170	0.05
GBP	145,000	BAT International Finance 6% 24/11/2034	195	0.06	GBP	292,000	Motability Operations 2.375% 03/07/2039	303	0.10
GBP	272,000	BP Capital Markets 1.827% 08/09/2025	281	0.09	GBP	156,000	National Grid Electricity Transmission 2.75% 06/02/2035	175	0.06
GBP	380,000	British Telecommunications 3.125% 21/11/2031	410	0.13	GBP	400,000	Newriver REIT 3.5% 07/03/2028	403	0.13
GBP	320,000	Broadgate Financing 4.821% 05/07/2033	439	0.14	GBP	743,000	*NGG Finance 5.625% 18/06/2073	829	0.27
GBP	140,000	Broadgate Finance 5.098% 05/04/2033	159	0.05	GBP	170,000	NIE Finance 2.5% 27/10/2025 (LSE)	179	0.06
GBP	990,000	Bunzl Finance 2.25% 11/06/2025	1,015	0.33	GBP	266,000	Northern Gas Networks Finance 4.875% 30/06/2027	332	0.11
GBP	249,000	Bupa Finance 2% 05/04/2024	254	0.08	GBP	298,000	Northern Powergrid Yorkshire 2.5% 01/04/2025	315	0.10
GBP	630,000	Bupa Finance 5% 08/12/2026	708	0.23	GBP	250,000	Northumbrian Water Finance 2.375% 05/10/2027	263	0.08
GBP	370,000	Cadent Finance 2.125% 22/09/2028	378	0.12	GBP	265,000	*Pennon Group Perpetual Variable 22/05/2066	266	0.09
GBP	310,000	Cadent Finance 2.625% 22/09/2038	321	0.10	GBP	282,000	Pension Insurance 5.625% 20/09/2030	291	0.09
GBP	260,000	Cadent Finance 2.75% 22/09/2046	270	0.09	GBP	477,000	Prudential 6.125% 19/12/2031	639	0.21
GBP	450,000	Cattles 7.125% 05/07/2017 (Defaulted)	1	–	GBP	345,000	*Prudential Variable 20/10/2051	390	0.13
GBP	360,000	Co-operative Bank United Kingdom 4.75% 11/11/2021	381	0.12	GBP	300,000	Rolls-Royce 3.375% 18/06/2026	331	0.11
GBP	255,000	*CYBG 4% 22/06/2025	245	0.08	GBP	725,000	*Royal Bank of Scotland 2.875% 19/09/2026	736	0.24
GBP	310,000	*CYBG 5% 09/02/2026	306	0.10					
EUR	344,000	DS Smith 1.375% 26/07/2024	319	0.10					
GBP	240,000	DS Smith 2.875% 26/07/2029	249	0.08					
GBP	218,000	EI Group 6.375% 15/02/2022	221	0.07					
GBP	370,000	Eversholt Funding 3.529% 07/08/2042	392	0.13					

## Threadneedle Monthly Extra Income Fund

### Portfolio Statement

(continued)

	Value	% of		Value	% of		
Holding	Investment	£000	Net Asset Value	Holding	Investment	£000	Net Asset Value
<b>UNITED KINGDOM 87.20% (86.05%) (continued)</b>							
GBP	451,000	*Royal Bank of Scotland Group Variable 28/03/2027	462	0.15			
GBP	130,000	Santander UK 10.0625% 29/10/2049	208	0.07			
GBP	200,000	Scotland Gas Network 3.25% 08/03/2027	222	0.07			
GBP	100,000	Scottish Widows 7% 16/06/2043	132	0.04			
GBP	577,000	Severn Trent Utilities Finance 3.625% 16/01/2026	647	0.21			
GBP	100,000	Severn Trent Utilities Finance 4.875% 24/01/2042	144	0.05			
GBP	190,000	South Eastern Power Networks 6.375% 12/11/2031	282	0.09			
GBP	120,000	Southern Gas Networks 3.1% 15/09/2036	137	0.04			
GBP	297,000	Southern Gas Networks 4.875% 21/03/2029	382	0.12			
GBP	624,000	*Telereal Securitisation 4.0902% 10/12/2033	647	0.21			
GBP	287,000	Telereal Securitisation 4.9741% 10/09/2027	204	0.07			
GBP	338,000	Telereal Securitisation 5.9478% 10/12/2031	322	0.10			
GBP	370,000	Tesco Property Finance 5.5% 13/10/2041	469	0.15			
GBP	75,000	Tesco Property Finance 1 7.6227% 13/07/2039	96	0.03			
GBP	597,000	Tesco Property Finance 6 5.4111% 13/07/2044	727	0.23			
GBP	320,000	*TSB Banking Group 5.75% 06/05/2026	324	0.10			
GBP	385,000	Unilever 1.5% 22/07/2026	393	0.13			
GBP	295,000	Unique Pub Finance 5.659% 30/06/2027	215	0.07			
GBP	267,000	Unite Group 3.5% 15/10/2028	289	0.09			
GBP	145,000	United Utilities Water Finance 2.625% 12/02/2031	160	0.05			
USD	445,000	*Vodafone Group Variable 6.25% 03/10/2078	386	0.12			
GBP	143,000	Wales & West Utilities Finance 3% 03/08/2038	164	0.05			
GBP	200,000	Western Power Distribution 1.75% 09/09/2031	195	0.06			
GBP	360,000	Western Power Distribution 3.5% 16/10/2026	384	0.12			
GBP	389,000	Western Power Distribution West Midlands 5.75% 16/04/2032	546	0.18			
GBP	240,000	Western Power Distribution West Midlands 6% 09/05/2025	296	0.10			
GBP	168,000	Yorkshire Water Finance 2.75% 18/04/2041	186	0.06			
<b>Government Bonds 0.09% (0.05%)</b>							
GBP	260,000	United Kingdom Gilt 1.5% 22/07/2047	286	0.09			
<b>Oil &amp; Gas Producers 2.42% (2.73%)</b>							
	332,860	Royal Dutch Shell 'B' Shares	7,516	2.42			
<b>Chemicals 1.22% (1.34%)</b>							
	123,245	Johnson Matthey	3,795	1.22			
<b>Construction &amp; Materials 1.07% (1.02%)</b>							
	1,629,521	Melrose Industries	3,332	1.07			
<b>Aerospace &amp; Defense 3.43% (3.22%)</b>							
	980,617	BAE Systems	5,539	1.78			
	3,155,450	Cobham	5,112	1.65			
<b>General Industrials 2.95% (2.89%)</b>							
	1,211,636	DS Smith	4,230	1.36			
	292,866	Smiths Group	4,936	1.59			
<b>Electronic &amp; Electrical Equipment 0.37% (0.42%)</b>							
	452,752	Morgan Advanced Materials	1,161	0.37			
<b>Industrial Engineering 0.91% (0.45%)</b>							
	275,526	IMI	2,820	0.91			
<b>Industrial Transportation 0.56% (0.64%)</b>							
	778,832	Wincanton	1,737	0.56			
<b>Support Services 8.82% (6.69%)</b>							
	1,594,628	Electrocomponents	9,539	3.07			
	71,815	Ferguson	4,595	1.48			
	2,111,293	Hays	3,125	1.01			
	2,192,061	Rentokil Initial	10,140	3.26			
<b>Food Producers 1.48% (1.49%)</b>							
	626,197	Tate & Lyle	4,596	1.48			
<b>Personal Goods 3.13% (2.64%)</b>							
	187,976	Unilever	9,722	3.13			
<b>Tobacco 2.62% (3.48%)</b>							
	382,471	Imperial Brands	8,126	2.62			
<b>Pharmaceuticals &amp; Biotechnology 12.11% (11.14%)</b>							
	310,811	AstraZeneca	22,484	7.24			
	885,056	GlaxoSmithKline	15,134	4.87			
<b>Food &amp; Drug Retailers 3.66% (4.31%)</b>							
	1,683,608	Tesco	3,886	1.25			
	3,996,032	WM Morrison Supermarkets	7,503	2.41			
<b>General Retailers 1.48% (1.83%)</b>							
	2,327,864	Marks & Spencer Group	4,587	1.48			
<b>Media 5.58% (5.48%)</b>							
	3,476,539	ITV	4,226	1.36			
	761,275	Pearson	6,526	2.10			
	337,181	RELX (London Listing)	6,592	2.12			
<b>Travel &amp; Leisure 5.72% (5.32%)</b>							
	284,506	Compass Group	5,938	1.91			
	3,045,413	Firstgroup	3,965	1.28			
	215,938	J D Wetherspoon	3,442	1.11			
	1,033,624	Rank Group	1,741	0.56			
	2,151,253	Stagecoach Group	2,678	0.86			
<b>Fixed Line Telecommunications 1.41% (1.79%)</b>							
	2,609,076	BT Group	4,383	1.41			
<b>Gas, Water &amp; Multiutilities 2.16% (3.04%)</b>							
	3,309,846	Centrica	2,205	0.71			
	392,552	Pennon Group	2,946	0.95			
	198,820	United Utilities Group	1,553	0.50			



## Threadneedle Monthly Extra Income Fund

### Portfolio Statement

(continued)

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value		
<b>UNITED KINGDOM 87.20% (86.05%) (continued)</b>					<b>UNITED STATES OF AMERICA 3.78% (3.48%)</b>						
<b>Banks 0.83% (0.68%)</b>					<b>Corporate Bonds 3.78% (3.48%)</b>						
204,317		Secure Trust Bank	2,574	0.83	GBP	250,000	American International Group 5% 26/04/2023	282	0.09		
<b>Nonlife Insurance 2.35% (2.48%)</b>					GBP	300,000	Amgen 5.5% 07/12/2026	378	0.12		
1,393,126		RSA Insurance Group	7,311	2.35	GBP	215,000	AT&T 4.25% 01/06/2043	250	0.08		
<b>Life Insurance 5.24% (5.83%)</b>					GBP	304,000	AT&T 4.375% 14/09/2029	358	0.11		
910,711		Chesnara	2,459	0.79	GBP	250,000	AT&T 5.5% 15/03/2027	311	0.10		
2,145,556		Legal & General Group	4,958	1.60	GBP	505,000	BAT Capital 2.125% 15/08/2025	509	0.16		
1,367,548		Phoenix Group Holdings	8,863	2.85	USD	500,000	Bayer US Finance II 4.25% 15/12/2025	436	0.14		
<b>Real Estate Investment Trusts 1.19% (1.11%)</b>					GBP	899,000	Becton Dickinson 3.02% 24/05/2025	954	0.31		
1,776,756		Londonmetric Property REIT	3,710	1.19	GBP	262,000	Berkshire Hathaway Finance 2.625% 19/06/2059	299	0.10		
<b>Financial Services 2.88% (2.58%)</b>					GBP	370,000	Digital Stout 3.3% 19/07/2029	401	0.13		
777,567		3i Group	8,950	2.88	GBP	211,000	Digital Stout Holding 3.75% 17/10/2030	236	0.08		
<b>Technology Hardware &amp; Equipment 2.86% (2.40%)</b>					GBP	274,000	Discovery 2.5% 20/09/2024	281	0.09		
4,659,012		Spirent Communications	8,871	2.86	EUR	350,000	Equinix 2.875% 01/10/2025	326	0.11		
<b>Total United Kingdom</b>					EUR	120,000	Equinix 2.875% 01/02/2026	113	0.04		
			<b>270,874</b>	<b>87.20</b>	GBP	254,000	Fidelity National Information Services 2.602% 21/05/2025	267	0.08		
<b>UNITED STATES OF AMERICA 3.78% (3.48%)</b>					GBP	690,000	Fidelity National Information Services 3.36% 21/05/2031	764	0.24		
<b>Corporate Bonds 3.78% (3.48%)</b>					GBP	133,000	Fiserv 2.25% 01/07/2025	137	0.04		
GBP	250,000	American International Group 5% 26/04/2023	282	0.09	GBP	367,000	Fiserv 3% 01/07/2031	392	0.13		
GBP	300,000	Amgen 5.5% 07/12/2026	378	0.12	GBP	212,000	Ford Motor Credit 4.535% 06/03/2025	226	0.07		
GBP	215,000	AT&T 4.25% 01/06/2043	250	0.08	EUR	210,000	General Electric 0.875% 17/05/2025	180	0.06		
GBP	304,000	AT&T 4.375% 14/09/2029	358	0.11	GBP	251,000	Goldman Sachs Group 3.125% 25/07/2029	273	0.09		
GBP	250,000	AT&T 5.5% 15/03/2027	311	0.10	EUR	430,000	IQVIA 3.25% 15/03/2025	396	0.13		
GBP	505,000	BAT Capital 2.125% 15/08/2025	509	0.16	GBP	200,000	McDonald's 2.95% 15/03/2034	222	0.07		
USD	500,000	Bayer US Finance II 4.25% 15/12/2025	436	0.14	GBP	270,000	Metropolitan Life Global Funding I 3.5% 30/09/2026	312	0.10		
GBP	899,000	Becton Dickinson 3.02% 24/05/2025	954	0.31	USD	215,000	Plains All American Pipeline 4.65% 15/10/2025	187	0.06		
GBP	262,000	Berkshire Hathaway Finance 2.625% 19/06/2059	299	0.10	GBP	656,000	The Kraft Heinz 4.125% 01/07/2027	714	0.23		
GBP	370,000	Digital Stout 3.3% 19/07/2029	401	0.13	GBP	125,000	Time Warner Cable 5.25% 15/07/2042	147	0.05		
GBP	211,000	Digital Stout Holding 3.75% 17/10/2030	236	0.08	GBP	235,000	Time Warner Cable 5.75% 02/06/2031	289	0.09		
GBP	274,000	Discovery 2.5% 20/09/2024	281	0.09	GBP	410,000	Verizon Communications 3.375% 27/10/2036	474	0.15		
EUR	350,000	Equinix 2.875% 01/10/2025	326	0.11	GBP	585,000	Wells Fargo 2% 28/07/2025	598	0.19		
EUR	120,000	Equinix 2.875% 01/02/2026	113	0.04							
GBP	254,000	Fidelity National Information Services 2.602% 21/05/2025	267	0.08							
GBP	690,000	Fidelity National Information Services 3.36% 21/05/2031	764	0.24							
GBP	133,000	Fiserv 2.25% 01/07/2025	137	0.04							
GBP	367,000	Fiserv 3% 01/07/2031	392	0.13							
GBP	212,000	Ford Motor Credit 4.535% 06/03/2025	226	0.07							
EUR	210,000	General Electric 0.875% 17/05/2025	180	0.06							
GBP	251,000	Goldman Sachs Group 3.125% 25/07/2029	273	0.09							
EUR	430,000	IQVIA 3.25% 15/03/2025	396	0.13							
GBP	200,000	McDonald's 2.95% 15/03/2034	222	0.07							
GBP	270,000	Metropolitan Life Global Funding I 3.5% 30/09/2026	312	0.10							
USD	215,000	Plains All American Pipeline 4.65% 15/10/2025	187	0.06							
GBP	656,000	The Kraft Heinz 4.125% 01/07/2027	714	0.23							
GBP	125,000	Time Warner Cable 5.25% 15/07/2042	147	0.05							
GBP	235,000	Time Warner Cable 5.75% 02/06/2031	289	0.09							
GBP	410,000	Verizon Communications 3.375% 27/10/2036	474	0.15							
GBP	585,000	Wells Fargo 2% 28/07/2025	598	0.19							
					<b>DERIVATIVES 0.03% (0.05%)</b>						
					<b>Forward Foreign Exchange Contracts 0.03% (0.05%)</b>						
					Sell GBP 91,011						
					Buy EUR 100,525 J.P. Morgan					(1)	–
					Sell GBP 10,229						–
					Buy EUR 11,242 J.P. Morgan <sup>1</sup>					–	–
					Sell GBP 10,186						–
					Buy EUR 11,247 J.P. Morgan <sup>1</sup>					–	–
					Sell GBP 13,769						–
					Buy EUR 15,203 J.P. Morgan <sup>1</sup>					–	–
					Sell GBP 180						–
					Buy EUR 198 J.P. Morgan <sup>1</sup>					–	–
					Sell GBP 236						–
					Buy EUR 261 J.P. Morgan <sup>1</sup>					–	–
					Sell GBP 325						–
					Buy EUR 359 J.P. Morgan <sup>1</sup>					–	–
					Sell GBP 4,115,790						–
					Buy EUR 4,544,355 J.P. Morgan					(37)	(0.01)
					Sell GBP 423						–
					Buy EUR 471 J.P. Morgan					–	–
					Sell GBP 494						–
					Buy EUR 545 J.P. Morgan <sup>1</sup>					–	–
					Sell GBP 72						–
					Buy EUR 80 J.P. Morgan					–	–
					Sell GBP 89						–
					Buy EUR 98 J.P. Morgan <sup>1</sup>					–	–
					Sell USD 21,180						–
					Buy GBP 17,330 Citigroup <sup>1</sup>					–	–
					Sell EUR 23,702						–
					Buy GBP 21,509 Citigroup <sup>1</sup>					–	–
					Sell USD 27,869						–
					Buy GBP 22,916 Bank of Scotland <sup>1</sup>					–	–
					Sell USD 3,730,275						–
					Buy GBP 3,073,930 Lloyds					42	0.01
					Sell EUR 4,438,857						–
					Buy GBP 4,071,582 Lloyds					89	0.03
					<b>Total Derivatives</b>					<b>93</b>	<b>0.03</b>
					<b>Total value of investments</b>					<b>308,515</b>	<b>99.32</b>
					<b>Net other assets (0.23%)</b>					<b>2,113</b>	<b>0.68</b>
					<b>Net assets</b>					<b>310,628</b>	<b>100.00</b>
					<i>March 2019 comparatives in brackets.</i>						
					<i>*Variable rate bonds.</i>						
					<i><sup>1</sup>Less than £500, rounded to nil.</i>						
					<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>						
										<b>Value</b>	<b>% of</b>
										<b>£000</b>	<b>Investment</b>
					Fixed interest					54,887	17.79
					Floating rate notes					9,254	3.00
					Derivatives					93	0.03
					Equity					244,281	79.18
					<b>Total value of investments</b>					<b>308,515</b>	<b>100.00</b>
					<b>Total Purchases and Sales</b>						
					<i>for the accounting period 8 March 2019 to 7 September 2019</i>						
										<b>2019</b>	<b>2018</b>
										<b>£000</b>	<b>£000</b>
					Total purchases for the period					16,485	14,346
					Total sales for the period					34,994	44,910



## Threadneedle Sterling Corporate Bond Fund

### Portfolio Statement

as at 7 September 2019

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 87.33% (81.36%)</b>					<b>A- 12.18% (12.83%)</b>				
		<b>AAA 0.91% (1.20%)</b>			GBP	3,614,000	Anglian Water Services Financing 2.75% 26/10/2029	3,969	0.38
GBP	2,700,000	Broadgate Financing 4.821% 05/07/2033	3,705	0.36	GBP	13,190,000	Anheuser-Busch 2.25% 24/05/2029	13,677	1.31
GBP	3,000,000	European Investment Bank 4.625% 12/10/2054	5,774	0.55	USD	4,500,000	Anheuser-Busch InBev 4.7% 01/02/2036	4,229	0.41
		<b>Aaa 0.25% (0.26%)</b>			GBP	3,997,000	BP Capital Markets 1.827% 08/09/2025	4,135	0.40
GBP	1,862,000	Lloyds Bank 6% 08/02/2029	2,639	0.25	GBP	1,450,000	Electricite de France 5.125% 22/09/2050	2,167	0.21
		<b>AA 3.04% (2.75%)</b>			GBP	10,800,000	Electricite de France 5.5% 17/10/2041	15,999	1.54
GBP	3,756,000	Berkshire Hathaway Finance 2.625% 19/06/2059	4,292	0.41	GBP	4,960,000	Experian Finance 2.125% 27/09/2024	5,151	0.49
GBP	3,438,000	Dwr Cymru Financing 6.015% 31/03/2028	4,736	0.45	GBP	1,470,000	Heathrow Funding 2.75% 09/08/2049	1,529	0.15
GBP	3,601,000	Juturna European Loan Conduit No 16 5.0636% 10/08/2033	3,807	0.37	GBP	1,480,000	Heathrow Funding 4.625% 31/10/2046	2,075	0.20
GBP	1,775,000	Land Securities Capital Markets 1.974% 08/02/2026	1,817	0.17	GBP	1,469,000	Heathrow Funding 5.875% 13/05/2041	2,290	0.22
GBP	6,195,000	Land Securities Capital Markets 2.375% 29/03/2029	6,551	0.63	GBP	1,750,000	Heathrow Funding 6.45% 10/12/2031	2,590	0.25
GBP	2,794,000	Southern Gas Networks 4.875% 21/03/2029	3,594	0.35	GBP	2,332,000	Home Group 3.125% 27/03/2043	2,505	0.24
GBP	1,684,000	Telereal Securitisation 4.9741% 10/09/2027	1,196	0.11	GBP	2,385,000	HSBC Bank 4.75% 24/03/2046	2,974	0.29
GBP	5,995,000	Telereal Securitisation 5.9478% 10/12/2031	5,710	0.55	GBP	6,251,000	HSBC Bank 5.375% 22/08/2033	7,959	0.76
		<b>Aa2u 2.95% (3.88%)</b>			GBP	2,960,000	London Power Networks 2.625% 01/03/2029	3,182	0.31
GBP	5,624,043	United Kingdom Gilt 1.5% 22/07/2047	6,192	0.59	GBP	2,570,000	London Power Networks 6.125% 07/06/2027	3,383	0.32
GBP	15,897,600	United Kingdom Gilt 2.5% 22/07/2065	24,575	2.36	GBP	3,949,000	Mitchells & Butlers Finance 5.574% 15/12/2030	1,861	0.18
		<b>AA- 1.27% (0.79%)</b>			GBP	2,799,000	National Grid Electricity Transmission 2.75% 06/02/2035	3,148	0.30
GBP	4,933,000	DNB Bank 1.625% 15/12/2023	5,040	0.48	GBP	2,000,000	Places For People Homes 2.875% 17/08/2026	2,065	0.20
GBP	3,950,000	Metropolitan Life Global Funding I 3.5% 30/09/2026	4,561	0.44	USD	4,008,000	SGSP Australia Assets 3.25% 29/07/2026	3,386	0.33
GBP	3,385,000	Procter & Gamble 1.8% 03/05/2029	3,615	0.35	GBP	3,250,000	SGSP Australia Assets 5.125% 11/02/2021	3,418	0.33
		<b>A+ 2.07% (1.29%)</b>			GBP	2,062,000	South Eastern Power Networks 6.375% 12/11/2031	3,061	0.29
GBP	2,600,000	Broadgate Finance 5.098% 05/04/2033	2,945	0.28	GBP	1,614,000	United Utilities Water Finance 2.625% 12/02/2031	1,783	0.17
GBP	2,347,000	Incommunities 3.25% 21/03/2049	2,768	0.27	GBP	9,404,000	Wells Fargo 2% 28/07/2025	9,607	0.92
GBP	3,270,000	Lloyds Bank 6.5% 17/09/2040	5,446	0.52	GBP	4,247,000	Wells Fargo 2.5% 02/05/2029	4,497	0.43
GBP	3,000,000	Total Capital International 1.405% 03/09/2031	2,959	0.28	GBP	2,481,000	Western Power Distribution 1.75% 09/09/2031	2,424	0.23
GBP	4,200,000	Total Capital International 1.66% 22/07/2026	4,330	0.42	GBP	1,835,000	Western Power Distribution South West 5.875% 25/03/2027	2,362	0.23
GBP	3,020,000	Unilever 1.5% 22/07/2026	3,080	0.30	GBP	775,000	Western Power Distribution West Midlands 3.875% 17/10/2024	864	0.08
		<b>A 3.45% (1.43%)</b>			GBP	2,373,000	Western Power Distribution West Midlands 5.75% 16/04/2032	3,329	0.32
GBP	3,610,000	Amgen 5.5% 07/12/2026	4,547	0.44	GBP	3,570,000	Western Power Distribution West Midlands 6% 09/05/2025	4,407	0.42
GBP	7,900,000	Banque Fédérative du Crédit Mutuel 1.75% 19/12/2024	8,054	0.77	GBP	2,524,000	Yorkshire Water Finance 2.75% 18/04/2041	2,790	0.27
GBP	5,400,000	Banque Fédérative du Crédit Mutuel 2.25% 18/12/2023	5,619	0.54			<b>A3 0.73% (0.68%)</b>		
GBP	1,283,000	Catalyst Housing 3.125% 31/10/2047	1,454	0.14	GBP	4,465,000	Bupa Finance 2% 05/04/2024	4,560	0.44
GBP	7,411,000	Lloyds Bank Markets 1.75% 11/07/2024	7,399	0.71	GBP	2,835,000	Co-operative Bank United Kingdom 4.75% 11/11/2021	3,002	0.29
GBP	4,612,000	Motability Operations 2.375% 03/07/2039	4,793	0.46			<b>BBB+ 18.75% (18.83%)</b>		
GBP	3,803,000	Northern Powergrid Yorkshire 2.5% 01/04/2025	4,025	0.39	GBP	3,700,000	American International Group 5% 26/04/2023	4,171	0.40
					GBP	5,685,000	BAT Capital 2.125% 15/08/2025	5,727	0.55
					GBP	1,800,000	BAT International Finance 4% EMTN 04/09/2026	2,010	0.19



## Threadneedle Sterling Corporate Bond Fund

### Portfolio Statement

(continued)

	Value £000	% of Net Asset Value		Value £000	% of Net Asset Value				
<b>FIXED INTEREST 87.33% (81.36%) (continued)</b>									
USD 5,000,000	Bacardi 4.45% 15/05/2025	4,363	0.42	GBP 5,900,000	Newriver REIT 3.5% 07/03/2028	5,951	0.57		
USD 23,860,000	Bacardi 4.7% 15/05/2028	21,277	2.04	GBP 3,426,000	Pension Insurance 5.625% 20/09/2030	3,538	0.34		
GBP 2,713,000	Barclays Bank 10% 21/05/2021	3,079	0.30	GBP 2,780,000	PGH Capital 4.125% 20/07/2022	2,896	0.28		
EUR 1,500,000	Barclays Bank 6.625% 30/03/2022	1,543	0.15	GBP 1,086,000	PGH Capital 6.625% 28/12/2025	1,208	0.12		
GBP 3,659,000	Discovery 2.5% 20/09/2024	3,759	0.36	<b>Liquidity Funds 0.87% (1.03%)<sup>1</sup></b>					
EUR 7,255,000	DS Smith 1.375% 26/07/2024	6,720	0.65	GBP 9,077,551	BlackRock Institutional Cash Series Sterling Liquidity Platinum	9,078	0.87		
GBP 2,115,000	DS Smith 2.875% 26/07/2029	2,197	0.21	<b>Total Fixed Interest</b>					
EUR 1,320,000	Equinix 2.875% 01/02/2026	1,238	0.12	<b>909,512 87.33</b>					
EUR 4,100,000	Equinix 2.875% 01/10/2025	3,822	0.37	<b>FLOATING RATE NOTES 12.79% (15.33%)</b>					
EUR 3,275,000	G4S International Finance 1.5% 02/06/2024	3,035	0.29	<b>AA+ 0.16% (0.16%)</b>					
EUR 2,495,000	G4S International Finance 1.875% 24/05/2025	2,343	0.23	GBP 1,800,000	*Trafford Centre Finance FRN 28/07/2035 A3	1,606	0.16		
GBP 2,825,000	Gaz Capital 5.338% 25/09/2020	2,937	0.28	<b>A 0.31% (0.34%)</b>					
GBP 4,832,000	GKN Holdings 4.625% 15/05/2032	4,859	0.47	GBP 3,075,000	*HSBC Holdings Variable 22/07/2028	3,261	0.31		
GBP 8,301,000	GKN Holdings 5.375% 19/09/2022	9,011	0.87	<b>BBB+ 3.25% (3.46%)</b>					
GBP 1,745,000	Marks & Spencer 4.75% 12/06/2025	1,913	0.18	GBP 4,443,000	*Aviva 4.375% 12/09/2049	4,730	0.45		
GBP 670,000	Mitchells & Butlers Finance 5.965% 15/12/2023	181	0.02	GBP 3,370,000	*Aviva 6.125% 29/09/2049	3,615	0.35		
USD 2,366,000	Plains All American Pipeline 4.65% 15/10/2025	2,057	0.20	GBP 4,461,000	*Aviva 6.625% 03/06/2041	4,821	0.46		
USD 6,605,000	Syngenta Finance 5.182% 24/04/2028	5,714	0.55	GBP 1,534,000	*AXA FRN 16/01/2054	1,836	0.18		
GBP 3,270,000	Thames Water Utilities 2.375% 03/05/2023	3,293	0.32	GBP 6,838,000	*BHP Billiton Finance 6.5% 22/10/2077	7,744	0.74		
GBP 4,559,000	Thames Water Utilities 2.875% 03/05/2027	4,610	0.44	GBP 2,150,000	*Legal & General Group 5.5% 27/06/2064	2,404	0.23		
GBP 11,478,000	The Kraft Heinz 4.125% 01/07/2027	12,497	1.20	GBP 1,050,000	*Legal & General Group Variable 14/11/2048	1,153	0.11		
GBP 1,647,000	Time Warner Cable 5.25% 15/07/2042	1,942	0.19	GBP 6,856,000	*Legal & General Group Variable 27/10/2045	7,608	0.73		
GBP 1,800,000	Time Warner Cable 5.75% 02/06/2031	2,213	0.21	<b>BBB 3.97% (4.00%)</b>					
EUR 4,100,000	ADLER Real Estate 3% 27/04/2026	3,961	0.38	GBP 3,036,000	*America Movil 6.375% 06/09/2073	3,176	0.31		
GBP 6,830,000	Tesco Property Finance 1 7.6227% 13/07/2039	8,728	0.84	GBP 8,990,000	*NGG Finance 5.625% 18/06/2073	10,033	0.96		
GBP 5,511,000	Tesco Property Finance 3 5.744% 13/04/2040	6,965	0.67	GBP 2,330,000	*Prudential 6.34% 19/12/2063	2,708	0.26		
GBP 4,520,000	Tesco Property Finance 5.5% 13/10/2041	5,729	0.55	GBP 4,237,000	*Prudential Variable 20/10/2051	4,785	0.46		
GBP 1,025,000	Tesco Property Finance 6 5.4111% 13/07/2044	1,248	0.12	GBP 8,840,000	*Royal Bank of Scotland 2.875% 19/09/2026	8,977	0.86		
EUR 5,470,000	IQVIA 3.25% 15/03/2025	5,032	0.48	GBP 6,499,000	*Royal Bank of Scotland Group Variable 28/03/2027	6,664	0.64		
GBP 2,612,000	Unique Pub Finance 5.659% 30/06/2027	1,902	0.18	GBP 4,850,000	*Telereal Securitisation 4.0902% 10/12/2033	5,029	0.48		
GBP 3,823,000	El Group 6.375% 15/02/2022	3,881	0.37	<b>BBB- 0.45% (2.25%)</b>					
EUR 2,800,000	Netflix 3.875% 15/11/2029	2,687	0.26	GBP 4,714,000	*HBOS 4.5% 18/03/2030	4,676	0.45		
USD 2,364,000	Noble Holding International 6.95% 01/04/2045	1,042	0.10	<b>Baa3 0.46% (0.65%)</b>					
GBP 4,453,000	Cattles 6.875% 17/01/2014 (Defaulted)	2	-	GBP 4,714,000	*TSB Banking Group 5.75% 06/05/2026	4,779	0.46		
GBP 7,120,000	First Hydro Finance 9% 31/07/2021	8,089	0.78	<b>BB+ 2.00% (1.96%)</b>					
GBP 1,985,000	Hastings Group Finance 3% 24/05/2025	1,969	0.19	EUR 1,600,000	*KBC Groep Variable 05/09/2167	1,538	0.15		
GBP 1,199,000	Intu Debenture 5.562% 31/12/2027	806	0.08	GBP 1,629,000	*Marstons Issuer 5.1576% 15/10/2027	1,476	0.14		
GBP 100,000	Lehman Brothers 7.875% 08/05/2018 GBP (Defaulted)	2	-	EUR 4,300,000	*Telefonica Europe Perpetual 3% 04/12/2066	3,984	0.38		
				EUR 3,500,000	*Tennet Holding Variable 2.995% 01/06/2167	3,404	0.33		
				USD 5,591,000	*UBS Group 7% 29/12/2049	4,999	0.48		
				USD 6,248,000	*Vodafone Group Variable 6.25% 03/10/2078	5,426	0.52		
				<b>BB 0.68% (0.92%)</b>					
				GBP 3,080,000	*CYBG 5% 09/02/2026	3,037	0.29		
				USD 4,691,000	*UBS Group Funding Switzerland Variable 31/07/2167	4,063	0.39		

## Threadneedle Sterling Corporate Bond Fund

### Portfolio Statement

(continued)

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 87.33% (81.36%) (continued)</b>									
<b>BB- 0.30% (0.31%)</b>									
EUR	3,340,000	*Bank of Ireland 7.375% 29/12/2049	3,115	0.30			Buy GBP 60,262,279 Bank of Scotland	113	0.01
							Sell USD 88,353,463		
							Buy GBP 70,108,998 Lloyds	(1,648)	(0.16)
							Sell EUR 796,854		
<b>B+ 0.30% (0.32%)</b>									
GBP	2,966,000	*Barclays Bank 7.75% 08/03/2075	3,144	0.30			Buy GBP 730,745 Barclays	15	-
							Sell GBP 327,766		
							Buy USD 400,000 Lloyds	(3)	-
							Sell GBP 406,481		
<b>Not Rated 0.91% (0.96%)</b>									
GBP	1,540,000	*Credit Agricole 7.5% 31/12/2049	1,782	0.17			Buy USD 510,697 Bank of Scotland	8	-
GBP	7,645,000	*Pennon Group Perpetual Variable 22/05/2066	7,671	0.74			Sell GBP 464,833		
		<b>Total Floating Rate Notes</b>	<b>133,244</b>	<b>12.79</b>			Buy USD 566,977 Goldman Sachs	(4)	-
							Sell GBP 799,283		
							Buy USD 977,530 Lloyds	(5)	-
							<b>Total Derivatives</b>	<b>(1,085)</b>	<b>(0.10)</b>
<b>DERIVATIVES -0.10% (0.42%)</b>									
<b>Credit Default Swaps 0.04% (0.06%)</b>									
EUR	(40,000,000)	J.P. Morgan Itraxx-Finance Credit Default Swap Index Buy Protection 20/06/2024 Spread 100	431	0.04	<b>Total value of investments<sup>3</sup></b>				
					<b>1,041,671</b>				
					<b>100.02</b>				
					<b>Net other (liabilities)/assets (2.89%)</b>				
					<b>(196)</b>				
					<b>(0.02)</b>				
					<b>Net assets</b>				
					<b>1,041,475</b>				
					<b>100.00</b>				
<b>Futures and Options 0.01% (0.01%)</b>									
EUR	(182)	UBS EURO-Bobl Future Expiring December 2019	21	-	<i>March 2019 comparatives in brackets.</i>				
					<i>*Variable rate bonds.</i>				
EUR	(80)	UBS EURO Bond Future Expiring December 2019	42	0.01	<i><sup>1</sup>Cash equivalents.</i>				
					<i><sup>2</sup>Less than £500, rounded to nil.</i>				
EUR	(9)	UBS EURO Buxl 30 Year Future Expiring December 2019	28	-	<i><sup>3</sup>Includes Cash equivalents.</i>				
GBP	(485)	UBS Long Gilt Future Expiring December 2019	180	0.02	<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>				
USD	(37)	UBS US 5 Year Note Future Expiring December 2019	(11)	-	<b>Value</b>				
					<b>£000</b>				
USD	(301)	UBS US 10 Year Note Future Expiring December 2019	(115)	(0.01)	Fixed interest				
					909,512				
					87.31				
USD	(182)	UBS US 10 Year Ultra Fut Future Expiring December 2019	(96)	(0.01)	Floating rate notes				
					133,244				
					12.79				
USD	(29)	UBS US Long Bond Future Expiring December 2019	(25)	-	Derivatives				
					(1,085)				
					(0.10)				
					<b>Total value of investments<sup>3</sup></b>				
					<b>1,041,671</b>				
					<b>100.00</b>				
<b>Forward Foreign Exchange Contracts -0.15% (0.35%)</b>					<b>ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS</b>				
					<b>Value</b>				
					<b>£000</b>				
		Sell GBP 1,292,475			UBS EURO-Bobl Future Expiring December 2019				
		Buy EUR 1,428,190 Bank of Scotland	(10)	-	(22,227)				
		Sell GBP 137,705			UBS EURO Bond Future Expiring December 2019				
		Buy EUR 150,000 Lloyds	(3)	-	(12,537)				
		Sell GBP 339,386			UBS EURO Buxl 30 Year Future Expiring December 2019				
		Buy EUR 367,272 Bank of Scotland	(10)	-	(1,745)				
		Sell GBP 477,555			UBS Long Gilt Future Expiring December 2019				
		Buy EUR 527,700 Bank of Scotland	(4)	-	(64,764)				
		Sell EUR 140,000			UBS US 5 Year Note Future Expiring December 2019				
		Buy GBP 129,920 Barclays	4	-	(3,599)				
		Sell EUR 450,116			UBS US 10 Year Note Future Expiring December 2019				
		Buy GBP 404,092 HSBC <sup>2</sup>	-	-	(32,084)				
		Sell USD 522,465			UBS US 10 Year Ultra Fut Future Expiring December 2019				
		Buy GBP 417,398 Lloyds	(7)	-	(21,226)				
		Sell USD 509,833			(3,858)				
		Buy GBP 420,428 Lloyds	6	-	<b>Total net exposure</b>				
		Sell USD 581,507			<b>(162,040)</b>				
		Buy GBP 475,300 Bank of Scotland	3	-	<b>Total Purchases and Sales</b>				
		Sell EUR 600,000			<i>for the accounting period 8 March 2019 to 7 September 2019</i>				
		Buy GBP 556,780 Lloyds	18	-	<b>2019</b>				
		Sell USD 745,584			<b>£000</b>				
		Buy GBP 592,602 J.P. Morgan	(13)	-	Total purchases for the period				
		Sell EUR 67,000,000			302,595				
					255,853				
					Total sales for the period				
					260,659				
					229,662				

## Threadneedle Sterling Bond Fund

### Portfolio Statement

as at 7 September 2019

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 98.09% (98.66%)</b>					<b>FLOATING RATE NOTES 0.63% (0.00%)</b>				
<b>AAA 2.12% (1.37%)</b>					<b>AAA 0.63% (0.00%)</b>				
GBP	2,235,000	European Investment Bank 1% 21/09/2026	2,270	0.44	GBP	3,255,000	*Export Development Canada FRN 29/05/2024	3,244	0.63
GBP	3,085,000	Export Development Canada 0.875% 07/12/2021	3,098	0.60	<b>Total Floating Rate Notes</b>				
GBP	2,480,000	International Bank for Reconstruction and Development 0.875% 13/12/2024	2,500	0.48	<b>Total value of investments<sup>2</sup></b>				
GBP	3,075,000	KFW 1.375% 01/02/2021	3,106	0.60	<b>Net other assets (1.34%)</b>				
<b>Aaa 0.90% (1.50%)</b>					<b>Net assets</b>				
GBP	2,000,000	European Investment Bank 1.125% 07/09/2021	2,019	0.39	<b>512,812 98.72</b>				
GBP	2,650,000	Royal Bank of Canada 1.125% 22/12/2021	2,660	0.51	<b>6,661 1.28</b>				
<b>AA+ 1.24% (1.42%)</b>					<b>519,473 100.00</b>				
GBP	2,190,000	Municipality Finance 1.25% 07/12/2022	2,223	0.43	<i>March 2019 comparatives in brackets.</i>				
GBP	4,191,000	Oesterreichische Kontrollbank 1.125% 15/12/2022	4,238	0.81	<i><sup>1</sup>Cash equivalents.</i>				
<b>AA 1.21% (1.39%)</b>					<i><sup>2</sup>Includes Cash equivalents.</i>				
GBP	1,250,000	LCR Finance 4.5% 07/12/2028	1,657	0.32	<i><sup>3</sup>Variable rate bonds.</i>				
GBP	4,475,000	Network Rail Infrastructure Finance 4.625% 21/07/2020	4,627	0.89	<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>				
					<b>Value % of</b>				
					<b>£000 Investment</b>				
					Fixed interest 509,568 99.37				
					Floating rate notes 3,244 0.63				
					<b>Total value of investments<sup>2</sup></b>				
					<b>512,812 100.00</b>				
					<b>Total Purchases and Sales</b>				
					<i>for the accounting period 8 March 2019 to 7 September 2019</i>				
					<b>2019 2018</b>				
					<b>£000 £000</b>				
					Total purchases for the period 602,444 606,790				
					Total sales for the period 567,793 520,273				
<b>Aa2u 80.46% (75.76%)</b>									
GBP	31,919,000	United Kingdom Gilt 0.875% 22/10/2029	32,957	6.34					
GBP	1,212,000	United Kingdom Gilt 1.25% 22/07/2027	1,291	0.25					
GBP	20,685,000	United Kingdom Gilt 1.5% 22/01/2021	20,976	4.04					
GBP	25,400,000	United Kingdom Gilt 1.5% 22/07/2047	27,967	5.38					
GBP	6,147,400	United Kingdom Gilt 1.625% 22/10/2071	7,735	1.49					
GBP	344,000	United Kingdom Gilt 1.75% 07/09/2022	358	0.07					
GBP	43,461,000	United Kingdom Gilt 1.75% 07/09/2037	49,131	9.46					
GBP	32,429,000	United Kingdom Gilt 1.75% 22/01/2049	37,804	7.28					
GBP	14,714,000	United Kingdom Gilt 1.75% 22/07/2057	18,113	3.49					
GBP	35,522,000	United Kingdom Gilt 2% 22/07/2020	35,980	6.92					
GBP	16,560,000	United Kingdom Gilt 2.5% 22/07/2065	25,599	4.93					
GBP	4,107,000	United Kingdom Gilt 2.75% 07/09/2024	4,591	0.88					
GBP	35,657,000	United Kingdom Gilt 3.25% 22/01/2044	52,131	10.03					
GBP	53,328,000	United Kingdom Gilt 3.75% 07/09/2020	55,059	10.60					
GBP	19,045,000	United Kingdom Gilt 4.25% 07/06/2032	27,353	5.26					
GBP	20,545,000	United Kingdom Gilt 4.75% 07/03/2020	20,976	4.04					
<b>AA- 0.46% (0.52%)</b>									
GBP	2,280,000	Transport for London 2.125% 24/04/2025	2,417	0.46					
<b>Not Rated 11.12% (16.70%)</b>									
GBP	42,332,000	United Kingdom Gilt 0.625% 07/06/2025	42,943	8.27					
GBP	12,703,000	United Kingdom Gilt 1.625% 22/10/2054	14,788	2.85					
<b>Liquidity Funds 0.58% (0.00%)<sup>1</sup></b>									
GBP	3,000,653	BlackRock Institutional Cash Series Sterling Liquidity Platinum	3,001	0.58					
<b>Total Fixed Interest</b>			<b>509,568</b>	<b>98.09</b>					

## Threadneedle Sterling Short-Term Money Market Fund

### Portfolio Statement

as at 7 September 2019

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 91.16% (82.03%)</b>					<b>Liquidity Funds 4.57% (4.76%)<sup>1</sup></b>				
<b>Government Bonds 21.11% (11.96%)</b>					GBP	24,265,228	BlackRock Institutional Cash Series		
GBP	13,000,000	United Kingdom Gilt 0% 16/09/2019	12,997	2.45			Sterling Liquidity Platinum	24,265	4.57
GBP	15,000,000	United Kingdom Gilt 0% 23/09/2019	14,995	2.82	<b>Total Fixed Interest</b>				
GBP	8,000,000	United Kingdom Gilt 0% 30/09/2019	7,996	1.51				<b>484,176</b>	<b>91.16</b>
GBP	8,000,000	United Kingdom Gilt 0% 07/10/2019	7,995	1.51	<b>Total value of investments<sup>2</sup></b>				
GBP	8,000,000	United Kingdom Gilt 0% 14/10/2019	7,994	1.51				<b>484,176</b>	<b>91.16</b>
GBP	14,360,000	United Kingdom Gilt 0% 21/10/2019	14,345	2.70	<b>Net other assets (17.97%)</b>				
GBP	11,600,000	United Kingdom Gilt 0% 28/10/2019	11,588	2.18				<b>46,966</b>	<b>8.84</b>
GBP	8,000,000	United Kingdom Gilt 0% 04/11/2019	7,990	1.50	<b>Net assets</b>				
GBP	10,267,000	United Kingdom Gilt 0% 11/11/2019	10,253	1.93				<b>531,142</b>	<b>100.00</b>
GBP	8,000,000	United Kingdom Gilt 0% 18/11/2019	7,988	1.50	<i>March 2019 comparatives in brackets.</i>				
GBP	8,000,000	United Kingdom Gilt 0% 02/12/2019	7,985	1.50	<i><sup>1</sup>Cash equivalents.</i>				
					<i><sup>2</sup>Includes Cash equivalents.</i>				
<b>Certificate of Deposit 58.71% (65.31%)</b>					<b>Total Purchases and Sales</b>				
GBP	12,000,000	BNP Paribas 0.75% 22/11/2019	12,000	2.26	<i>for the accounting period 8 March 2019 to 7 September 2019</i>				
GBP	7,800,000	BNP Paribas 0.79% 20/09/2019	7,800	1.47				<b>2019</b>	<b>2018</b>
GBP	22,000,000	Citibank 0.76% 04/12/2019	22,000	4.14				<b>£000</b>	<b>£000</b>
GBP	12,000,000	DNB Bank 0% 13/09/2019	12,000	2.26	Total purchases for the period			934,534	913,397
GBP	5,000,000	DZ Bank 0% 21/11/2019	5,000	0.94	Total sales for the period			850,300	892,500
GBP	17,000,000	DZ Bank 0% 06/12/2019	17,000	3.20					
GBP	3,000,000	DZ Bank 0.76% 15/11/2019	3,000	0.57					
GBP	11,000,000	First Abu Dhabi Bank 0.79% 23/09/2019	11,000	2.07					
GBP	5,000,000	Landesbank Baden-Württemberg 0% 04/11/2019	5,000	0.94					
GBP	22,000,000	Landesbank Baden-Württemberg 0.74% 12/11/2019	22,000	4.14					
GBP	13,000,000	Lloyds Bank 0.76% 16/09/2019	13,000	2.45					
GBP	12,000,000	Lloyds Bank 0.76% 25/11/2019	12,000	2.26					
GBP	23,000,000	Nationwide Building Society 0.79% 15/11/2019	23,000	4.33					
GBP	5,000,000	Nationwide Building Society 0.82% 13/09/2019	5,000	0.94					
GBP	10,000,000	Nordea Bank 0.74% 15/10/2019	10,000	1.88					
GBP	7,000,000	Nordea Bank 0.74% 06/12/2019	7,000	1.32					
GBP	13,000,000	Nordea Bank 0.76% 16/09/2019	13,000	2.45					
GBP	20,000,000	Oversea-Chinese Banking 0.71% 11/10/2019	20,000	3.77					
GBP	25,000,000	Santander UK 0.83% 09/09/2019	25,000	4.71					
GBP	25,000,000	Skandinaviska Enskilda 0.74% 18/10/2019	25,000	4.71					
GBP	17,000,000	Svenska Handelsbanken 0.75% 29/11/2019	17,000	3.20					
GBP	10,000,000	Toronto-Dominion Bank 0.74% 20/09/2019	10,000	1.88					
GBP	15,000,000	Toronto-Dominion Bank 0.74% 05/11/2019	15,000	2.82					
<b>Euro commercial paper 6.77% (0.00%)</b>									
GBP	20,000,000	Agence Centrale des Organismes de Securite Sociale 0% 30/09/2019	19,991	3.76					
GBP	16,000,000	Banque Federative du Credit 0% 27/09/2019	15,994	3.01					



## Threadneedle European Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value €000	% of Net Asset Value	Holding	Investment	Value €000	% of Net Asset Value
<b>BELGIUM 2.33% (1.46%)</b>				<b>Real Estate Investment &amp; Services 0.59% (0.00%)</b>			
	<b>Banks 2.33% (1.46%)</b>			157,377	Nexity	5,988	0.59
477,203	KBC Groep	23,549	2.33	<b>Financial Services 1.98% (0.00%)</b>			
	<b>Total Belgium</b>	<b>23,549</b>	<b>2.33</b>	376,430	Amundi	20,021	1.98
<b>DENMARK 6.18% (9.56%)</b>				<b>Software &amp; Computer Services 0.85% (2.98%)</b>			
	<b>Industrial Transportation 1.93% (2.25%)</b>			74,407	Dassault Systems	8,609	0.85
235,900	DSV	19,589	1.93		<b>Total France</b>	<b>302,622</b>	<b>29.88</b>
	<b>Pharmaceuticals &amp; Biotechnology 3.28% (4.74%)</b>			<b>GERMANY 12.99% (15.34%)</b>			
774,203	Novo Nordisk	33,233	3.28	<b>Chemicals 1.03% (1.67%)</b>			
	<b>Nonlife Insurance 0.97% (2.57%)</b>			255,032	Brenntag	10,442	1.03
393,621	Tryg	9,766	0.97	<b>Automobiles &amp; Parts 0.00% (1.21%)</b>			
	<b>Total Denmark</b>	<b>62,588</b>	<b>6.18</b>	<b>Personal Goods 4.65% (5.13%)</b>			
<b>FINLAND 3.62% (3.19%)</b>							
	<b>Oil &amp; Gas Producers 1.34% (0.00%)</b>			118,845	adidas	29,611	2.92
528,067	Neste	13,588	1.34	281,131	Puma	17,524	1.73
	<b>Forestry &amp; Paper 1.02% (0.00%)</b>			<b>Health Care Equipment &amp; Services 0.00% (1.62%)</b>			
461,149	UPM	10,315	1.02	<b>Nonlife Insurance 3.36% (2.99%)</b>			
	<b>Banks 0.00% (0.93%)</b>			185,370	Allianz	33,975	3.36
	<b>Nonlife Insurance 1.26% (2.26%)</b>			<b>Financial Services 2.42% (0.00%)</b>			
387,168	Sampo	12,786	1.26	200,234	Deutsche Boerse	24,532	2.42
	<b>Total Finland</b>	<b>36,689</b>	<b>3.62</b>	<b>Software &amp; Computer Services 1.53% (2.72%)</b>			
<b>FRANCE 29.88% (28.28%)</b>				154,621	SAP	15,493	1.53
	<b>Oil &amp; Gas Producers 3.86% (4.22%)</b>				<b>Total Germany</b>	<b>131,577</b>	<b>12.99</b>
953,361	Total	39,076	3.86	<b>ITALY 2.76% (5.99%)</b>			
	<b>Chemicals 2.78% (2.85%)</b>			<b>Automobiles &amp; Parts 1.07% (0.00%)</b>			
252,861	Air Liquide	28,145	2.78	2,388,455	Pirelli & C. SpA	10,878	1.07
	<b>Construction &amp; Materials 1.48% (1.85%)</b>			<b>Beverages 0.00% (1.97%)</b>			
168,386	Vinci	15,051	1.48	<b>Personal Goods 0.00% (1.27%)</b>			
	<b>Electronic &amp; Electrical Equipment 0.00% (0.80%)</b>			<b>Mobile Telecommunications 0.00% (2.75%)</b>			
	<b>Support Services 3.60% (2.27%)</b>			<b>Banks 1.69% (0.00%)</b>			
362,234	Edenred	14,376	1.42	1,931,914	FincoBank	17,092	1.69
124,718	Teleperformance	22,047	2.18		<b>Total Italy</b>	<b>27,970</b>	<b>2.76</b>
	<b>Beverages 2.69% (2.89%)</b>			<b>NETHERLANDS 7.47% (11.29%)</b>			
174,245	Pernod Ricard	27,216	2.69	<b>Chemicals 0.00% (1.78%)</b>			
	<b>Leisure Goods 1.52% (0.53%)</b>			<b>Personal Goods 1.40% (3.10%)</b>			
237,700	Ubisoft Entertainment	15,371	1.52	278,372	Unilever (EUR)	14,156	1.40
	<b>Personal Goods 6.51% (6.75%)</b>			<b>Health Care Equipment &amp; Services 2.54% (2.60%)</b>			
131,695	L'Oreal	29,647	2.93	666,958	Koninklijke Philips	25,680	2.54
106,964	LVMH Moet Hennessy Vuitton	36,278	3.58		<b>Media 0.53% (0.51%)</b>		
	<b>Health Care Equipment &amp; Services 2.56% (3.14%)</b>			90,600	Wolters Kluwer	5,389	0.53
79,740	Essilor International	9,669	0.95	<b>Banks 1.04% (0.71%)</b>			
161,216	Orpea	16,325	1.61	1,285,801	ING Groep	10,535	1.04
	<b>Pharmaceuticals &amp; Biotechnology 1.46% (0.00%)</b>			<b>Technology Hardware &amp; Equipment 1.96% (2.59%)</b>			
204,426	Sanofi	14,803	1.46	103,128	ASML	19,896	1.96
					<b>Total Netherlands</b>	<b>75,656</b>	<b>7.47</b>

## Threadneedle European Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>NORWAY 3.16% (1.33%)</b>					<b>Financial Services 2.16% (0.00%)</b>				
	434,760	Food Producers 0.83% (0.00%) Mowi 0.75	8,434	0.83		32,569	Partners Group Holdings	21,824	2.16
		<b>Banks 2.33% (1.33%)</b>					<b>Total Switzerland</b>	<b>157,571</b>	<b>15.56</b>
	1,742,502	DNB Bank	23,572	2.33	<b>UNITED KINGDOM 3.91% (4.20%)</b>				
		<b>Total Norway</b>	<b>32,006</b>	<b>3.16</b>		881,141	Oil & Gas Producers 1.97% (2.00%) Royal Dutch Shell 'A' Shares (Amsterdam Listing)	19,947	1.97
<b>REPUBLIC OF IRELAND 8.08% (4.50%)</b>						1,007,482	Media 1.94% (2.20%) RELX (UK Listing)	19,680	1.94
	79,469	Chemicals 1.20% (0.00%) Linde	12,113	1.20			<b>Total United Kingdom</b>	<b>39,627</b>	<b>3.91</b>
	712,966	Construction & Materials 3.16% (3.29%) CRH (Dublin Listing)	19,491	1.92	<b>UNITED STATES OF AMERICA 0.00% (2.17%)</b>				
	330,076	Kingspan Group (EUR)	12,517	1.24			Software & Computer Services 0.00% (2.17%)		
	409,968	General Industrials 1.05% (0.00%) Smurfit Kappa Group (EUR)	10,693	1.05			<b>Total United States of America</b>	<b>-</b>	<b>-</b>
	178,757	Food Producers 1.73% (0.00%) Kerry Group	17,556	1.73	<b>DERIVATIVES 0.00% (0.00%)</b>				
		Travel & Leisure 0.00% (1.21%)					Forward Foreign Exchange Contracts 0.00% (0.00%) Sell EUR 448,000		
	9,515,980	Liquidity Funds 0.94% (0.00%) <sup>1</sup> BlackRock Institutional Cash Series Sterling Liquidity Platinum	9,516	0.94			Buy GBP 407,599 Bank of Scotland	6	-
		<b>Total Republic of Ireland</b>	<b>81,886</b>	<b>8.08</b>			<b>Total Derivatives</b>	<b>6</b>	<b>-</b>
<b>SPAIN 2.38% (5.46%)</b>							<b>Total value of investments<sup>2</sup></b>	<b>1,014,778</b>	<b>100.19</b>
	569,058	Pharmaceuticals & Biotechnology 1.43% (1.05%) Grifols	14,439	1.43	<b>Net other (liabilities)/assets (0.78%)</b>				
		Mobile Telecommunications 0.00% (2.42%)					<b>Total United States of America</b>	<b>(1,884)</b>	<b>(0.19)</b>
	157,522	Software & Computer Services 0.95% (1.99%) Amadeus IT Group	9,630	0.95	<b>Net assets</b>				
		<b>Total Spain</b>	<b>24,069</b>	<b>2.38</b>				<b>1,012,894</b>	<b>100.00</b>
<b>SWEDEN 1.87% (5.14%)</b>					<i>March 2019 comparatives in brackets.</i>				
	399,896	Industrial Engineering 1.87% (3.39%) Atlas Copco 'A' Shares	10,024	0.99	<i><sup>1</sup>Cash equivalents.</i>				
	731,824	Sandvik	8,938	0.88	<i><sup>2</sup>Includes Cash equivalents.</i>				
		Software & Computer Services 0.00% (1.75%)			<b>Total Purchases and Sales</b>				
		<b>Total Sweden</b>	<b>18,962</b>	<b>1.87</b>	<i>for the accounting period 8 March 2019 to 7 September 2019</i>				
<b>SWITZERLAND 15.56% (1.31%)</b>								<b>2019</b>	<b>2018</b>
	112,171	Construction & Materials 1.32% (1.31%) Sika	13,400	1.32			<b>£000</b>	<b>£000</b>	
	564,304	Food Producers 5.14% (0.00%) Nestle	52,023	5.14			559,647	339,429	
	36,586	Pharmaceuticals & Biotechnology 6.94% (0.00%) Lonza	10,735	1.06			741,627	312,760	
	413,530	Novartis	30,021	2.96					
	131,743	Roche	29,568	2.92					



## Threadneedle European Select Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>BELGIUM 0.00% (2.55%)</b>				<b>Health Care Equipment &amp; Services 2.35% (2.76%)</b>			
	Beverages 0.00% (1.08%)			692,561	Fresenius Medical Care	38,462	2.35
	Banks 0.00% (1.47%)			<b>Software &amp; Computer Services 0.20% (0.23%)</b>			
	<b>Total Belgium</b>	—	—	2,041,796	Tele Columbus	3,287	0.20
<b>DENMARK 6.58% (4.63%)</b>				<b>Total Germany</b>			
	<b>Industrial Transportation 2.60% (2.15%)</b>					<b>198,419</b>	<b>12.12</b>
512,675	DSV	42,572	2.60	<b>ITALY 4.92% (5.20%)</b>			
	<b>Pharmaceuticals &amp; Biotechnology 3.98% (2.48%)</b>			<b>Beverages 2.71% (3.37%)</b>			
120,871	Chr. Hansen	8,543	0.52	5,736,394	Davide Campari-Milano	44,324	2.71
1,316,870	Novo Nordisk	56,528	3.46	<b>Mobile Telecommunications 1.64% (1.83%)</b>			
	<b>Total Denmark</b>	<b>107,643</b>	<b>6.58</b>	3,272,317	Infrastructure Wireless Italia	26,855	1.64
<b>FINLAND 5.03% (6.92%)</b>				<b>Banks 0.57% (0.00%)</b>			
	<b>Industrial Engineering 1.32% (0.99%)</b>			1,051,582	FincoBank	9,303	0.57
435,177	Kone	21,600	1.32		<b>Total Italy</b>	<b>80,482</b>	<b>4.92</b>
	<b>Banks 0.00% (1.43%)</b>			<b>NETHERLANDS 14.35% (13.75%)</b>			
	<b>Nonlife Insurance 3.71% (4.50%)</b>			<b>Chemicals 3.38% (4.28%)</b>			
1,838,606	Sampo	60,717	3.71	940,235	IMCD Group	55,404	3.38
	<b>Total Finland</b>	<b>82,317</b>	<b>5.03</b>	<b>Personal Goods 4.77% (5.30%)</b>			
<b>FRANCE 28.45% (24.88%)</b>				1,534,299	Unilever (EUR)	78,025	4.77
	<b>Chemicals 1.58% (1.03%)</b>			<b>Health Care Equipment &amp; Services 3.08% (1.80%)</b>			
231,864	Air Liquide	25,808	1.58	1,309,504	Koninklijke Philips	50,421	3.08
	<b>Electronic &amp; Electrical Equipment 3.49% (3.20%)</b>			<b>Technology Hardware &amp; Equipment 3.12% (2.37%)</b>			
594,897	Legrand	34,980	2.14	264,843	ASML	51,094	3.12
320,770	Schneider Electric	22,124	1.35		<b>Total Netherlands</b>	<b>234,944</b>	<b>14.35</b>
	<b>Support Services 3.01% (2.30%)</b>			<b>REPUBLIC OF IRELAND 4.26% (3.43%)</b>			
3,337,623	Elis	49,213	3.01	<b>Construction &amp; Materials 0.93% (1.94%)</b>			
	<b>Beverages 5.49% (5.32%)</b>			399,871	Kingspan Group	15,185	0.93
575,837	Pernod Ricard	89,942	5.49	<b>Food Producers 0.79% (0.00%)</b>			
	<b>Leisure Goods 0.87% (0.53%)</b>			130,881	Kerry Group	12,854	0.79
220,479	Ubisoft Entertainment	14,257	0.87	<b>Travel &amp; Leisure 0.96% (1.43%)</b>			
	<b>Personal Goods 7.12% (5.31%)</b>			1,860,681	Ryanair Holdings (London Listing)	15,750	0.96
345,348	L'Oreal	77,745	4.75	<b>Liquidity Funds 1.58% (0.06%)<sup>1</sup></b>			
114,239	LVMH Moet Hennessy Vuitton	38,745	2.37	289,277	BlackRock Institutional Cash Series		
	<b>Health Care Equipment &amp; Services 2.96% (2.62%)</b>				Euro Liquidity Platinum	25,888	1.58
400,319	Essilor International	48,543	2.96		<b>Total Republic of Ireland</b>	<b>69,677</b>	<b>4.26</b>
	<b>Software &amp; Computer Services 3.93% (4.57%)</b>			<b>SPAIN 8.81% (10.67%)</b>			
556,510	Dassault Systems	64,388	3.93	<b>Pharmaceuticals &amp; Biotechnology 3.12% (2.78%)</b>			
	<b>Total France</b>	<b>465,745</b>	<b>28.45</b>	2,988,891	Grifols ADR	51,014	3.12
<b>GERMANY 12.12% (13.42%)</b>				<b>General Retailers 2.11% (2.30%)</b>			
	<b>Chemicals 3.57% (3.65%)</b>			1,341,604	Inditex	34,522	2.11
1,428,311	Brenntag	58,480	3.57	<b>Mobile Telecommunications 0.00% (2.69%)</b>			
	<b>Industrial Engineering 1.88% (0.00%)</b>			<b>Software &amp; Computer Services 3.58% (2.90%)</b>			
403,030	Knorr-Bremse	30,834	1.88	959,920	Amadeus IT Group	58,682	3.58
	<b>Automobiles &amp; Parts 0.00% (1.94%)</b>				<b>Total Spain</b>	<b>144,218</b>	<b>8.81</b>
	<b>Personal Goods 4.12% (4.84%)</b>						
270,337	adidas	67,356	4.12				

## Threadneedle European Select Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Total Purchases and Sales for the accounting period 8 March 2019 to 7 September 2019	2019 £000	2018 £000
<b>SWEDEN 6.02% (5.01%)</b>				Total purchases for the period	206,852	231,637
<b>Construction &amp; Materials 1.31% (1.00%)</b>				Total sales for the period	326,180	420,864
1,192,471	Assa Abloy 'B' Shares	21,398	1.31			
<b>Industrial Engineering 4.71% (4.01%)</b>						
1,596,616	Atlas Copco 'A' Shares	40,021	2.44			
2,409,487	Epiroc A	20,204	1.23			
1,391,323	Sandvik	16,993	1.04			
	<b>Total Sweden</b>	<b>98,616</b>	<b>6.02</b>			
<b>SWITZERLAND 2.06% (2.05%)</b>						
<b>Construction &amp; Materials 2.06% (2.05%)</b>						
281,808	Sika	33,666	2.06			
	<b>Total Switzerland</b>	<b>33,666</b>	<b>2.06</b>			
<b>UNITED KINGDOM 4.89% (4.69%)</b>						
<b>Media 4.89% (4.69%)</b>						
4,094,624	RELX (UK Listing)	79,986	4.89			
	<b>Total United Kingdom</b>	<b>79,986</b>	<b>4.89</b>			
<b>UNITED STATES OF AMERICA 1.50% (1.40%)</b>						
<b>Software &amp; Computer Services 1.50% (1.40%)</b>						
368,710	InterXion Holding	24,561	1.50			
	<b>Total United States of America</b>	<b>24,561</b>	<b>1.50</b>			
<b>DERIVATIVES 0.00% (0.00%)</b>						
<b>Forward Foreign Exchange Contracts 0.00% (0.00%)</b>						
	Sell USD 661,275					
	Buy EUR 603,558 J.P. Morgan	5	–			
	Sell EUR 1,828,000					
	Buy GBP 1,663,149 Bank of Scotland	24	–			
	Sell EUR 161,000					
	Buy GBP 144,320 Barclays <sup>2</sup>	–	–			
	Sell EUR 279,000					
	Buy GBP 252,195 Barclays	2	–			
	Sell EUR 153,551					
	Buy USD 170,291 J.P. Morgan <sup>2</sup>	–	–			
	Sell EUR 167,375					
	Buy USD 185,538 J.P. Morgan <sup>2</sup>	–	–			
	Sell EUR 7,476,137					
	Buy USD 8,284,015 J.P. Morgan	18	–			
	<b>Total Derivatives</b>	<b>49</b>	<b>–</b>			
<b>Total value of investments<sup>2</sup></b>		<b>1,620,323</b>	<b>98.99</b>			
<b>Net other assets (1.40%)</b>		<b>16,617</b>	<b>1.01</b>			
<b>Net assets</b>		<b>1,636,940</b>	<b>100.00</b>			

March 2019 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

## Threadneedle European Smaller Companies Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value	
<b>AUSTRIA 0.54% (0.58%)</b>				<b>Household Goods &amp; Home Construction 1.79% (1.81%)</b>				
	<b>Oil Equipment, Services &amp; Distribution 0.54% (0.58%)</b>			58,632	SEB Group	7,562	1.79	
43,508	Schoeller-Bleckmann Oilfield Equipment	2,267	0.54		<b>Health Care Equipment &amp; Services 2.92% (2.60%)</b>			
	<b>Total Austria</b>	<b>2,267</b>	<b>0.54</b>	73,953	Korian	2,382	0.57	
				97,776	Orpea	9,901	2.35	
<b>BELGIUM 5.09% (6.48%)</b>				<b>Real Estate Investment &amp; Services 1.91% (1.87%)</b>				
	<b>Chemicals 1.54% (1.89%)</b>			211,442	Nexity	8,045	1.91	
231,438	Umicore	6,487	1.54		<b>Total France</b>	<b>60,241</b>	<b>14.29</b>	
	<b>Health Care Equipment &amp; Services 0.16% (0.22%)</b>			<b>GERMANY 17.16% (16.63%)</b>				
100,940	Biocartis Group	663	0.16		<b>Chemicals 1.84% (2.12%)</b>			
	<b>Media 0.47% (0.99%)</b>			189,346	Brenntag	7,752	1.84	
51,339	Telenet Group	2,002	0.47		<b>Industrial Engineering 5.59% (4.25%)</b>			
	<b>Travel &amp; Leisure 0.00% (0.46%)</b>			88,087	Knorr-Bremse	6,739	1.60	
	<b>Technology Hardware &amp; Equipment 2.92% (2.92%)</b>			230,428	Norma Group	5,944	1.41	
155,175	Melexis	8,879	2.11	68,531	Sartorius	10,892	2.58	
939,881	X-Fab Silicon Foundries	3,439	0.81		<b>Automobiles &amp; Parts 0.00% (1.54%)</b>			
	<b>Total Belgium</b>	<b>21,470</b>	<b>5.09</b>		<b>Household Goods &amp; Home Construction 0.49% (0.62%)</b>			
<b>DENMARK 4.69% (5.62%)</b>					26,241	Varta	2,062	0.49
	<b>Industrial Transportation 0.00% (0.00%)</b>				<b>Health Care Equipment &amp; Services 2.92% (2.15%)</b>			
88,321	OW Bunker (Delisted)	–	–	89,773	Gerresheimer	5,519	1.31	
	<b>Pharmaceuticals &amp; Biotechnology 1.03% (1.08%)</b>			105,416	Stratec	6,798	1.61	
61,524	Chr. Hansen	4,349	1.03		<b>Media 2.74% (2.20%)</b>			
	<b>Nonlife Insurance 1.37% (2.21%)</b>			261,307	CTS Eventim	11,545	2.74	
232,700	Tryg	5,773	1.37		<b>Financial Services 1.52% (1.75%)</b>			
	<b>Software &amp; Computer Services 2.29% (2.33%)</b>			96,359	Grenkeleasing	6,408	1.52	
126,124	SimCorp	9,650	2.29		<b>Software &amp; Computer Services 2.06% (2.00%)</b>			
	<b>Total Denmark</b>	<b>19,772</b>	<b>4.69</b>	145,539	CompuGroup Medical	7,023	1.67	
<b>FINLAND 6.36% (6.25%)</b>				1,019,154	Tele Columbus	1,641	0.39	
	<b>Construction &amp; Materials 0.79% (0.87%)</b>				<b>Total Germany</b>	<b>72,323</b>	<b>17.16</b>	
287,380	Tikkurila	3,330	0.79	<b>ICELAND 0.59% (0.00%)</b>				
	<b>General Industrials 1.71% (1.40%)</b>				<b>Industrial Engineering 0.59% (0.00%)</b>			
226,341	Huhtamaki	7,203	1.71	658,188	Marel	2,479	0.59	
	<b>Electronic &amp; Electrical Equipment 0.67% (0.50%)</b>				<b>Total Iceland</b>	<b>2,479</b>	<b>0.59</b>	
145,008	Vaisala	2,835	0.67	<b>ITALY 12.40% (14.40%)</b>				
	<b>Industrial Engineering 2.59% (2.68%)</b>				<b>Industrial Engineering 0.46% (0.37%)</b>			
198,763	Cargotec	4,977	1.18	35,462	Industria Macchine Automatic	1,946	0.46	
234,004	Konecranes	5,935	1.41		<b>Automobiles &amp; Parts 1.76% (2.12%)</b>			
	<b>Software &amp; Computer Services 0.60% (0.80%)</b>			1,632,172	Pirelli & C. SpA	7,434	1.76	
140,167	BasWare	2,521	0.60		<b>Beverages 0.97% (2.04%)</b>			
	<b>Total Finland</b>	<b>26,801</b>	<b>6.36</b>	529,861	Davide Campari-Milano	4,094	0.97	
<b>FRANCE 14.29% (12.72%)</b>					<b>Health Care Equipment &amp; Services 2.78% (2.40%)</b>			
	<b>Support Services 6.16% (5.18%)</b>			123,408	DiaSorin	11,699	2.78	
417,041	Bureau Veritas	8,263	1.96		<b>Food &amp; Drug Retailers 1.98% (2.07%)</b>			
117,050	Edenred	4,645	1.10	470,093	MARR	8,331	1.98	
673,762	Elis	9,935	2.36		<b>Mobile Telecommunications 2.28% (2.58%)</b>			
17,656	Teleperformance	3,121	0.74	1,173,685	Infrastructure Wireless Italia	9,632	2.28	
	<b>Beverages 1.51% (1.26%)</b>							
51,456	Remy Cointreau	6,387	1.51					



## Threadneedle European Bond Fund

### Portfolio Statement

as at 7 September 2019

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>AUSTRALIA 1.60% (1.61%)</b>					<b>FRANCE 11.67% (13.37%)</b>				
		<b>A- 0.60% (0.63%)</b>					<b>AA 0.89% (1.00%)</b>		
EUR	200,000	AusNet Services Holdings 2.375% 24/07/2020	183	0.17	EUR	800,000	Agence Française de Développement 0.5% 31/10/2025	754	0.72
EUR	474,000	SGSP Australia Assets 2% 30/06/2022	449	0.43	EUR	200,000	Sanofi 0% 21/03/2022	181	0.17
		<b>BBB+ 0.49% (0.48%)</b>					<b>Aa2u 4.81% (6.97%)</b>		
EUR	230,000	Aurizon Network 3.125% 01/06/2026	240	0.23	EUR	2,525,000	France Government Bond 1.5% 25/05/2031	2,711	2.58
EUR	164,000	Goodman Australia Finance 1.375% 27/09/2025	155	0.15	EUR	2,025,000	France Government Bond 1.75% 25/06/2039	2,340	2.23
EUR	115,000	Sydney Airport Finance 1.75% 26/04/2028	114	0.11			<b>AA- 0.10% (0.09%)</b>		
		<b>BBB 0.51% (0.50%)</b>			EUR	100,000	HSBC France 1.375% 04/09/2028	99	0.10
EUR	195,000	APT Pipelines 2% 22/03/2027	191	0.18			<b>Aa3 0.28% (0.00%)</b>		
EUR	365,000	Ausgrid Finance 1.25% 30/07/2025	344	0.33	EUR	300,000	Crédit Mutuel Arkéa 1.125% 23/05/2029	289	0.28
		<b>Total Australia</b>	<b>1,676</b>	<b>1.60</b>			<b>A+ 0.62% (0.63%)</b>		
<b>AUSTRIA 0.00% (1.24%)</b>							<b>A 0.45% (0.64%)</b>		
		<b>AA+ 0.00% (1.24%)</b>			EUR	300,000	BPCE 0.625% 26/09/2023	277	0.26
		<b>Total Austria</b>	<b>-</b>	<b>-</b>	EUR	200,000	BPCE 1% 15/07/2024	189	0.18
					EUR	200,000	Credit Agricole 1% 03/07/2029	192	0.18
<b>BELGIUM 2.86% (0.86%)</b>							<b>A- 0.42% (0.79%)</b>		
		<b>A- 0.73% (0.77%)</b>			EUR	500,000	Banque Fédérative du Crédit Mutuel 0.75% 08/06/2026	467	0.45
EUR	354,000	Anheuser-Busch InBev 2.75% 17/03/2036	398	0.38			<b>A- 0.42% (0.79%)</b>		
EUR	200,000	Argenta Spaarbank 1% 06/02/2024	187	0.18	EUR	150,000	Autorout 4.125% 13/04/2020	138	0.13
EUR	200,000	Belfius Bank 0% 28/08/2026	178	0.17	EUR	300,000	Electricite de France 2% 02/10/2030	309	0.29
		<b>BBB+ 0.00% (0.09%)</b>					<b>BBB+ 0.53% (0.36%)</b>		
		<b>Not Rated 2.13% (0.00%)</b>			EUR	200,000	*AXA 3.25% 28/05/2049	204	0.19
EUR	1,950,000	Belgium Government Bond 1.7% 22/06/2050	2,244	2.13	EUR	400,000	Orange 0% 04/09/2026	355	0.34
		<b>Total Belgium</b>	<b>3,007</b>	<b>2.86</b>			<b>BBB 0.13% (0.13%)</b>		
<b>BERMUDA 0.31% (0.32%)</b>					EUR	140,000	RCI Banque 2% 11/07/2024	135	0.13
		<b>BBB- 0.31% (0.32%)</b>					<b>Not Rated 3.44% (2.76%)</b>		
EUR	340,000	Bacardi 2.75% 03/07/2023	329	0.31	EUR	3,215,000	France Government Bond 1.5% 25/05/2050	3,617	3.44
		<b>Total Bermuda</b>	<b>329</b>	<b>0.31</b>			<b>Total France</b>	<b>12,257</b>	<b>11.67</b>
<b>BRITISH VIRGIN ISLANDS 0.00% (0.27%)</b>					<b>GERMANY 1.91% (2.46%)</b>				
		<b>A+ 0.00% (0.27%)</b>					<b>Aaau 0.05% (0.53%)</b>		
		<b>Total British Virgin Islands</b>	<b>-</b>	<b>-</b>	EUR	37,200	Bundesrepublik Deutschland 2.5% 15/08/2046	57	0.05
<b>CHILE 2.32% (2.38%)</b>							<b>A- 0.66% (0.79%)</b>		
		<b>A+ 2.32% (2.38%)</b>			EUR	522,000	Commerzbank 1% 04/03/2026	490	0.47
EUR	2,500,000	Chile Government International Bond 1.625% 30/01/2025	2,437	2.32	EUR	200,000	Vier Gas Transport 1.5% 25/09/2028	199	0.19
		<b>Total Chile</b>	<b>2,437</b>	<b>2.32</b>			<b>BBB+ 0.31% (0.32%)</b>		
<b>DENMARK 0.28% (0.00%)</b>					EUR	351,000	Deutsche Bank 1.125% 30/08/2023	327	0.31
		<b>A 0.28% (0.00%)</b>					<b>Baa1 0.00% (0.29%)</b>		
EUR	320,000	Danske Bank 0.75% 02/06/2023	295	0.28			<b>Baa1u 0.28% (0.00%)</b>		
		<b>Total Denmark</b>	<b>295</b>	<b>0.28</b>	EUR	300,000	Eurogrid 1.875% 10/06/2025	297	0.28
<b>FINLAND 0.20% (0.34%)</b>							<b>BBB 0.27% (0.13%)</b>		
		<b>A 0.20% (0.00%)</b>			EUR	100,000	Innogy Finance II 5.75% 14/02/2033	146	0.14
EUR	220,000	Sampo 1.25% 30/05/2025	210	0.20	EUR	150,000	Unitymedia Hessen 4% 15/01/2025	139	0.13
		<b>A- 0.00% (0.34%)</b>							
		<b>Total Finland</b>	<b>210</b>	<b>0.20</b>					

## Threadneedle European Bond Fund

### Portfolio Statement

(continued)

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>GERMANY 1.91% (2.46%) (continued)</b>					<b>JAPAN 0.23% (0.23%)</b>				
<b>BB- 0.00% (0.14%)</b>					<b>Aaa 0.23% (0.23%)</b>				
<b>Not Rated 0.34% (0.26%)</b>					EUR 256,000 Sumitomo Mitsui Banking 0.55%				
EUR	185,000	Bundesrepublik Deutschland 0%					06/11/2023	238	0.23
		05/04/2024	173	0.17	<b>Total Japan</b>				
EUR	200,000	Vier Gas Transport 0.5% 10/09/2034	174	0.17	<b>238 0.23</b>				
<b>Total Germany</b>					<b>2,002 1.91</b>				
<b>HONG KONG 0.00% (0.28%)</b>					<b>JERSEY 0.83% (0.82%)</b>				
<b>BBB 0.00% (0.28%)</b>					<b>A- 0.83% (0.54%)</b>				
<b>Total Hong Kong</b>					<b>Not Rated 0.00% (0.28%)</b>				
<b>- -</b>					<b>Total Jersey</b>				
<b>HUNGARY 3.26% (3.51%)</b>					<b>LUXEMBOURG 1.95% (1.59%)</b>				
<b>BBB 3.26% (3.51%)</b>					<b>A 0.20% (0.00%)</b>				
EUR	3,750,000	Hungary Government International Bond 3.875% 24/02/2020	3,426	3.26	EUR 129,000 DH Europe Finance 0.45% 18/03/2028				
<b>Total Hungary</b>					EUR 100,000 Medtronic Global Holdings 1%				
<b>3,426 3.26</b>					02/07/2031				
<b>INDONESIA 2.38% (2.52%)</b>					<b>BBB+ 0.45% (0.45%)</b>				
<b>BBB 2.38% (0.00%)</b>					EUR 500,000 Grand City Properties 1.5% 17/04/2025				
EUR	2,650,000	Indonesia Government International Bond 2.875% 08/07/2021	2,501	2.38	<b>BBB 0.77% (0.46%)</b>				
<b>Total Indonesia</b>					EUR 230,000 Allegran Funding 0.5% 01/06/2021				
<b>2,501 2.38</b>					EUR 476,000 Becton Dickinson Euro Finance				
<b>ITALY 16.56% (16.52%)</b>					<b>Baa2 0.53% (0.54%)</b>				
<b>Baa1 0.16% (0.00%)</b>					EUR 165,000 Bevco 1.75% 09/02/2023				
EUR	190,000	FCA Capital Ireland 0.5% 13/09/2024	170	0.16	EUR 200,000 CPI Property Group 2.125% 04/10/2024				
<b>BBB 0.29% (0.56%)</b>					EUR 397,000 SELP Finance 1.25% 25/10/2023				
EUR	105,000	Autostrade per l'Italia 1.75% EMTN 01/02/2027	94	0.09	<b>BB+ 0.00% (0.14%)</b>				
EUR	126,000	FCA Capital Ireland 0.625% 24/11/2022	114	0.11	<b>Total Luxembourg</b>				
EUR	100,000	Intesa Sanpaolo 1.75% 04/07/2029	95	0.09	<b>2,047 1.95</b>				
<b>Baa2 0.00% (0.09%)</b>					<b>MEXICO 0.00% (0.09%)</b>				
<b>Baa3 0.19% (0.18%)</b>					<b>BBB+ 0.00% (0.09%)</b>				
EUR	190,000	*Assicurazioni 5% 08/06/2048	200	0.19	<b>Total Mexico</b>				
<b>Baa3u 15.92% (15.55%)</b>					<b>- -</b>				
EUR	6,090,000	Buoni Poliennali Del Tesoro 1.05% 01/12/2019	5,480	5.22	<b>NETHERLANDS 5.05% (5.65%)</b>				
EUR	1,140,000	Buoni Poliennali Del Tesoro 1.65% 01/03/2032	1,082	1.03	<b>AA 0.00% (0.19%)</b>				
EUR	800,000	Buoni Poliennali Del Tesoro 4.75% 01/09/2044	1,114	1.06	<b>Aa3 0.13% (0.00%)</b>				
EUR	4,849,000	Buoni Poliennali Del Tesoro 5.5% 01/11/2022	5,098	4.85	EUR 143,000 Enexis Holding 0.75% 02/07/2031				
EUR	1,510,000	Italy Government Bond 2.45% 01/09/2033	1,556	1.48	<b>A+ 0.71% (0.72%)</b>				
EUR	1,536,000	Italy Government Bond 2.7% 01/03/2047	1,613	1.54	EUR 200,000 Co-operative Rabobank 1.375% 03/02/2027				
EUR	634,000	Italy Government Bond 4% 01/02/2037	776	0.74	EUR 300,000 Enexis Holding 0.875% 28/04/2026				
<b>Not Rated 0.00% (0.14%)</b>					EUR 272,000 Enexis Holding 1.5% 20/10/2023				
<b>Total Italy</b>					<b>A 0.15% (0.27%)</b>				
<b>17,392 16.56</b>					EUR 166,000 ABN AMRO Bank 0.5% 15/04/2026				
					<b>A- 0.53% (0.23%)</b>				
					EUR 255,000 Stedin Holding 1.375% 19/09/2028				
					EUR 193,000 Tennet Holding 0.875% 03/06/2030				
					EUR 127,000 Tennet Holding 1.5% 03/06/2039				

## Threadneedle European Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>NETHERLANDS 5.05% (5.65%) (continued)</b>					<b>SPAIN 7.82% (9.61%)</b>				
		<b>BBB+ 0.65% (1.31%)</b>					<b>A3 0.49% (0.00%)</b>		
EUR	500,000	*Deutsche Telekom FRN 03/04/2020	449	0.43	EUR	525,000	Basque Government 1.125% 30/04/2029	511	0.49
EUR	200,000	Volkswagen International Finance 4.125% 16/11/2038	233	0.22			<b>BBB+ 0.18% (0.18%)</b>		
		<b>BBB 1.16% (1.45%)</b>			EUR	200,000	CaixaBank 1.125% 17/05/2024	188	0.18
EUR	300,000	Bayer Capital 1.5% 26/06/2026	287	0.27			<b>Baa1 4.92% (3.19%)</b>		
EUR	100,000	Bayer Capital 2.125% 15/12/2029	99	0.09	EUR	2,000,000	Spain Government Bond 2.35% 30/07/2033	2,237	2.13
EUR	325,000	*Eneco Holding 3.25% 29/12/2049	308	0.29	EUR	1,235,000	Spain Government Bond 2.9% 31/10/2046	1,574	1.50
GBP	350,000	Innogy Finance 6.125% 06/07/2039	541	0.51	EUR	860,000	Spain Government Bond 4.7% 30/07/2041	1,353	1.29
		<b>BBB- 0.17% (0.09%)</b>					<b>BBB 0.10% (0.00%)</b>		
EUR	200,000	Syngenta Finance 1.25% 10/09/2027	176	0.17	EUR	100,000	Abertis Infraestructuras 3% 27/03/2031	103	0.10
		<b>BB+ 0.28% (0.27%)</b>					<b>BBB- 0.42% (0.41%)</b>		
EUR	100,000	*Telefonica Europe Perpetual 3% 04/12/2066	93	0.09	EUR	200,000	*CaixaBank 2.25% 17/04/2030	185	0.18
EUR	200,000	*Telefonica Europe Variable 14/03/2168	198	0.19	EUR	264,000	Nortegas Energia 2.065% 28/09/2027	256	0.24
		<b>Not Rated 1.27% (1.12%)</b>					<b>BB+ 0.18% (0.00%)</b>		
EUR	840,000	Netherlands Government 2.75% 15/01/2047	1,336	1.27	EUR	200,000	*Bankia Variable 15/02/2029	193	0.18
		<b>Total Netherlands</b>	<b>5,310</b>	<b>5.05</b>			<b>Not Rated 1.53% (5.83%)</b>		
<b>NORWAY 2.36% (2.27%)</b>							<b>Spain Government Bond 1.45% 30/04/2029</b>	1,611	1.53
		<b>AAA 2.15% (2.27%)</b>			EUR	1,600,000			
EUR	2,320,000	DNB Boligkreditt 2.75% 21/03/2022	2,253	2.15			<b>Total Spain</b>	<b>8,211</b>	<b>7.82</b>
		<b>AA- 0.21% (0.00%)</b>			<b>SUPRANATIONAL 1.87% (1.56%)</b>				
EUR	245,000	DNB Bank 0.25% 09/04/2024	223	0.21			<b>Aa1 0.68% (0.54%)</b>		
		<b>Total Norway</b>	<b>2,476</b>	<b>2.36</b>	EUR	550,000	Euro Stability Mechanism 1.85% 01/12/2055	714	0.68
<b>PORTUGAL 0.05% (0.07%)</b>							<b>AA 1.19% (1.02%)</b>		
		<b>Not Rated 0.05% (0.07%)</b>			EUR	1,055,000	European Financial Stability Facility 1.7% 13/02/2043	1,251	1.19
EUR	300,000	Banco Espirito Santo 4% 21/01/2019 (Defaulted)	57	0.05			<b>Total Supranational</b>	<b>1,965</b>	<b>1.87</b>
		<b>Total Portugal</b>	<b>57</b>	<b>0.05</b>	<b>SWEDEN 0.88% (0.89%)</b>				
<b>REPUBLIC OF IRELAND 2.64% (1.87%)</b>							<b>Aa3 0.20% (0.20%)</b>		
		<b>A+ 0.19% (0.00%)</b>			EUR	225,000	Nordea Bank 0.3% 30/06/2022	205	0.20
EUR	195,000	Zurich Finance Ireland 1.625% 17/06/2039	198	0.19			<b>BBB+ 0.00% (0.00%)</b>		
		<b>A- 0.09% (0.00%)</b>			EUR	545,000	Akelius Residential 1.75% 07/02/2025	518	0.49
EUR	100,000	ESB FINANCE DAC 1.125% 11/06/2030	96	0.09			<b>BBB 0.49% (0.49%)</b>		
		<b>BBB- 0.36% (0.16%)</b>			EUR	216,000	Sagax 2% 17/01/2024	204	0.19
EUR	230,000	AIB Group 2.25% 03/07/2025	221	0.21			<b>Total Sweden</b>	<b>927</b>	<b>0.88</b>
EUR	175,000	Bank of Ireland Group 1.375% 29/08/2023	161	0.15	<b>UNITED KINGDOM 21.72% (24.06%)</b>				
		<b>Liquidity Funds 2.00% (1.71%)<sup>1</sup></b>					<b>AAA 0.49% (0.50%)</b>		
EUR	23,493	BlackRock Institutional Cash Series Euro Liquidity Platinum	2,102	2.00	EUR	534,000	Wellcome Trust 1.125% 21/01/2027	519	0.49
		<b>Total Republic of Ireland</b>	<b>2,778</b>	<b>2.64</b>			<b>Aa2u 15.54% (10.25%)</b>		
<b>SLOVENIA 1.92% (0.00%)</b>							<b>United Kingdom Gilt 1.625% 22/10/2028</b>	2,030	1.93
		<b>AA- 1.92% (0.00%)</b>			GBP	1,840,000			
EUR	2,000,000	Republika Slovenija 1.1875% 14/03/2029	2,014	1.92	GBP	938,000	United Kingdom Gilt 1.75% 07/09/2037	1,060	1.01
		<b>Total Slovenia</b>	<b>2,014</b>	<b>1.92</b>					



## Threadneedle European Bond Fund

### Portfolio Statement

(continued)

	Value	% of		Value	% of						
Holding	Investment	£000	Net Asset Value	Holding	Investment	£000	Net Asset Value				
<b>UNITED KINGDOM 21.72% (24.06%) (continued)</b>						<b>AA- 0.15% (0.00%)</b>					
GBP	4,350,000	United Kingdom Gilt 1.75% 22/01/2049	5,071	4.83	EUR	175,000	Metropolitan Life Global Funding 0.375% 09/04/2024	160	0.15		
GBP	8,000,000	United Kingdom Gilt 4.75% 07/03/2020	8,168	7.77							
<b>A 0.28% (0.00%)</b>						<b>A- 0.31% (0.15%)</b>					
EUR	321,000	Motability Operations 0.375% 03/01/2026	291	0.28	EUR	165,000	*JPMorgan Chase Variable 12/06/2029	165	0.16		
					EUR	169,000	*JPMorgan Chase Variable 25/07/2031	158	0.15		
<b>A2 0.00% (0.14%)</b>						<b>BBB+ 0.71% (0.70%)</b>					
				EUR	146,000	American International Group 1.875% 21/06/2027	143	0.14			
<b>A- 1.90% (1.70%)</b>						<b>BBB 1.43% (0.82%)</b>					
EUR	146,000	BP Capital Markets 0.831% 08/11/2027	137	0.13	EUR	250,000	AT&T 3.15% 04/09/2036	273	0.26		
EUR	342,000	Diageo Finance 1% 22/04/2025	324	0.31	EUR	175,000	Becton Dickson 1.9% 15/12/2026	169	0.16		
EUR	170,000	Experian Finance 1.375% 25/06/2026	163	0.15	EUR	167,000	Digital Euro Finco 2.5% 16/01/2026	166	0.16		
EUR	125,000	*NatWest Markets FRN 27/09/2021	113	0.11	EUR	224,000	Digital Euro Finco 2.5% 16/01/2026 (Frankfurt Exchange)	223	0.21		
GBP	900,000	Western Power Distribution West Midlands 5.75% 16/04/2032	1,262	1.20	EUR	157,000	Fidelity National Information Services 1.5% 21/05/2027	152	0.14		
				EUR	258,000	Fidelity National Information Services 2% 21/05/2030	259	0.25			
<b>BBB+ 0.57% (0.79%)</b>						<b>BBB- 0.66% (0.38%)</b>					
EUR	160,000	BAT International Finance 2.75% 25/03/2025	160	0.15	EUR	100,000	Equinix 2.875% 01/02/2026	94	0.09		
EUR	478,000	Cadent Finance 0.625% 22/09/2024	438	0.42	EUR	120,000	Equinix 2.875% 01/10/2025	112	0.11		
				EUR	308,000	Kraft Heinz Foods 2.25% 25/05/2028	295	0.28			
<b>BBB 1.20% (0.98%)</b>						<b>BB 0.18% (0.19%)</b>					
EUR	280,000	British Telecommunications 1.5% 23/06/2027	264	0.25	EUR	210,000	IQVIA 3.25% 15/03/2025	193	0.18		
EUR	100,000	FCE Bank 1.615% 11/05/2023	92	0.09	<b>Total United States of America</b>						
EUR	190,000	Imperial Brand Finance 3.375% 26/02/2026	196	0.19			<b>3,790</b>	<b>3.61</b>			
EUR	250,000	Imperial Brands Finance 1.125% 14/08/2023	231	0.22	<b>DERIVATIVES -1.23% (-0.92%)</b>						
EUR	186,000	*NGG Finance Variable 05/09/2082	167	0.16	<b>Credit Default Swaps -1.22% (-0.79%)</b>						
EUR	120,000	Rolls-Royce 1.625% 09/05/2028	116	0.11	EUR	(12,500,000)	Citigroup Itraxx Crossover Credit Default Swap Index Buy Protection 20/06/2024 Spread 500	(1,277)	(1.22)		
EUR	200,000	*Royal Bank of Scotland 1.75% 02/03/2026	185	0.18	<b>Futures and Options 0.00% (0.00%)</b>						
				EUR	(14)	UBS EURO-Bobl Future Expiring December 2019	1	-			
<b>Baa2 0.09% (0.09%)</b>						EUR	(2)	UBS EURO Bond Future Expiring December 2019	1	-	
EUR	102,000	*National Express Group FRN 15/05/2020	91	0.09	<b>Forward Foreign Exchange Contracts -0.01% (-0.13%)</b>						
<b>BBB- 0.49% (1.00%)</b>						Sell GBP 1,040,225					
EUR	171,000	DS Smith 1.375% 26/07/2024	158	0.15	Buy EUR 1,149,948 J.P. Morgan						
EUR	235,000	G4S International Finance 1.5% 02/06/2024	218	0.21	Sell GBP 3,882,960						
GBP	127,000	GKN Holdings 5.375% 19/09/2022	138	0.13	Buy EUR 4,302,357 Barclays						
<b>Baa3 0.00% (0.00%)</b>						Sell EUR 1,207,828					
EUR	256,000	*Barclays Bank 2% 07/02/2028	227	0.22	Buy GBP 1,089,767 Barclays						
GBP	270,000	Delamare Finance 5.5457% 29/02/2029	263	0.25	Sell EUR 169,000						
<b>BB+ 0.47% (0.50%)</b>						Buy GBP 152,763 Barclays					
EUR	295,000	Cattles 7.125% 05/07/2017 (Defaulted)	1	-							
EUR	466,000	DS Smith 0.875% 12/09/2026	414	0.39							
GBP	120,000	First Hydro Finance 9% 31/07/2021	136	0.13							
GBP	180,000	*Pennon Group Perpetual Variable 22/05/2066	181	0.17							
<b>Total United Kingdom</b>											
			<b>22,814</b>	<b>21.72</b>							
<b>UNITED STATES OF AMERICA 3.61% (2.41%)</b>											
<b>AA 0.17% (0.17%)</b>											
EUR	185,000	Berkshire Hathaway 1.125% 16/03/2027	178	0.17							



## Threadneedle European Bond Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>DERIVATIVES –1.23% (–0.92%) (continued)</b>			
	Sell EUR 27,000		
	Buy GBP 24,203 Barclays <sup>2</sup>	–	–
	Sell EUR 416,603		
	Buy GBP 381,922 Goldman Sachs	8	0.01
	<b>Total Derivatives</b>	<b>(1,291)</b>	<b>(1.23)</b>
<b>Total value of investments<sup>3</sup></b>		<b>97,743</b>	<b>93.05</b>
<b>Net other assets (4.12%)</b>		<b>7,305</b>	<b>6.95</b>
<b>Net assets</b>		<b>105,048</b>	<b>100.00</b>

March 2019 comparatives in brackets.

\*Variable rate bonds.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

### ANALYSIS OF INVESTMENTS BY ASSET CLASS

	Value £000	% of Investment
Fixed interest	95,917	98.13
Floating rate notes	3,117	3.19
Derivatives	(1,291)	(1.32)
<b>Total value of investments<sup>3</sup></b>	<b>97,743</b>	<b>100.00</b>

### ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS

	Value £000
UBS EURO-Bobl Future Expiring December 2019	(1,710)
UBS EURO Bond Future Expiring December 2019	(313)
<b>Total net exposure</b>	<b>(2,023)</b>

### Total Purchases and Sales

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	66,346	103,356
Total sales for the period	69,472	93,110

## Threadneedle Strategic Bond Fund

### Portfolio Statement

as at 7 September 2019

				% of						% of				
Holding		Investment	Value £000	Net Asset Value			Holding		Investment	Value £000	Net Asset Value			
<b>ARGENTINA 0.00% (0.56%)</b>						<b>BBB+ 0.00% (0.42%)</b>								
<b>B 0.00% (0.56%)</b>						<b>Baa2 0.00% (0.12%)</b>								
<b>Total Argentina</b>				<b>–</b>		<b>BBB– 0.82% (1.10%)</b>								
<b>AUSTRALIA 2.52% (3.04%)</b>						GBP	753,000	Thames Water Utilities 2.375% 03/05/2023	758	0.32				
USD	689,000	SGSP Australia Assets 3.25% 29/07/2026	582	0.24	GBP	1,175,000	Thames Water Utilities 2.875% 03/05/2027	1,188	0.50					
<b>BBB+ 0.00% (0.51%)</b>						<b>B 0.10% (0.14%)</b>								
<b>BBB 1.66% (1.54%)</b>						USD	557,000	Noble Holding International 6.95% 01/04/2045	245	0.10				
USD	2,780,000	APT Pipelines 4.2% 23/03/2025 (Berlin Exchange)	2,408	1.01	<b>Total Cayman Islands</b>				<b>3,867</b>	<b>1.63</b>				
GBP	1,367,000	APT Pipelines 4.25% 26/11/2024	1,542	0.65	<b>DENMARK 0.00% (0.29%)</b>									
<b>BBB– 0.62% (0.60%)</b>						<b>A 0.00% (0.06%)</b>								
GBP	1,311,000	Asciano Finance 5% 19/09/2023	1,465	0.62	<b>BB+ 0.00% (0.23%)</b>									
<b>BB 0.00% (0.18%)</b>						<b>Total Denmark</b>				<b>–</b>				
<b>Total Australia</b>				<b>5,997</b>		<b>DOMINICAN REPUBLIC 0.86% (0.74%)</b>								
<b>2.52%</b>				<b>(3.04%)</b>		USD	2,250,000	Dominican Republic International Bond 5.95% 25/01/2027	2,043	0.86				
<b>BELGIUM 2.17% (1.97%)</b>						<b>BB– 0.86% (0.74%)</b>								
GBP	4,425,000	Anheuser-Busch 2.25% 24/05/2029	4,588	1.93	<b>Total Dominican Republic</b>				<b>2,043</b>	<b>0.86</b>				
EUR	600,000	*KBC Groep Variable 05/09/2167	577	0.24	<b>EGYPT 0.51% (0.46%)</b>									
<b>Total Belgium</b>				<b>5,165</b>		EUR	1,305,000	Arab Republic of Egypt 4.75% 16/04/2026	1,216	0.51				
<b>2.17%</b>				<b>(1.97%)</b>		<b>Total Egypt</b>				<b>1,216</b>	<b>0.51</b>			
<b>BERMUDA 3.15% (2.68%)</b>						<b>FRANCE 4.34% (3.29%)</b>								
<b>BBB– 3.15% (2.68%)</b>						EUR	3,600,000	France Government Bond 1.75% 25/06/2039	4,160	1.75				
USD	6,900,000	Bacardi 4.45% 15/05/2025	6,021	2.53	<b>Aa2u 1.75% (1.41%)</b>									
USD	1,660,000	Bacardi 4.7% 15/05/2028	1,480	0.62	GBP	1,200,000	Banque Fédérative du Crédit Mutuel 1.75% 19/12/2024	1,223	0.51					
<b>Total Bermuda</b>				<b>7,501</b>		<b>A 0.51% (0.00%)</b>								
<b>3.15%</b>				<b>(2.68%)</b>		USD	1,060,000	Electricite de France 4.875% 21/09/2038	1,010	0.43				
<b>BRITISH VIRGIN ISLANDS 0.40% (0.47%)</b>						<b>A– 0.43% (0.34%)</b>								
<b>A+ 0.00% (0.47%)</b>						<b>BB+ 0.00% (0.14%)</b>								
USD	1,090,000	Gold Fields Orogen Holdings 5.125% 15/05/2024	949	0.40	EUR	350,000	Louvre Bidco SAS 4.25% 30/09/2024	314	0.13					
<b>Total British Virgin Islands</b>				<b>949</b>		<b>BB– 0.13% (0.12%)</b>								
<b>0.40%</b>				<b>(0.47%)</b>		EUR	1,208,000	Altice France 5.875% 01/02/2027	1,195	0.50				
<b>CANADA 0.37% (0.86%)</b>						EUR	400,000	Casino Guichard 4.498% 07/03/2024	332	0.14				
<b>BBB 0.00% (0.50%)</b>						EUR	400,000	Casino Guichard-Perrachon 3.311% 25/01/2023	339	0.14				
<b>B 0.37% (0.36%)</b>						EUR	300,000	Casino Guichard-Perrachon 4.726% 26/05/2021	275	0.12				
EUR	955,000	Cott Finance 5.5% 01/07/2024	892	0.37	EUR	740,000	Paprec Holding 4% 31/03/2025 Not Rated 0.35% (0.33%)	653	0.27					
<b>Total Canada</b>				<b>892</b>		GBP	720,000	*Credit Agricole 7.5% 31/12/2049	833	0.35				
<b>0.37%</b>				<b>(0.86%)</b>		<b>Total France</b>				<b>10,334</b>	<b>4.34</b>			
<b>CAYMAN ISLANDS 1.63% (2.94%)</b>						<b>B 1.17% (0.95%)</b>								
<b>AA+ 0.15% (0.15%)</b>						<b>Total Cayman Islands</b>				<b>3,867</b>	<b>1.63</b>			
GBP	400,000	*Trafford Centre Finance FRN 28/07/2035 A3	357	0.15	<b>DENMARK 0.00% (0.29%)</b>									
<b>A+ 0.56% (1.01%)</b>						<b>A 0.00% (0.06%)</b>								
USD	1,487,000	Alibaba Group 4% 06/12/2037	1,319	0.56	<b>BB+ 0.00% (0.23%)</b>									
<b>Total Cayman Islands</b>				<b>3,867</b>		<b>Total Denmark</b>				<b>–</b>				
<b>1.63%</b>				<b>(2.94%)</b>		<b>DOMINICAN REPUBLIC 0.86% (0.74%)</b>								

## Threadneedle Strategic Bond Fund

### Portfolio Statement

(continued)

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>GERMANY 4.28% (3.98%)</b>					<b>JAPAN 0.00% (0.44%)</b>				
<b>BBB 1.25% (0.00%)</b>					<b>BB+ 0.00% (0.44%)</b>				
EUR	650,000	Unitymedia Hessen 4.625% 15/02/2026	570	0.24	<b>Total Japan</b>				
EUR	1,720,000	Unitymedia NRW 3.5% 15/01/2027	1,638	0.69	—				
USD	922,000	Unitymedia NRW 5% 15/01/2025	775	0.32	<b>JERSEY 1.45% (1.52%)</b>				
<b>BB+ 1.19% (1.37%)</b>					<b>BBB+ 0.21% (0.00%)</b>				
EUR	2,200,000	ADLER Real Estate 1.875% 27/04/2023	2,038	0.86	GBP	477,000	Glencore Finance Europe 3.125% 26/03/2026	486	0.21
EUR	400,000	ADLER Real Estate 3% 27/04/2026	386	0.16	<b>Baa2 0.41% (0.38%)</b>				
EUR	404,000	*Lanxess Finance 4.5% 06/12/2076	399	0.17	GBP	824,000	Porterbrook Rail Finance 4.625% 04/04/2029	969	0.41
<b>Ba2 0.00% (0.46%)</b>					<b>BB 0.00% (0.17%)</b>				
<b>BB- 0.00% (1.18%)</b>					<b>(P)Ba2 0.42% (0.39%)</b>				
<b>B 0.86% (0.55%)</b>					EUR	1,085,000	LHC Three PIK 4.125% 15/08/2024	1,009	0.42
EUR	893,000	Kirk Beauty Zero 6.25% 15/07/2022	801	0.34	<b>B 0.25% (0.25%)</b>				
EUR	575,000	Safari Holdings 5.375% 30/11/2022	446	0.19	GBP	380,000	CPUK Finance 4.25% 28/08/2022	383	0.16
EUR	922,000	SGL Carbon 4.625% 30/09/2024	790	0.33	GBP	220,000	CPUK Finance 4.875% 28/08/2025	224	0.09
<b>B- 0.47% (0.42%)</b>					<b>B- 0.00% (0.18%)</b>				
EUR	1,145,000	Blitz 6% 30/07/2026	1,114	0.47	<b>Not Rated 0.16% (0.15%)</b>				
<b>Not Rated 0.51% (0.00%)</b>					GBP	375,000	Hastings Group Finance 3% 24/05/2025	372	0.16
EUR	1,400,000	Vier Gas Transport 0.5% 10/09/2034	1,221	0.51	<b>Total Jersey</b>				
<b>Total Germany</b>			<b>10,178</b>	<b>4.28</b>	<b>3,443 1.45</b>				
<b>GUERNSEY 0.00% (0.43%)</b>					<b>LUXEMBOURG 5.04% (6.07%)</b>				
<b>BBB+ 0.00% (0.43%)</b>					<b>BBB+ 0.28% (0.24%)</b>				
<b>Total Guernsey</b>					—				
<b>INDIA 0.34% (0.36%)</b>					EUR	700,000	Grand City Properties 1.375% 03/08/2026	657	0.28
<b>BB+ 0.34% (0.36%)</b>					<b>BBB 0.76% (0.69%)</b>				
USD	1,089,000	GMR Hyderabad 4.25% 27/10/2027	817	0.34	EUR	1,920,000	Bevco 1.75% 09/02/2023	1,803	0.76
<b>Total India</b>					<b>Baa2 0.00% (0.92%)</b>				
<b>ISLE OF MAN 0.00% (0.20%)</b>					<b>BBB- 0.00% (0.17%)</b>				
<b>BB 0.00% (0.20%)</b>					<b>BB+ 0.00% (0.41%)</b>				
<b>Total Isle of Man</b>					—				
<b>ITALY 2.03% (2.55%)</b>					<b>BB 0.00% (0.33%)</b>				
<b>BBB- 0.37% (0.36%)</b>					<b>Ba2 0.38% (0.00%)</b>				
GBP	810,000	*Enel 6.625% 15/09/2076	884	0.37	USD	1,020,000	Millicom International Cellular 6.25% 25/03/2029	906	0.38
<b>Baa3 0.30% (0.25%)</b>					<b>BB- 0.33% (0.15%)</b>				
EUR	665,000	*Assicurazioni 5% 08/06/2048	700	0.30	EUR	300,000	Telenet Finance VI Luxembourg 3.5% 01/03/2028	289	0.12
<b>Ba2 1.13% (1.05%)</b>					EUR	713,000	Telenet Finance VI Luxembourg 4.875% 15/07/2027	491	0.21
EUR	555,000	Banco BPM 1.75% 24/04/2023	505	0.21	<b>B+ 0.73% (0.77%)</b>				
EUR	2,391,000	Banco BPM 2% 08/03/2022	2,192	0.92	USD	780,000	Altice Financing 6.625% 15/02/2025	652	0.27
<b>B+ 0.00% (0.49%)</b>					EUR	191,000	Garfunkelux 7.5% 01/08/2022	163	0.07
<b>B 0.23% (0.40%)</b>					GBP	1,000,000	Garfunkelux 8.5% 01/11/2022	933	0.39
EUR	595,000	International Design Group 6.5% 15/11/2025	543	0.23	<b>B 0.72% (0.64%)</b>				
<b>Total Italy</b>			<b>4,824</b>	<b>2.03</b>	EUR	497,000	Crystal Almond 10% 01/11/2021	463	0.20
<b>IVORY COAST 0.35% (0.31%)</b>					EUR	748,000	*Group Ecore Holdings SAS FRN 15/11/2023	648	0.27
<b>Ba3 0.35% (0.31%)</b>					EUR	653,000	LSF 10 Wolverine Investments 5% 15/03/2024	604	0.25
EUR	900,000	Ivory Coast 5.25% 22/03/2030	827	0.35	<b>Total Ivory Coast</b>				
<b>Total Ivory Coast</b>			<b>827</b>	<b>0.35</b>	—				

## Threadneedle Strategic Bond Fund

### Portfolio Statement

(continued)

	Value	% of		Value	% of
Holding	Investment	£000	Net Asset	Investment	£000
			Value		Net Asset
					Value
<b>LUXEMBOURG 5.04% (6.07%) (continued)</b>					
<b>B- 1.57% (0.96%)</b>					
EUR	2,675,000	Altice 8% 15/05/2027	2,598	1.09	
EUR	1,250,000	Horizon Parent Holdings 8.25% 15/02/2022	1,148	0.48	
<b>CCC+ 0.27% (0.79%)</b>					
USD	200,000	Altice Finco 8.125% 15/01/2024	168	0.07	
EUR	503,000	Altice Finco 9% 15/06/2023	468	0.20	
<b>Total Luxembourg</b>			<b>11,991</b>	<b>5.04</b>	
<b>MEXICO 0.27% (0.63%)</b>					
<b>BBB+ 0.27% (0.63%)</b>					
GBP	686,000	Petroleos Mexicanos 3.75% 16/11/2025	647	0.27	
<b>Total Mexico</b>			<b>647</b>	<b>0.27</b>	
<b>NETHERLANDS 8.29% (9.46%)</b>					
<b>BBB+ 1.02% (1.47%)</b>					
GBP	957,000	Deutsche Telekom International Finance 2.5% 10/10/2025	1,013	0.42	
USD	1,654,000	Vonovia Finance 5% 02/10/2023	1,423	0.60	
<b>BBB 2.09% (1.48%)</b>					
GBP	2,814,000	Innogy Finance 6.25% 03/06/2030	3,922	1.65	
GBP	993,000	LafargeHolcim Sterling Finance 3% 12/05/2032	1,049	0.44	
<b>BBB- 1.22% (1.51%)</b>					
USD	3,367,000	Syngenta Finance 4.892% 24/04/2025	2,900	1.22	
<b>BB+ 2.35% (2.54%)</b>					
EUR	1,520,000	Darling Global Finance 3.625% 15/05/2026	1,448	0.61	
GBP	881,000	*Koninklijke KPN 6.875% 14/03/2073	903	0.38	
EUR	1,200,000	*Telefonica Europe 2.625% 07/06/2066	1,096	0.46	
EUR	400,000	*Telefonica Europe Perpetual 3% 04/12/2066	371	0.15	
EUR	1,800,000	*Telefonica Europe Variable 14/03/2168	1,782	0.75	
<b>BB 0.00% (1.25%)</b>					
<b>BB- 0.33% (0.44%)</b>					
GBP	668,000	Petrobras Global Finance 6.625% 16/01/2034	787	0.33	
<b>Ba3 0.41% (0.00%)</b>					
USD	1,166,000	Mong Duong Finance Holdings 5.125% 07/05/2029	972	0.41	
<b>B+ 0.39% (0.59%)</b>					
GBP	950,000	InterGen 7.5% 30/06/2021	927	0.39	
<b>(P)B+ 0.19% (0.00%)</b>					
EUR	464,000	Trivium Packaging Finance 3.75% 15/08/2026	443	0.19	
<b>B 0.20% (0.00%)</b>					
EUR	513,000	United Group 4.875% 01/07/2024	481	0.20	
<b>B- 0.00% (0.08%)</b>					
<b>Not Rated 0.09% (0.10%)</b>					
USD	40,269	OSX 3 Leasing (2012/14) Perpetual			
USD	40,269	OSX 3 Leasing (2003/15) Perpetual			
USD	1,239,044	OSX 3 Leasing 13% 20/03/2015 (Defaulted)			
<b>Total Netherlands</b>			<b>222</b>	<b>0.09</b>	
<b>OMAN 0.72% (0.60%)</b>					
<b>Ba1 0.72% (0.60%)</b>					
USD	2,100,000	Oman Government International Bond 6% 01/08/2029			
<b>Total Oman</b>			<b>1,707</b>	<b>0.72</b>	
<b>PORTUGAL 0.25% (0.29%)</b>					
<b>Not Rated 0.25% (0.29%)</b>					
EUR	300,000	Banco Espirito 2.625% 08/05/2017 (Defaulted)			
EUR	1,800,000	Banco Espirito Santo 4% 21/01/2019 (Defaulted)			
EUR	800,000	Banco Espirito Santo 4.75% 15/01/2018 (Defaulted)			
<b>Total Portugal</b>			<b>597</b>	<b>0.25</b>	
<b>QATAR 0.37% (0.00%)</b>					
<b>AA- 0.37% (0.00%)</b>					
USD	850,000	Qatar Government International Bond 4.817% 14/03/2049			
<b>Total Qatar</b>			<b>873</b>	<b>0.37</b>	
<b>REPUBLIC OF IRELAND 5.18% (2.21%)</b>					
<b>A+ 0.67% (0.00%)</b>					
EUR	1,580,000	Zurich Finance Ireland 1.625% 17/06/2039	1,602	0.67	
<b>BBB+ 0.55% (0.45%)</b>					
USD	1,595,000	GE Capital International Funding Company 4.418% 15/11/2035	1,317	0.55	
<b>BBB- 0.45% (0.40%)</b>					
EUR	1,100,000	AIB Group 2.25% 03/07/2025	1,059	0.45	
<b>BB+ 0.18% (0.17%)</b>					
EUR	380,000	Bank of Ireland 10% 19/12/2022	435	0.18	
<b>BB 0.00% (0.33%)</b>					
<b>BB- 0.38% (0.37%)</b>					
EUR	980,000	*Bank of Ireland 7.375% 29/12/2049	914	0.38	
<b>B+ 0.79% (0.00%)</b>					
EUR	1,967,000	Eircom Finance 3.5% 15/05/2026	1,884	0.79	
<b>B 0.18% (0.17%)</b>					
GBP	404,000	Virgin Media 5.5% 15/09/2024	415	0.18	
<b>Liquidity Funds 1.98% (0.00%)<sup>1</sup></b>					
GBP	4,704,402	BlackRock Institutional Cash Series Sterling Liquidity Platinum	4,704	1.98	
<b>Not Rated 0.00% (0.32%)</b>					
<b>Total Republic of Ireland</b>			<b>12,330</b>	<b>5.18</b>	

## Threadneedle Strategic Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>SENEGAL 0.40% (0.69%)</b>									
		<b>B+ 0.40% (0.69%)</b>			GBP	604,000	Yorkshire Water Finance 2.75% 18/04/2041	668	0.28
EUR	1,000,000	Senegal Government International Bond 4.75% 13/03/2028	946	0.40					
		<b>Total Senegal</b>	<b>946</b>	<b>0.40</b>					
<b>SPAIN 1.58% (1.04%)</b>									
		<b>BBB+ 0.55% (0.50%)</b>			GBP	2,210,000	Bunzl Finance 2.25% 11/06/2025	2,265	0.95
EUR	1,400,000	CaixaBank 1.125% 17/05/2024	1,314	0.55	GBP	1,706,000	Cadent Finance 2.125% 22/09/2028	1,744	0.73
		<b>BBB- 0.62% (0.54%)</b>			GBP	577,000	Cadent Finance 2.75% 22/09/2046	598	0.25
EUR	1,516,000	Nortegas Energia 2.065% 28/09/2027	1,471	0.62	GBP	1,245,000	*Legal & General Group Variable 14/11/2048	1,367	0.57
		<b>BB+ 0.41% (0.00%)</b>			GBP	767,000	*Legal & General Group Variable 27/10/2045	851	0.36
EUR	1,000,000	*Bankia Variable 15/02/2029	964	0.41	GBP	915,000	NIE Finance 2.5% 27/10/2025 (BSE)	964	0.41
		<b>Total Spain</b>	<b>3,749</b>	<b>1.58</b>	GBP	1,208,000	Northumbrian Water Finance 1.625% 11/10/2026	1,209	0.51
					GBP	625,000	Scottish Widows 5.5% 16/06/2023	696	0.29
<b>SWEDEN 1.63% (1.52%)</b>									
		<b>BBB 0.96% (0.91%)</b>			GBP	2,282,000	Severn Trent Utilities Finance 3.625% 16/01/2026	2,560	1.08
EUR	515,000	Akelius Residential 1.75% 07/02/2025	489	0.21	GBP	1,260,000	Western Power Distribution 3.5% 16/10/2026	1,343	0.56
GBP	1,755,000	Akelius Residential 2.375% 15/08/2025	1,790	0.75	GBP	548,000	Western Power Distribution 3.625% 06/11/2023	584	0.25
		<b>Baa3 0.67% (0.61%)</b>							
EUR	1,687,000	Sagax 2% 17/01/2024	1,590	0.67	GBP	2,539,000	Bupa Finance 5% 08/12/2026	2,852	1.20
		<b>Total Sweden</b>	<b>3,869</b>	<b>1.63</b>					
<b>SWITZERLAND 1.44% (1.97%)</b>									
		<b>BBB+ 0.46% (0.62%)</b>			GBP	550,000	Anglian Water Services Financing 2.625% 15/06/2027	551	0.23
USD	1,258,000	UBS 5.125% 15/05/2024	1,106	0.46	GBP	1,816,000	Imperial Brands Finance 5.5% 28/09/2026	2,197	0.92
		<b>BBB 0.00% (0.48%)</b>			GBP	1,480,000	Lloyds Bank 7.625% 22/04/2025	1,888	0.79
		<b>BB+ 0.41% (0.37%)</b>			GBP	540,000	Longstone Finance 4.896% 19/04/2031	649	0.27
USD	1,100,000	*UBS Group 7% 29/12/2049	984	0.41	GBP	3,100,000	*NGG Finance 5.625% 18/06/2073	3,460	1.45
		<b>BB 0.57% (0.50%)</b>			GBP	507,000	*Prudential Variable 20/07/2049	517	0.22
USD	940,000	*Credit Suisse 7.5% 11/12/2049	846	0.36	GBP	2,195,000	*Royal Bank of Scotland 2.875% 19/09/2026	2,229	0.94
USD	568,000	*UBS Group Funding Switzerland Variable 31/07/2167	492	0.21	GBP	1,603,000	*Royal Bank of Scotland Group Variable 28/03/2027	1,644	0.69
		<b>Total Switzerland</b>	<b>3,428</b>	<b>1.44</b>	GBP	1,100,000	*Telereal Securitisation 4.0902% 10/12/2033	1,141	0.48
<b>UNITED KINGDOM 33.09% (35.32%)</b>									
		<b>AA 0.67% (0.67%)</b>			GBP	810,000	Eversholt Funding 3.529% 07/08/2042	859	0.36
GBP	574,000	Telereal Securitisation 4.9741% 10/09/2027	408	0.17	GBP	1,780,000	Eversholt Funding 6.359% 02/12/2025	2,207	0.93
GBP	1,261,000	Telereal Securitisation 5.9478% 10/12/2031	1,201	0.50	GBP	450,000	Santander UK 10.0625% 29/10/2049	720	0.30
		<b>A 0.89% (0.27%)</b>							
GBP	280,000	Catalyst Housing 3.125% 31/10/2047	317	0.13					
GBP	1,135,000	Lloyds Bank Markets 1.75% 11/07/2024	1,133	0.48	GBP	570,000	Barclays Bank 5.75% 14/09/2026	684	0.29
GBP	629,000	Northern Powergrid Yorkshire 2.5% 01/04/2025	666	0.28	EUR	300,000	Barclays Bank 6.625% 30/03/2022	309	0.13
		<b>A- 1.54% (1.15%)</b>			EUR	1,018,000	DS Smith 1.375% 26/07/2024	943	0.40
GBP	941,000	Anglian Water Services Financing 2.75% 26/10/2029	1,034	0.43	EUR	1,280,000	G4S International Finance 1.875% 24/05/2025	1,202	0.51
GBP	601,000	HSBC Bank 5.375% 22/08/2033	765	0.32	GBP	1,454,000	GKN Holdings 4.625% 15/05/2032	1,462	0.61
GBP	525,000	Western Power Distribution 1.75% 09/09/2031	513	0.22	GBP	1,730,000	GKN Holdings 5.375% 19/09/2022	1,878	0.79
GBP	560,000	Western Power Distribution West Midlands 6% 09/05/2025	691	0.29	EUR	1,500,000	*HBOS 4.5% 18/03/2030	1,525	0.64
					GBP	320,000	Mitchells & Butlers Finance 5.965% 15/12/2023	87	0.04
					GBP	1,535,000	*TSB Banking Group 5.75% 06/05/2026	1,556	0.65
					GBP	412,000	*Marstons Issuer 5.1576% 15/10/2027	373	0.16
					GBP	1,522,000	Tesco Property Finance 1 7.6227% 13/07/2039	1,945	0.82





## Threadneedle Strategic Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>DERIVATIVES –1.47% (–0.29%) (continued)</b>									
USD	(12,080,000)	Barclays Itraxx Asia ex-Japan IG Credit Default Swap Index Buy Protection 20/06/2024 Spread 100	(184)	(0.08)	EUR	(1,400,000)	J.P. Morgan Banco Bilbao Credit Default Swap Buy Protection 20/06/2024 Spread 100	(17)	(0.01)
EUR	(12,000,000)	Barclays Itraxx Crossover Credit Default Swap Index Buy Protection 20/06/2024 Spread 500	(1,226)	(0.52)	EUR	(1,420,000)	J.P. Morgan Barclays Credit Default Swap Buy Protection 20/06/2024 Spread 100	50	0.02
EUR	(8,550,000)	Barclays Itraxx-Finance Credit Default Swap Index Buy Protection 20/06/2021 Spread 100	(118)	(0.05)	EUR	(2,720,000)	J.P. Morgan BCO Comercial Portugues Credit Default Swap Buy Protection 20/06/2022 Spread 500	(80)	(0.03)
EUR	(8,000,000)	Barclays Itraxx-Finance Credit Default Swap Index Buy Protection 20/12/2021 Spread 100	(74)	(0.03)	EUR	(2,730,000)	J.P. Morgan Électricité de France Credit Default Swap Buy Protection 20/12/2023 Spread 100	(70)	(0.03)
EUR	(1,075,000)	Barclays Metro Group Credit Default Swap Buy Protection 20/06/2021 Spread 100	(11)	–	USD	(2,700,000)	J.P. Morgan General Motors Credit Default Swap Buy Protection 20/06/2023 Spread 500	(334)	(0.14)
EUR	(1,100,000)	Barclays PostNL Credit Default Swap Buy Protection 20/12/2020 Spread 100	(11)	–	EUR	2,600,000	J.P. Morgan Itraxx-Finance Credit Default Swap Index Sell Protection 20/06/2024 Spread 100	(28)	(0.01)
EUR	(4,360,000)	Barclays RWE Credit Default Swap Buy Protection 20/03/2020 Spread 100	(21)	(0.01)	EUR	(2,250,000)	J.P. Morgan Metro Group Credit Default Swap Buy Protection 20/06/2021 Spread 100	(23)	(0.01)
EUR	(2,600,000)	Barclays Veolia Environnement Credit Default Swap Buy Protection 20/06/2024 Spread 100	(84)	(0.04)	EUR	(1,400,000)	J.P. Morgan Novafives Credit Default Swap Buy Protection 20/06/2024 Spread 500	15	0.01
USD	(4,900,000)	Barclays Westpac Banking Credit Default Swap Buy Protection 20/06/2024 Spread 100	(122)	(0.05)	EUR	(2,400,000)	J.P. Morgan SSE Credit Default Swap Buy Protection 20/06/2024 Spread 100	(39)	(0.02)
EUR	(1,500,000)	Citigroup Deutsche Bank Credit Default Swap Buy Protection 20/06/2024 Spread 100	140	0.06	EUR	(2,600,000)	J.P. Morgan Swedbank Credit Default Swap Buy Protection 20/06/2024 Spread 100	(79)	(0.03)
EUR	(1,000,000)	Citigroup Iceland Bond Credit Default Swap Buy Protection 20/06/2024 Spread 500	(20)	(0.01)	EUR	(3,100,000)	J.P. Morgan United Utilities Credit Default Swap Buy Protection 20/03/2020 Spread 100	(14)	(0.01)
EUR	(3,155,000)	Citigroup Metro Group Credit Default Swap Buy Protection 20/06/2021 Spread 100	(32)	(0.01)	<b>Interest Rate Swaps –0.30% (–0.24%)</b>				
EUR	(3,400,000)	Citigroup Pearson Credit Default Swap Buy Protection 20/09/2020 Spread 100	(30)	(0.01)	GBP	8,400,000	Barclays Interest Rate Swap Receive GBP Libor Pay 2.705% 26/11/2023	(707)	(0.30)
EUR	(1,680,000)	Citigroup PostNL Credit Default Swap Buy Protection 20/12/2020 Spread 100	(16)	(0.01)	<b>Futures and Options –0.04% (–0.16%)</b>				
EUR	(1,400,000)	Goldman Sachs Auchan Holding Credit Default Swap Buy Protection 20/06/2024 Spread 100	48	0.02	EUR	(465)	UBS EURO-Bobl Future Expiring December 2019	28	0.01
USD	(10,420,000)	Goldman Sachs Itraxx Asia ex-Japan IG Credit Default Swap Index Buy Protection 20/06/2024 Spread 100	(159)	(0.07)	EUR	(32)	UBS EURO Bond Future Expiring December 2019	14	0.01
EUR	(20,000,000)	Goldman Sachs Itraxx Crossover Credit Default Swap Index Buy Protection 20/06/2024 Spread 500	(2,043)	(0.86)	EUR	10	UBS EURO Buxl 30 Year Future Expiring December 2019	(29)	(0.01)
EUR	(1,200,000)	Goldman Sachs Leonardo Credit Default Swap Buy Protection 20/12/2023 Spread 500	(202)	(0.08)	GBP	(236)	UBS Long Gilt Future Expiring December 2019	(125)	(0.05)
EUR	(4,000,000)	Goldman Sachs Pernod Ricard Credit Default Swap Buy Protection 20/12/2019 Spread 100	(10)	–	USD	20	UBS US 5 Year Note Future Expiring December 2019	5	–
EUR	(1,160,000)	Goldman Sachs PostNL Credit Default Swap Buy Protection 20/12/2020 Spread 100	(11)	–	USD	(9)	UBS US 10 Year Note Future Expiring December 2019	(3)	–
EUR	(3,700,000)	Goldman Sachs Tesco Credit Default Swap Buy Protection 20/06/2021 Spread 100	(41)	(0.02)	USD	(7)	UBS US 10 Year Ultra Future Expiring December 2019	(4)	–
EUR	(1,600,000)	Goldman Sachs Vattenfall Credit Default Swap Buy Protection 20/06/2021 Spread 100	(25)	(0.01)	USD	(16)	UBS US Long Bond Future Expiring December 2019	(14)	(0.01)
					USD	17	UBS US Ultra Bond Future Expiring December 2019	35	0.01
					<b>Forward Foreign Exchange Contracts 0.85% (1.12%)</b>				
							Sell GBP 1,361,374		
							Buy EUR 1,500,000 HSBC	(15)	(0.01)
							Sell GBP 244,926		
							Buy EUR 267,255 HSBC	(5)	–
							Sell GBP 245,054		

## Threadneedle Strategic Bond Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Total Purchases and Sales		
				for the accounting period 8 March 2019 to 7 September 2019		
				2019	2018	
				£000	£000	
<b>DERIVATIVES –1.47% (–0.29%) (continued)</b>						
	Buy EUR 273,340 Barclays <sup>2</sup>	–	–	Total purchases for the period	69,567	88,187
	Sell GBP 256,068			Total sales for the period	87,413	90,739
	Buy EUR 281,010 Lloyds	(4)	–			
	Sell EUR 1,378,790					
	Buy GBP 1,240,562 Bank of Scotland	3	–			
	Sell USD 181,860					
	Buy GBP 149,605 Lloyds	2	–			
	Sell USD 187,016					
	Buy GBP 153,024 Citigroup	1	–			
	Sell USD 213,187					
	Buy GBP 174,898 Lloyds	2	–			
	Sell EUR 214,334					
	Buy GBP 195,984 Bank of Scotland	4	–			
	Sell USD 2,700,000					
	Buy GBP 2,214,999 Lloyds	21	0.01			
	Sell EUR 225,395					
	Buy GBP 204,321 Bank of Scotland	2	–			
	Sell AUD 425,177					
	Buy GBP 237,812 Bank of Scotland	1	–			
	Sell USD 44,000,000					
	Buy GBP 36,258,397 Bank of Scotland	501	0.21			
	Sell EUR 76,000,000					
	Buy GBP 69,717,384 Lloyds	1,523	0.64			
	Sell GBP 137,029					
	Buy USD 166,063 Lloyds	(2)	–			
	Sell GBP 470,696					
	Buy USD 573,960 Barclays	(4)	–			
	<b>Total Derivatives</b>	<b>(3,489)</b>	<b>(1.47)</b>			
<b>Total value of investments<sup>3</sup></b>		<b>229,825</b>	<b>96.58</b>			
<b>Net other assets (2.70%)</b>		<b>8,138</b>	<b>3.42</b>			
<b>Net assets</b>		<b>237,963</b>	<b>100.00</b>			

March 2019 comparatives in brackets.

\*Variable rate bond.

(P) refers to provisional rating.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

### ANALYSIS OF INVESTMENTS BY ASSET CLASS

	Value £000	% of Investment
Fixed interest	200,899	87.41
Floating rate notes	32,415	14.11
Derivatives	(3,489)	(1.52)
<b>Total value of investments<sup>3</sup></b>	<b>229,825</b>	<b>100.00</b>

### ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS

	Value £000
UBS EURO-Bobl Future Expiring December 2019	(56,788)
UBS EURO Bond Future Expiring December 2019	(5,015)
UBS EURO Buxl 30 Year Future Expiring December 2019	1,939
UBS Long Gilt Future Expiring December 2019	(31,514)
UBS US 5 Year Note Future Expiring December 2019	1,946
UBS US 10 Year Note Future Expiring December 2019	(959)
UBS US 10 Year Ultra Future Expiring December 2019	(816)
UBS US Long Bond Future Expiring December 2019	(2,129)
UBS US Ultra Bond Future Expiring December 2019	2,684
<b>Total net exposure</b>	<b>(90,652)</b>



## Threadneedle American Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 5.11% (5.19%)</b>				<b>CONSUMER SERVICES 10.60% (10.02%)</b>			
<b>Oil &amp; Gas Producers 5.11% (5.19%)</b>				<b>General Retailers 7.40% (7.00%)</b>			
472,410	Chevron	45,190	2.03	63,215	Amazon.com	94,618	4.24
271,516	Diamondback Energy	21,548	0.97	379,888	Home Depot	70,467	3.16
338,974	EOG Resources	20,830	0.93	<b>Media 2.74% (2.39%)</b>			
421,307	Valero Energy	26,314	1.18	1,619,676	Comcast Corporation	61,097	2.74
<b>Total Oil &amp; Gas</b>				<b>Total Consumer Services</b>			
<b>113,882 5.11</b>				<b>236,366 10.60</b>			
<b>BASIC MATERIALS 1.96% (2.91%)</b>				<b>TRAVEL &amp; LEISURE 0.46% (0.63%)</b>			
<b>Chemicals 1.96% (1.93%)</b>				867,978 Extended Stay America			
173,423	Albemarle	8,880	0.40	<b>Total Travel &amp; Leisure</b>			
309,529	Dow	10,916	0.49	<b>10,184 0.46</b>			
424,561	DuPont de Nemours	23,807	1.07	<b>UTILITIES 1.98% (1.88%)</b>			
<b>Industrial Metals &amp; Mining 0.00% (0.98%)</b>				<b>Electricity 1.98% (1.88%)</b>			
<b>Total Basic Materials</b>				761,748 Edison International			
<b>43,603 1.96</b>				<b>Total Utilities</b>			
				<b>44,158 1.98</b>			
<b>INDUSTRIALS 8.83% (13.98%)</b>				<b>FINANCIALS 22.05% (20.08%)</b>			
<b>Aerospace &amp; Defence 2.27% (6.49%)</b>				<b>Banks 7.16% (7.51%)</b>			
168,888	Northrop Grumman	50,580	2.27	3,012,692	Bank of America	68,911	3.09
<b>Electronic &amp; Electrical Equipment 0.00% (0.65%)</b>				1,099,952	Citigroup	59,309	2.66
<b>Industrial Engineering 2.56% (2.39%)</b>				1,128,683	Citizens Finance Group	31,388	1.41
605,200	Gardner Denver Holdings	13,877	0.62	<b>Nonlife Insurance 3.41% (1.79%)</b>			
439,142	Ingersoll-Rand	43,336	1.94	396,407	Allstate	33,645	1.51
<b>Industrial Transportation 2.28% (2.67%)</b>				514,436	Marsh & McLennan	42,270	1.90
375,889	Union Pacific	50,778	2.28	<b>Life Insurance 1.55% (1.64%)</b>			
<b>Support Services 1.72% (1.78%)</b>				829,650	Aflac	34,493	1.55
530,758	Republic Services	38,329	1.72	<b>Real Estate Investment Trusts 2.30% (2.13%)</b>			
<b>Total Industrials</b>				267,052	Amer Tower Corporation	51,189	2.30
<b>196,900 8.83</b>				<b>Financial Services 7.63% (7.01%)</b>			
<b>CONSUMER GOODS 6.88% (4.34%)</b>				216,307	CME Group	38,901	1.74
<b>Food Producers 2.04% (1.86%)</b>				280,013	MasterCard Class A	66,485	2.98
995,205	Mondelez International	45,415	2.04	431,957	Visa 'A' Shares	64,853	2.91
<b>Household Goods &amp; Home Construction 3.09% (2.48%)</b>				<b>Total Financials</b>			
690,398	Procter & Gamble	68,922	3.09	<b>491,444 22.05</b>			
<b>Leisure Goods 1.75% (0.00%)</b>				<b>TECHNOLOGY 30.97% (25.97%)</b>			
365,746	Take-Two Interactive	39,064	1.75	<b>Software &amp; Computer Services 16.41% (16.04%)</b>			
<b>Total Consumer Goods</b>				206,541	Adobe Systems	48,327	2.17
<b>153,401 6.88</b>				100,504	Alphabet Class A	99,032	4.44
<b>HEALTH CARE 11.10% (15.07%)</b>				494,420	Facebook	76,744	3.44
<b>Health Care Equipment &amp; Services 5.38% (6.59%)</b>				1,245,437	Microsoft	141,821	6.36
679,461	Baxter International	48,570	2.18	<b>Technology Hardware &amp; Equipment 14.56% (9.93%)</b>			
679,392	Centene	25,490	1.14	684,971	Apple	118,787	5.33
192,385	Thermo Fisher Scientific	45,984	2.06	165,507	Broadcom	39,170	1.76
<b>Pharmaceuticals &amp; Biotechnology 5.72% (8.48%)</b>				1,286,731	Cisco Systems	50,672	2.28
263,239	Alexion Pharmaceuticals	21,456	0.96	285,875	L3Harris Technologies	49,311	2.21
361,196	Biomarin Pharmaceutical	21,461	0.96	208,601	Lam Research	38,448	1.73
60,052	Bluebird Bio	5,016	0.23	324,053	NXP Semiconductors	27,915	1.25
808,509	Bristol-Myers Squibb	31,885	1.43	<b>Total Technology</b>			
181,529	Guardant Health	12,201	0.55	<b>690,227 30.97</b>			
47,885	Sage Therapeutics	6,231	0.28				
198,952	Vertex Pharmaceuticals	29,099	1.31				
<b>Total Health Care</b>							
<b>247,393 11.10</b>							

## Threadneedle American Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>COLLECTIVE INVESTMENT SCHEMES 0.63% (0.00%)</b>			
	<b>Liquidity Funds 0.63% (0.00%)<sup>1</sup></b>		
17,179,633	BlackRock Institutional Cash Series		
	US Dollar Liquidity Platinum	13,969	0.63
	<b>Total Collective Investment Schemes</b>	<b>13,969</b>	<b>0.63</b>
<b>Total value of investments<sup>2</sup></b>		<b>2,231,343</b>	<b>100.11</b>
<b>Net other (liabilities)/assets (0.56%)</b>		<b>(2,358)</b>	<b>(0.11)</b>
<b>Net assets</b>		<b>2,228,985</b>	<b>100.00</b>

March 2019 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

### Total Purchases and Sales

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	452,499	617,167
Total sales for the period	518,680	594,152

## Threadneedle American Select Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 3.69% (3.73%)</b>				<b>Media 4.98% (3.55%)</b>			
	<b>Oil &amp; Gas Producers 3.69% (3.73%)</b>			38,065	Charter Communications	13,057	1.45
1,516,563	Centennial Resource Development	5,919	0.66	594,226	Comcast Corporation	22,415	2.50
146,369	Phillips 66	11,879	1.32	81,594	Walt Disney	9,208	1.03
1,780,854	WPX Energy	15,335	1.71		<b>Travel &amp; Leisure 2.20% (1.96%)</b>		
	<b>Total Oil &amp; Gas</b>	<b>33,133</b>	<b>3.69</b>	12,195	Booking Holdings	19,775	2.20
<b>BASIC MATERIALS 0.00% (4.16%)</b>					<b>Total Consumer Services</b>	<b>131,226</b>	<b>14.63</b>
	<b>Chemicals 0.00% (4.16%)</b>			<b>FINANCIALS 23.15% (21.07%)</b>			
	<b>Total Basic Materials</b>	<b>-</b>	<b>-</b>		<b>Banks 8.61% (8.52%)</b>		
<b>INDUSTRIALS 2.69% (5.97%)</b>				1,208,262	Bank of America	27,637	3.08
	<b>Aerospace &amp; Defence 0.26% (3.54%)</b>			324,565	JPMorgan Chase	29,646	3.31
22,913	Curtiss-Wright Corporation	2,370	0.26	186,027	PNC Financials	19,901	2.22
	<b>Electronic &amp; Electrical Equipment 0.00% (0.04%)</b>				<b>Nonlife Insurance 7.98% (7.53%)</b>		
	<b>Industrial Engineering 0.74% (0.65%)</b>			431,246	Berkshire Hathaway	71,574	7.98
66,746	Ingersoll-Rand	6,587	0.74		<b>Financial Services 6.56% (5.02%)</b>		
	<b>Industrial Transportation 1.69% (1.74%)</b>			77,882	MasterCard Class A	18,492	2.06
105,794	Norfolk Southern	15,165	1.69	268,758	Visa 'A' Shares	40,351	4.50
	<b>Total Industrials</b>	<b>24,122</b>	<b>2.69</b>		<b>Total Financials</b>	<b>207,601</b>	<b>23.15</b>
<b>CONSUMER GOODS 3.58% (4.01%)</b>				<b>TECHNOLOGY 38.42% (32.98%)</b>			
	<b>Beverages 1.36% (1.17%)</b>				<b>Software &amp; Computer Services 28.77% (23.88%)</b>		
109,781	PepsiCo	12,139	1.36	84,556	Adobe Systems	19,784	2.21
	<b>Food Producers 1.59% (1.35%)</b>			82,202	Alphabet Class A	80,998	9.03
312,752	Mondelez International	14,272	1.59	43,120	ANSYS	7,649	0.85
	<b>Leisure Goods 0.32% (0.70%)</b>			53,225	Autodesk	6,415	0.72
64,328	Activision Blizzard	2,854	0.32	308,643	Facebook	47,908	5.34
	<b>Personal Goods 0.31% (0.79%)</b>			673,230	Microsoft	76,662	8.55
46,383	Colgate-Palmolive	2,802	0.31	715,287	Nutanix	14,139	1.58
	<b>Total Consumer Goods</b>	<b>32,067</b>	<b>3.58</b>	36,734	Vmware Class A	4,415	0.49
					<b>Technology Hardware &amp; Equipment 9.65% (9.10%)</b>		
<b>HEALTH CARE 8.40% (10.47%)</b>				65,848	Analog Devices	6,050	0.67
	<b>Health Care Equipment &amp; Services 3.40% (4.13%)</b>			108,529	Apple	18,821	2.10
73,786	Edwards Lifesciences	13,498	1.51	79,510	L3Harris Technologies	13,715	1.53
90,784	UnitedHealth Group	16,948	1.89	199,513	Lam Research	36,773	4.10
	<b>Pharmaceuticals &amp; Biotechnology 5.00% (6.34%)</b>			130,317	NXP Semiconductors	11,226	1.25
134,807	Alexion Pharmaceuticals	10,988	1.23		<b>Total Technology</b>	<b>344,555</b>	<b>38.42</b>
51,013	Biogen	9,290	1.04	<b>DERIVATIVES 0.00% (0.00%)</b>			
155,899	Biomarin Pharmaceutical	9,263	1.03	<b>Forward Foreign Exchange Contracts 0.00% (0.00%)</b>			
18,778	illumina	4,149	0.46	Sell USD 21,123			
203,946	Moderna	2,569	0.29	Buy CHF 20,802 J.P. Morgan <sup>1</sup>	-	-	
58,530	Vertex Pharmaceuticals	8,561	0.95	Sell USD 595			
	<b>Total Health Care</b>	<b>75,266</b>	<b>8.40</b>	Buy CHF 586 J.P. Morgan <sup>1</sup>	-	-	
				Sell USD 328,217			
<b>CONSUMER SERVICES 14.63% (11.14%)</b>				Buy GBP 268,280 J.P. Morgan	2	-	
	<b>General Retailers 7.45% (5.63%)</b>			Sell USD 9,257			
30,060	Amazon.com	44,993	5.02	Buy GBP 7,571 J.P. Morgan <sup>1</sup>	-	-	
824,591	Uber Technologies	21,778	2.43	Sell CHF 460			
				Buy USD 469 J.P. Morgan <sup>1</sup>	-	-	

## Threadneedle American Select Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>DERIVATIVES 0.00% (0.00%) (continued)</b>			
	Sell GBP 5,818		
	Buy USD 7,115 J.P. Morgan <sup>1</sup>	–	–
	<b>Total Derivatives</b>	<b>2</b>	<b>–</b>
<b>Total value of investments</b>		<b>847,972</b>	<b>94.56</b>
<b>Net other assets (6.47%)</b>		<b>48,818</b>	<b>5.44</b>
<b>Net assets</b>		<b>896,790</b>	<b>100.00</b>

March 2019 comparatives in brackets.  
<sup>1</sup>Less than £500, rounded to nil.

### Total Purchases and Sales

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	141,307	332,964
Total sales for the period	176,606	319,777

## Threadneedle American Smaller Companies Fund (US)

### Portfolio Statement

as at 7 September 2019

	Value	% of		Value	% of
Holding	Investment	£000	Net Asset	Investment	Net Asset
			Value		Value
<b>OIL &amp; GAS 3.01% (3.03%)</b>					
<b>Oil Equipment, Services &amp; Distribution 3.01% (3.03%)</b>					
2,014,721	Newpark Resources	11,304	3.01		
	<b>Total Oil &amp; Gas</b>	<b>11,304</b>	<b>3.01</b>		
<b>BASIC MATERIALS 4.38% (7.27%)</b>					
<b>Chemicals 4.38% (7.27%)</b>					
321,478	Albemarle	16,461	4.38		
	<b>Total Basic Materials</b>	<b>16,461</b>	<b>4.38</b>		
<b>INDUSTRIALS 21.98% (20.37%)</b>					
<b>Construction &amp; Materials 6.51% (2.32%)</b>					
743,409	KBR	15,880	4.23		
152,803	Quanta Services	4,266	1.14		
60,752	Trex Company	4,291	1.14		
<b>Aerospace &amp; Defence 7.01% (3.81%)</b>					
192,404	Aerojet Rocketdyne Holdings	8,165	2.17		
325,636	Cubic Corporation	18,188	4.84		
<b>Electronic &amp; Electrical Equipment 4.24% (4.05%)</b>					
692,170	Livent	3,523	0.94		
74,026	Zebra Technologies	12,396	3.30		
<b>Industrial Engineering 4.22% (4.64%)</b>					
290,997	Gardner Denver Holdings	6,673	1.78		
66,970	MSA Safety	5,803	1.54		
29,992	Nordson	3,380	0.90		
	<b>Support Services 0.00% (5.55%)</b>				
	<b>Total Industrials</b>	<b>82,565</b>	<b>21.98</b>		
<b>CONSUMER GOODS 10.13% (8.71%)</b>					
<b>Automobiles &amp; Parts 0.00% (1.12%)</b>					
<b>Food Producers 1.22% (1.08%)</b>					
113,990	Freshpet	4,603	1.22		
<b>Leisure Goods 2.95% (0.00%)</b>					
103,782	Take-Two Interactive	11,085	2.95		
<b>Personal Goods 5.96% (6.51%)</b>					
122,332	Canada Goose Holdings	3,929	1.05		
367,304	ELF Beauty	5,170	1.38		
435,894	Gildan Activewear	13,270	3.53		
	<b>Total Consumer Goods</b>	<b>38,057</b>	<b>10.13</b>		
<b>HEALTH CARE 10.83% (13.04%)</b>					
<b>Health Care Equipment &amp; Services 0.00% (0.82%)</b>					
<b>Pharmaceuticals &amp; Biotechnology 10.83% (12.22%)</b>					
208,975	Aerie Pharmaceuticals	3,127	0.83		
169,033	Charles River Laboratories	18,331	4.88		
127,346	Guardant Health	8,559	2.28		
627,870	Kindred Biosciences	3,620	0.96		
54,550	Mirati Therapeutics	3,804	1.01		
160,995	Quanterix	3,261	0.87		
	<b>Total Health Care</b>	<b>40,702</b>	<b>10.83</b>		
<b>CONSUMER SERVICES 7.98% (8.94%)</b>					
<b>General Retailers 2.32% (4.68%)</b>					
224,393	BJ's Wholesale Club Holdings	4,959	1.32		
117,412	Ritchie Bros Auctioneers	3,751	1.00		
<b>Travel &amp; Leisure 5.66% (4.26%)</b>					
447,117	OneSpaWorld Holdings	6,032	1.61		
287,588	Planet Fitness	15,231	4.05		
	<b>Total Consumer Services</b>	<b>29,973</b>	<b>7.98</b>		
<b>UTILITIES 4.16% (3.90%)</b>					
<b>Electricity 4.16% (3.90%)</b>					
337,835	Portland General Electric Company	15,642	4.16		
	<b>Total Utilities</b>	<b>15,642</b>	<b>4.16</b>		
<b>FINANCIALS 27.19% (24.59%)</b>					
<b>Banks 5.34% (6.61%)</b>					
195,780	First Hawaiian	4,118	1.10		
321,205	Houlihan Lokey	11,649	3.10		
98,450	Popular	4,279	1.14		
<b>Nonlife Insurance 2.61% (3.29%)</b>					
89,864	Hanover Insurance Group	9,817	2.61		
<b>Real Estate Investment Trusts 10.88% (8.65%)</b>					
374,276	First Industrial Realty	11,930	3.18		
341,073	QTS Realty Trust	13,714	3.65		
496,929	STORE Capital	15,234	4.05		
<b>Financial Services 8.36% (6.04%)</b>					
345,985	Moelis & Company	9,383	2.50		
1,022,001	Virtu Financial	15,906	4.23		
147,773	Voya Financial	6,121	1.63		
	<b>Total Financials</b>	<b>102,151</b>	<b>27.19</b>		
<b>TECHNOLOGY 8.46% (9.43%)</b>					
<b>Software &amp; Computer Services 4.58% (5.43%)</b>					
625,797	Altair Engineering Class A	17,205	4.58		
<b>Technology Hardware &amp; Equipment 3.88% (4.00%)</b>					
246,848	Impinj	7,300	1.94		
159,818	Teradyne	7,267	1.94		
	<b>Total Technology</b>	<b>31,772</b>	<b>8.46</b>		

## Threadneedle American Smaller Companies Fund (US)

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>COLLECTIVE INVESTMENT SCHEMES 0.00% (0.10%)</b>			
<b>Liquidity Funds 0.00% (0.10%)<sup>1</sup></b>			
	BlackRock Institutional Cash Series		
13,387	US Dollar Liquidity Platinum	11	–
	<b>Total Collective Investment Schemes</b>	<b>11</b>	<b>–</b>
<b>Total value of investments<sup>2</sup></b>		<b>368,638</b>	<b>98.12</b>
<b>Net other assets (0.62%)</b>		<b>7,062</b>	<b>1.88</b>
<b>Net assets</b>		<b>375,700</b>	<b>100.00</b>

March 2019 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

### Total Purchases and Sales

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	192,553	375,105
Total sales for the period	242,419	425,193

## Threadneedle Dollar Bond Fund

### Portfolio Statement

as at 7 September 2019

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 90.50% (96.03%)</b>					USD	420,000	Anheuser-Busch InBev 4.7%		
		<b>AAA 1.31% (1.45%)</b>					01/02/2036	395	0.73
USD	280,000	Johnson & Johnson 3.4% 15/01/2038	248	0.46	USD	200,000	Anheuser-Busch InBev 5.45%		
USD	540,000	Microsoft 2.875% 06/02/2024	459	0.85			23/01/2039	205	0.38
		<b>Aaa 45.62% (48.36%)</b>			USD	275,000	BP Cap Markets America 4.234%		
USD	2,500,000	United States Treasury Note/Bond 1.5% 15/06/2020	2,028	3.74	USD	90,000	Cigna 4.9% 15/12/2048	254	0.47
USD	6,169,000	United States Treasury Note/Bond 1.875% 30/04/2022	5,062	9.33	USD	220,000	Comcast Corporation 4.6% 15/10/2038	85	0.16
USD	3,105,600	United States Treasury Note/Bond 2% 15/11/2021	2,550	4.70	USD	275,000	Indiana Michigan Power 3.75%	214	0.39
USD	4,480,000	United States Treasury Note/Bond 2.250% 15/08/2027	3,835	7.07	USD	300,000	SGSP Australia Assets 3.3%	244	0.45
USD	2,414,000	United States Treasury Note/Bond 2.75% 15/02/2028	2,147	3.96	USD	275,000	SGSP Australia Assets 3.5%	251	0.46
USD	3,670,000	United States Treasury Note/Bond 2.75% 15/08/2047	3,419	6.30	USD	300,000	Southern California Edison 4.125%	236	0.43
USD	2,058,000	United States Treasury Note/Bond 4.25% 15/05/2039	2,329	4.29	USD	185,000	UBS Group Fund 4.253% 23/03/2028	166	0.31
USD	2,985,000	United States Treasury Note/Bond 4.5% 15/02/2036	3,377	6.23	USD	200,000		179	0.33
		<b>AA+ 1.48% (0.00%)</b>					<b>BBB+ 11.14% (13.61%)</b>		
USD	1,000,000	Apple 2.05% 11/09/2026	802	1.48	USD	870,000	BAT Capital 3.222% 15/08/2024	722	1.33
		<b>AA 0.23% (0.23%)</b>			USD	220,000	Cardinal Health 4.368% 15/06/2047	171	0.31
USD	130,000	Berkshire Hathaway Finance 4.25% 15/01/2049	126	0.23	USD	175,000	CSX 4.25% 15/03/2029	162	0.30
		<b>AA- 1.01% (2.26%)</b>			USD	250,000	Deutsche Telekom International Finance 2.485% 19/09/2023	205	0.38
USD	80,000	New York Life Insurance 4.45% 04/04/2069	77	0.14	USD	460,000	Duke Energy 3.4% 15/06/2029	394	0.73
USD	160,000	Northwestern 3.85% 30/09/2047	144	0.26	USD	440,000	GE Capital International Funding Company 4.418% 15/11/2035	363	0.67
USD	160,000	Port Authority of New York & New Jersey 4.458% 01/10/2062	167	0.31	USD	340,000	Goodman US Finance 3.7% 15/03/2028	288	0.53
USD	163,000	Teachers Insurance & Annuity Association of America 4.9% 15/09/2044	164	0.30	USD	200,000	Nisource 3.49% 15/05/2027	171	0.32
		<b>A+ 1.94% (2.24%)</b>			USD	279,000	NiSource Finance 4.8% 15/02/2044	267	0.49
USD	200,000	Alibaba Group 3.4% 06/12/2027	170	0.31	USD	300,000	Petroleos Mexicanos 6.5% 13/03/2027	247	0.46
USD	510,000	Oncor Electric Delivery 3.7% 15/11/2028	460	0.85	USD	310,000	PPL Capital Funding 4.2% 15/06/2022	264	0.49
USD	500,000	Siemens Financieringsmaatschappij 3.125% 16/03/2024	423	0.78	USD	235,000	Southern Copper 4.4% 01/07/2046	212	0.39
		<b>A1 0.00% (0.28%)</b>			USD	500,000	Sydney Airport 3.625% 28/04/2026	427	0.79
USD	300,000	Danske Bank 2.7% 02/03/2022	245	0.45	USD	230,000	United Technologies 4.125% 16/11/2028	213	0.39
USD	635,000	Five Corners Funding Trust 4.419% 15/11/2023	560	1.03	USD	300,000	Verizon Communications 4.4% 01/11/2034	280	0.52
USD	525,000	Loews 3.75% 01/04/2026	459	0.85	USD	120,000	Virginia Electric and Power Company 4.6% 01/12/2048	121	0.22
USD	180,000	NSTAR Electric 3.25% 15/05/2029	157	0.29	USD	960,000	Vonovia Finance 5% 02/10/2023	826	1.52
USD	150,000	PPL Electric Utilities 4.15% 15/06/2048	143	0.26	USD	530,000	Voya Financial 3.125% 15/07/2024	443	0.82
USD	100,000	San Diego Gas & Electric 4.15% 15/05/2048	94	0.17	USD	290,000	Woodside Finance 4.5% 04/03/2029	258	0.48
USD	255,000	Santander UK 2.875% 18/06/2024	210	0.39			<b>BBB 10.23% (12.29%)</b>		
		<b>A- 4.73% (4.99%)</b>			USD	325,000	APT Pipelines 4.2% 23/03/2025	281	0.52
USD	240,000	Abbvie 3.2% 06/11/2022	200	0.37	USD	230,000	APT Pipelines 5% 23/03/2035	211	0.39
USD	115,000	Abbvie 4.875% 14/11/2048	103	0.19	USD	220,000	AT&T 4.85% 01/03/2039	204	0.38
USD	40,000	Anheuser-Busch InBev 3.65% 01/02/2026	35	0.06	USD	379,000	AT&T 4.9% 15/08/2037	350	0.65
					USD	605,000	Ausgrid Finance 3.85% 01/05/2023	514	0.95
					USD	375,000	Ausgrid Finance 4.35% 01/08/2028	336	0.62
					USD	325,000	Bayer US Finance II 4.25% 15/12/2025	284	0.52
					USD	226,000	Becton Dickinson 3.7% 06/06/2027	196	0.36
					USD	317,000	CPI Property Group 4.75% 08/03/2023	269	0.50
					USD	150,000	CVS Health 5.05% 25/03/2048	140	0.26
					USD	120,000	E.ON International Finance 6.65% 30/04/2038	133	0.25
					USD	200,000	Ford Motor Company 5.291% 08/12/2046	154	0.28
					USD	200,000	Imperial Brands Finance 3.5% 26/07/2026	165	0.30
					USD	500,000	Imperial Tobacco Finance 3.5% 11/02/2023	416	0.77

## Threadneedle Dollar Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 90.50% (96.03%) (continued)</b>					<b>DERIVATIVES –0.18% (–0.21%)</b>				
USD	480,000	Kinder Morgan Energy Partners 5% 01/03/2043	427	0.79	USD	(3,000,000)	<b>Credit Default Swaps –0.10% (–0.31%)</b> Barclays CDX-NAIGS31V1-5Y Credit Default Swap Index Buy Protection 20/06/2024 Spread 100	(54)	(0.10)
USD	130,000	Kroger 4.65% 15/01/2048	111	0.20			<b>Futures and Options –0.08% (0.10%)</b>		
USD	83,000	Metropolitan Edison 4.3% 15/01/2029	76	0.14	USD	(5)	UBS US 2 Year Note Future Expiring December 2019	(1)	–
USD	430,000	Northrop Grumman 3.2% 01/02/2027	367	0.68	USD	(2)	UBS US 5 Year Note Future Expiring December 2019	(1)	–
USD	397,000	Thomson Reuters 4.3% 23/11/2023	345	0.64	USD	(1)	UBS US 10 Year Note Future Expiring December 2019 <sup>2</sup>	–	–
USD	110,000	Tyson Foods 5.1% 28/09/2048	109	0.20	USD	(47)	UBS US Long Bond Future Expiring December 2019	(40)	(0.08)
USD	97,000	Williams 4.85% 01/03/2048	85	0.16			<b>Forward Foreign Exchange Contracts 0.00% (0.00%)</b>		
USD	420,000	Williams Partners 4.3% 04/03/2024	364	0.67			Sell GBP 29,531		
		<b>Baa2 0.00% (0.71%)</b>					Buy USD 36,000 Bank of Scotland <sup>2</sup>	–	–
		<b>BBB– 5.91% (5.37%)</b>					Sell GBP 39,924		
USD	345,000	Asciano Finance 4.75% 22/03/2028	295	0.54			Buy USD 48,000 Credit Suisse	(1)	–
USD	810,000	Bacardi 4.45% 15/05/2025	707	1.30			Sell GBP 64,807		
USD	250,000	Bacardi 5.3% 15/05/2048	229	0.42			Buy USD 80,000 Citigroup <sup>2</sup>	–	–
USD	310,000	Bank Of Ireland Group 4.5% 25/11/2023	265	0.49			<b>Total Derivatives</b>	<b>(97)</b>	<b>(0.18)</b>
USD	380,000	Charter Communications Operating 4.5% 01/02/2024	332	0.61			<b>Total value of investments<sup>3</sup></b>	<b>50,121</b>	<b>92.42</b>
USD	225,000	Kraft Heinz Foods 4.375% 01/06/2046	175	0.32			<b>Net other assets/(liabilities) (–0.25%)</b>	<b>4,109</b>	<b>7.58</b>
USD	342,000	NXP Funding 5.35% 01/03/2026	313	0.58			<b>Net assets</b>	<b>54,230</b>	<b>100.00</b>
USD	252,000	Plains All Amer Pipeline 4.7% 15/06/2044	204	0.38					
USD	334,000	Plains All American Pipeline 4.65% 15/10/2025	290	0.53					
USD	464,000	Syngenta Finance 4.892% 24/04/2025	400	0.74					
		<b>BB+ 0.37% (0.43%)</b>							
USD	270,000	GMR Hyderabad 4.25% 27/10/2027	202	0.37					
		<b>B 0.06% (0.38%)</b>							
USD	71,000	Noble Holding International 6.95% 01/04/2045	31	0.06					
		<b>D 0.00% (0.49%)</b>							
		<b>Liquidity Funds 3.03% (0.00%)<sup>1</sup></b>							
USD	2,018,177	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	1,641	3.03					
		<b>Total Fixed Interest</b>	<b>49,077</b>	<b>90.50</b>					
<b>FLOATING RATE NOTES 2.10% (4.43%)</b>					<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>				
		<b>A 0.00% (0.90%)</b>						<b>Value</b>	<b>% of</b>
		<b>A– 0.61% (1.11%)</b>						<b>£000</b>	<b>Investment</b>
USD	370,000	*JPMorgan Chase Variable 3.882% 24/07/2038	333	0.61				49,077	97.92
		<b>BBB 0.50% (0.39%)</b>						1,141	2.28
USD	300,000	*Royal Bank of Scotland Group Variable 27/01/2030	273	0.50				(97)	(0.20)
		<b>BBB– 0.32% (1.29%)</b>						<b>Total value of investments<sup>3</sup></b>	<b>50,121</b>
USD	200,000	*Credit Agricole Variable 23/03/2167	175	0.32				<b>100.00</b>	
		<b>BB 0.32% (0.36%)</b>							
USD	200,000	*UBS Group Funding Switzerland Variable 31/07/2167	173	0.32					
		<b>BB– 0.35% (0.38%)</b>							
USD	215,000	*Credit Suisse Group Variable 12/03/2167	187	0.35					
		<b>Total Floating Rate Notes</b>	<b>1,141</b>	<b>2.10</b>					
					<b>ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS</b>				
					<b>Value</b>				
					<b>£000</b>				
					UBS US 2 Year Note Future Expiring December 2019				
					(878)				
					UBS US 5 Year Note Future Expiring December 2019				
					(195)				
					UBS US 10 Year Note Future Expiring December 2019				
					(107)				
					UBS US Long Bond Future Expiring December 2019				
					(6,253)				
					<b>Total net exposure</b>				
					<b>(7,433)</b>				
					<b>Total Purchases and Sales</b>				
					<i>for the accounting period 8 March 2019 to 7 September 2019</i>				
					<b>2019</b>				
					<b>£000</b>				
					<b>2018</b>				
					<b>£000</b>				
					Total purchases for the period				
					19,772				
					Total sales for the period				
					18,673				
					28,305				
					79,366				



## Threadneedle Japan Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>INDUSTRIALS 25.99% (27.67%)</b>				<b>Travel &amp; Leisure 0.95% (0.42%)</b>			
	<b>Construction &amp; Materials 8.68% (9.50%)</b>			564,200	Koshidaka Holdings	7,158	0.95
290,400	Daikin Industries	31,025	4.11	<b>Total Consumer Services</b>			
1,181,000	Kinden	13,816	1.83			<b>20,555</b>	<b>2.72</b>
2,293,800	Takuma	20,661	2.74	<b>TELECOMMUNICATIONS 7.32% (6.29%)</b>			
	<b>General Industrials 3.33% (3.33%)</b>			<b>Fixed Line Telecommunications 4.52% (3.95%)</b>			
1,514,300	Itochu	25,162	3.33	888,600	Nippon Telegraph & Telephone	34,144	4.52
	<b>Electronic &amp; Electrical Equipment 7.87% (7.82%)</b>			<b>Mobile Telecommunications 2.80% (2.34%)</b>			
603,100	Amano Corporation	14,807	1.96	596,100	SoftBank Group	21,128	2.80
60,400	Keyence	29,443	3.90	<b>Total Telecommunications</b>			
143,100	Nidec	15,179	2.01			<b>55,272</b>	<b>7.32</b>
	<b>Industrial Engineering 0.00% (0.19%)</b>			<b>FINANCIALS 10.01% (9.88%)</b>			
	<b>Support Services 6.11% (6.83%)</b>			<b>Banks 0.60% (2.30%)</b>			
428,300	Benefit One	5,954	0.79	1,138,000	Mitsubishi UFJ Financial Group	4,496	0.60
906,400	Mitsubishi	18,630	2.47	<b>Life Insurance 3.34% (2.04%)</b>			
872,600	Recruit Holdings	21,557	2.85	2,213,500	Dai-ichi Life Insurance	25,196	3.34
	<b>Total Industrials</b>	<b>196,234</b>	<b>25.99</b>	<b>Real Estate Investment Trusts 1.69% (1.38%)</b>			
				7,214	ORIX JREIT	12,782	1.69
<b>CONSUMER GOODS 24.17% (25.94%)</b>				<b>Financial Services 4.38% (4.16%)</b>			
	<b>Automobiles &amp; Parts 6.04% (6.27%)</b>			566,700	Nihon M&A Center	13,289	1.76
349,000	Koito Manufacturing	13,264	1.76	1,620,400	Orix	19,787	2.62
605,300	Toyota Motor	32,313	4.28	<b>Total Financials</b>			
	<b>Beverages 1.34% (2.62%)</b>					<b>75,550</b>	<b>10.01</b>
638,000	Kirin Holdings Company	10,138	1.34	<b>TECHNOLOGY 12.08% (6.37%)</b>			
	<b>Household Goods &amp; Home Construction 2.25% (2.35%)</b>			<b>Software &amp; Computer Services 6.02% (3.82%)</b>			
293,400	Katitas	9,378	1.24	160,900	Brainpad	8,011	1.06
225,800	Shoei	7,629	1.01	321,200	Comture	9,510	1.26
	<b>Leisure Goods 7.86% (6.54%)</b>			133,900	Digital Arts	7,817	1.04
199,500	Bandai Namco Holdings	9,690	1.28	327,700	Justsystems	9,030	1.20
78,400	Nintendo	24,690	3.27	119,100	OBIC	11,036	1.46
517,100	Sony	24,975	3.31	<b>Technology Hardware &amp; Equipment 6.06% (2.55%)</b>			
	<b>Personal Goods 6.68% (8.16%)</b>			711,400	Elecom	23,090	3.06
573,100	Kao	33,582	4.45	461,100	Lasertec	22,677	3.00
222,200	Milbon	8,428	1.12	<b>Total Technology</b>			
335,300	Unicharm	8,357	1.11			<b>91,171</b>	<b>12.08</b>
	<b>Total Consumer Goods</b>	<b>182,444</b>	<b>24.17</b>	<b>DERIVATIVES 0.00% (0.00%)</b>			
<b>HEALTH CARE 13.79% (17.94%)</b>				<b>Forward Foreign Exchange Contracts 0.00% (0.00%)</b>			
	<b>Health Care Equipment &amp; Services 5.88% (8.36%)</b>			Sell JPY 4,155,000			
446,800	ASAHI INTECC	8,355	1.11	Buy GBP 32,543 Bank of Scotland			
452,200	Hoya	30,918	4.10	Sell JPY 55,136,000			
382,600	Nakanishi	5,028	0.67	Buy GBP 425,479 Bank of Scotland			
	<b>Pharmaceuticals &amp; Biotechnology 7.91% (9.58%)</b>			Sell JPY 118,867,000			
536,500	Daiichi Sankyo	28,689	3.80	Buy GBP 901,041 Bank of Scotland			
317,400	Peptidream	13,173	1.74	<b>Total Derivatives</b>			
638,700	Takeda Pharmaceutical	17,910	2.37			<b>4</b>	<b>-</b>
	<b>Total Health Care</b>	<b>104,073</b>	<b>13.79</b>	<b>Total value of investments</b>			
<b>CONSUMER SERVICES 2.72% (1.72%)</b>						<b>725,303</b>	<b>96.08</b>
	<b>Food &amp; Drug Retailers 0.00% (1.30%)</b>			<b>Net other assets (4.19%)</b>			
	<b>General Retailers 0.64% (0.00%)</b>					<b>29,576</b>	<b>3.92</b>
307,200	ZOZO	4,866	0.64	<b>Net assets</b>			
	<b>Media 1.13% (0.00%)</b>					<b>754,879</b>	<b>100.00</b>
650,600	ValueCommerce	8,531	1.13	<i>March 2019 comparatives in brackets.</i>			
				<b>Total Purchases and Sales</b>			
				<i>for the accounting period 8 March 2019 to 7 September 2019</i>			
						<b>2019</b>	<b>2018</b>
						<b>£000</b>	<b>£000</b>
				Total purchases for the period		186,434	258,583
				Total sales for the period		217,683	243,158

## Threadneedle Asia Fund

### Portfolio Statement

as at 7 September 2019

	Value £000	% of Net Asset Value		Value £000	% of Net Asset Value	
<b>AUSTRALIA 15.32% (15.65%)</b>						
			<b>Mining 3.45% (4.26%)</b>			
919,861	BHP Group (AUD)	18,497	3.45			
			<b>Construction &amp; Materials 1.82% (0.95%)</b>			
1,048,768	Lend Lease Group	9,795	1.82			
			<b>General Industrials 0.92% (0.98%)</b>			
620,204	Amcor	4,965	0.92			
			<b>Industrial Transportation 0.00% (0.92%)</b>			
			<b>Beverages 0.98% (0.87%)</b>			
498,569	Treasury Wine Estates	5,244	0.98			
			<b>Pharmaceuticals &amp; Biotechnology 2.91% (2.38%)</b>			
116,541	CSL	15,629	2.91			
			<b>Travel &amp; Leisure 1.35% (0.00%)</b>			
439,379	Aristocrat Leisure	7,243	1.35			
			<b>Banks 1.89% (1.97%)</b>			
674,651	Australia & New Zealand Banking Group	10,127	1.89			
			<b>Financial Services 2.00% (3.32%)</b>			
152,526	Macquarie Group	10,727	2.00			
	<b>Total Australia</b>	<b>82,227</b>	<b>15.32</b>			
<b>CAYMAN ISLANDS 15.32% (14.83%)</b>						
			<b>General Retailers 6.57% (6.66%)</b>			
223,470	Alibaba Group ADR	32,508	6.06			
107,797	JD.com ADR	2,702	0.51			
			<b>Travel &amp; Leisure 1.74% (1.29%)</b>			
2,436,000	Sands China	9,349	1.74			
			<b>Real Estate Investment &amp; Services 1.25% (1.13%)</b>			
1,947,184	China Resources Land	6,725	1.25			
			<b>Software &amp; Computer Services 5.76% (5.75%)</b>			
868,280	Tencent Holdings	30,908	5.76			
	<b>Total Cayman Islands</b>	<b>82,192</b>	<b>15.32</b>			
<b>CHINA 12.88% (13.19%)</b>						
			<b>Industrial Metals &amp; Mining 0.00% (1.04%)</b>			
			<b>Construction &amp; Materials 1.45% (1.38%)</b>			
1,591,500	Anhui Conch Cement	7,791	1.45			
			<b>Industrial Engineering 0.55% (0.78%)</b>			
5,059,000	CRRC Corporation 'H' Shares	2,928	0.55			
			<b>Industrial Transportation 0.73% (0.51%)</b>			
401,460	Shanghai International Airport-A	3,947	0.73			
			<b>Beverages 2.02% (1.34%)</b>			
675,917	Wuliangye Yibin	10,821	2.02			
			<b>General Retailers 1.34% (1.36%)</b>			
			78,455	New Oriental Education & Technology Group ADR	7,189	1.34
				<b>Banks 3.78% (4.14%)</b>		
			13,644,524	China Construction Bank	8,520	1.59
			2,957,000	China Merchants Bank	11,777	2.19
				<b>Life Insurance 3.01% (2.64%)</b>		
			1,657,772	Ping An Insurance Group	16,129	3.01
				<b>Total China</b>	<b>69,102</b>	<b>12.88</b>
			<b>HONG KONG 13.91% (15.50%)</b>			
				<b>Oil &amp; Gas Producers 1.85% (2.29%)</b>		
			7,968,760	CNOOC	9,918	1.85
				<b>Household Goods &amp; Home Construction 0.98% (0.54%)</b>		
			876,500	Techtronic Industries	5,255	0.98
				<b>Pharmaceuticals &amp; Biotechnology 0.95% (0.80%)</b>		
			3,084,000	CSPC Pharmaceutical Group	5,112	0.95
				<b>Travel &amp; Leisure 1.82% (1.61%)</b>		
			1,780,000	Galaxy Entertainment Group	9,776	1.82
				<b>Mobile Telecommunications 0.91% (1.39%)</b>		
			709,500	China Mobile	4,861	0.91
				<b>Life Insurance 4.38% (4.42%)</b>		
			2,846,916	AIA Group	23,534	4.38
				<b>Real Estate Investment &amp; Services 1.39% (2.29%)</b>		
			626,000	Sun Hung Kai Properties	7,467	1.39
				<b>Financial Services 1.63% (2.16%)</b>		
			337,235	Hong Kong Exchanges and Clearing	8,724	1.63
				<b>Total Hong Kong</b>	<b>74,647</b>	<b>13.91</b>
			<b>INDIA 7.61% (7.36%)</b>			
				<b>Oil &amp; Gas Producers 0.88% (1.69%)</b>		
			340,465	Reliance Industries	4,716	0.88
				<b>Industrial Engineering 0.55% (0.75%)</b>		
			490,036	Mahindra & Mahindra	2,949	0.55
				<b>Personal Goods 0.72% (0.58%)</b>		
			568,124	Godrej Consumer Products	3,863	0.72
				<b>Gas, Water &amp; Multiutilities 1.35% (0.00%)</b>		
			2,410,801	Petronet LNG	7,224	1.35
				<b>Banks 3.02% (3.39%)</b>		
			495,513	HDFC Bank	12,597	2.35
			812,865	ICICI Bank	3,617	0.67
				<b>Software &amp; Computer Services 1.09% (0.95%)</b>		
			613,219	Infosys	5,847	1.09
				<b>Total India</b>	<b>40,813</b>	<b>7.61</b>

## Threadneedle Asia Fund

### Portfolio Statement

(continued)

	Value £000	% of Net Asset Value		Value £000	% of Net Asset Value
<b>INDONESIA 4.07% (3.72%)</b>			<b>TAIWAN 11.33% (9.60%)</b>		
Industrial Engineering 0.63% (0.00%)			Electronic & Electrical Equipment 0.77% (0.48%)		
2,718,200 United Tractors	3,383	0.63	1,009,000 Chroma Ate	4,108	0.77
Fixed Line Telecommunications 1.61% (1.45%)			Leisure Goods 1.00% (1.18%)		
35,696,500 Telekomunikasi Indonesia	8,670	1.61	52,000 Largan Precision	5,384	1.00
Banks 1.83% (2.27%)			Banks 1.35% (1.10%)		
39,915,700 Bank Rakyat Indonesia	9,810	1.83	10,951,797 E.Sun Financial	7,251	1.35
<b>Total Indonesia</b>	<b>21,863</b>	<b>4.07</b>	Technology Hardware & Equipment 8.21% (6.84%)		
<b>MALAYSIA 0.00% (0.32%)</b>			1,330,000 MediaTek	12,958	2.42
Banks 0.00% (0.32%)			4,544,408 Taiwan Semiconductor Manufacturing	31,094	5.79
<b>Total Malaysia</b>	<b>-</b>	<b>-</b>	<b>Total Taiwan</b>	<b>60,795</b>	<b>11.33</b>
<b>PHILIPPINES 2.58% (3.54%)</b>			<b>THAILAND 1.52% (0.97%)</b>		
Gas, Water & Multiutilities 0.00% (0.77%)			Oil & Gas Producers 0.70% (0.00%)		
Banks 1.23% (1.26%)			2,057,500 Thai Oil	3,764	0.70
6,033,510 Metropolitan Bank & Trust	6,622	1.23	Banks 0.82% (0.97%)		
Real Estate Investment & Services 1.35% (1.51%)			1,038,032 Kasikornbank	4,362	0.82
9,347,460 Ayala Land	7,242	1.35	<b>Total Thailand</b>	<b>8,126</b>	<b>1.52</b>
<b>Total Philippines</b>	<b>13,864</b>	<b>2.58</b>	<b>UNITED KINGDOM 0.00% (1.32%)</b>		
<b>REPUBLIC OF IRELAND 2.43% (0.00%)</b>			Collective Investment Schemes 0.00% (1.32%)		
Liquidity Funds 2.43% (0.00%) <sup>1</sup>			<b>Total United Kingdom</b>	<b>-</b>	<b>-</b>
16,042,690 BlackRock Institutional Cash Series US Dollar Liquidity Platinum	13,045	2.43	<b>Total value of investments<sup>2</sup></b>	<b>541,532</b>	<b>100.92</b>
<b>Total Republic of Ireland</b>	<b>13,045</b>	<b>2.43</b>	<b>Net other (liabilities)/assets (0.75%)</b>	<b>(4,916)</b>	<b>(0.92)</b>
<b>SINGAPORE 3.65% (3.84%)</b>			<b>Net assets</b>	<b>536,616</b>	<b>100.00</b>
Banks 2.28% (3.84%)					
816,600 United Overseas Bank	12,238	2.28			
Real Estate Investment & Services 1.37% (0.00%)					
3,523,900 Capitaland	7,361	1.37			
<b>Total Singapore</b>	<b>19,599</b>	<b>3.65</b>			
<b>SOUTH KOREA 10.30% (9.41%)</b>					
Chemicals 0.00% (0.99%)					
Electronic & Electrical Equipment 2.90% (2.34%)					
115,739 Samsung Elec Mech Krw5000	7,643	1.42			
47,888 Samsung SDI	7,938	1.48			
Beverages 0.61% (0.00%)					
185,654 HiteJinro	3,273	0.61			
General Retailers 0.00% (0.64%)					
Banks 0.87% (0.97%)					
169,405 KB Financial Group	4,667	0.87			
Technology Hardware & Equipment 5.92% (4.47%)					
1,010,115 Samsung Electronics	31,738	5.92			
<b>Total South Korea</b>	<b>55,259</b>	<b>10.30</b>			

March 2019 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

#### Total Purchases and Sales

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	169,479	111,986
Total sales for the period	114,113	94,718

## Threadneedle Latin America Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>ARGENTINA 0.00% (0.62%)</b>				<b>Banks 9.03% (19.31%)</b>			
	Electricity 0.00% (0.62%)			2,810,612	Banco Bradesco	18,463	4.52
	<b>Total Argentina</b>	<b>–</b>	<b>–</b>	1,039,565	Banco do Brasil	9,760	2.39
<b>BERMUDA 4.15% (4.14%)</b>				1,285,715	Itau Unibanco Holding Preference Share	8,655	2.12
	<b>Banks 4.15% (4.14%)</b>			<b>Nonlife Insurance 7.28% (4.54%)</b>			
98,584	Credicorp	16,956	4.15	1,495,458	BB Seguridade Participacoes	9,646	2.36
	<b>Total Bermuda</b>	<b>16,956</b>	<b>4.15</b>	523,997	IRB-Brasil Resseguros S.A.	10,607	2.60
<b>BRAZIL 66.65% (61.77%)</b>				1,026,409	Sul America	9,495	2.32
	<b>Oil &amp; Gas Producers 10.83% (9.36%)</b>			<b>Real Estate Investment &amp; Services 0.00% (1.30%)</b>			
1,813,392	Petrobras Distribuidora	10,115	2.48	<b>Financial Services 9.20% (1.60%)</b>			
1,845,763	Petrol Brasileiro Preference share	9,638	2.36	864,557	B3 SA Brasil Bolsa Balcao	7,744	1.89
3,221,134	Petroleo Brasileiro	18,483	4.52	1,322,390	Bradespar	7,627	1.87
575,419	Petroleo Brasileiro ADR	5,998	1.47	8,942,099	Itausa - Investimentos Itau	22,241	5.44
	<b>Forestry &amp; Paper 0.92% (1.84%)</b>			<b>Software &amp; Computer Services 1.34% (0.00%)</b>			
644,291	Suzano Papel e Celulose	3,761	0.92	512,978	Totvs	5,470	1.34
	<b>Industrial Metals &amp; Mining 4.16% (6.04%)</b>			<b>Total Brazil</b>			
1,845,697	Vale	16,986	4.16			<b>272,297</b>	<b>66.65</b>
	<b>Industrial Transportation 0.91% (0.00%)</b>			<b>BRITISH VIRGIN ISLANDS 0.00% (0.22%)</b>			
810,791	Rumo	3,727	0.91	<b>Travel &amp; Leisure 0.00% (0.22%)</b>			
	<b>Support Services 0.26% (0.32%)</b>			<b>Total British Virgin Islands</b>			
38,413	StoneCo	1,057	0.26			<b>–</b>	<b>–</b>
	<b>Beverages 1.34% (1.45%)</b>			<b>CANADA 0.53% (0.75%)</b>			
1,479,209	Ambev	5,467	1.34	<b>Oil &amp; Gas Producers 0.53% (0.50%)</b>			
	<b>Personal Goods 1.83% (0.00%)</b>			167,672	Parex Resources	2,175	0.53
782,301	Arezzo Industria E Comercio	7,483	1.83	<b>Industrial Metals &amp; Mining 0.00% (0.25%)</b>			
	<b>Health Care Equipment &amp; Services 4.37% (1.88%)</b>			<b>Total Canada</b>			
35,657	Afya Class A	723	0.18			<b>2,175</b>	<b>0.53</b>
456,610	Hapvida Participacoes E Investimentos	4,527	1.11	<b>CAYMAN ISLANDS 0.70% (0.70%)</b>			
1,150,294	Notredame Intermedica	12,577	3.08	<b>Support Services 0.70% (0.70%)</b>			
	<b>Pharmaceuticals &amp; Biotechnology 0.00% (1.31%)</b>			66,463	PagSeguro Digital	2,858	0.70
	<b>General Retailers 9.20% (7.78%)</b>			<b>Total Cayman Islands</b>			
58,074	Arco Platform 'A' Shares	2,267	0.55			<b>2,858</b>	<b>0.70</b>
156,689	B2W Digital	1,445	0.35	<b>CHILE 1.12% (2.98%)</b>			
1,192,759	Localiza Rent a Car	11,144	2.73	<b>Beverages 1.12% (2.98%)</b>			
1,525,293	Lojas Americanas	5,728	1.40	1,822,529	Embotelladora Andina	4,555	1.12
1,714,152	Lojas Renner	17,043	4.17	<b>Total Chile</b>			
	<b>Travel &amp; Leisure 1.97% (0.78%)</b>					<b>4,555</b>	<b>1.12</b>
233,227	Azul	2,271	0.56	<b>COLOMBIA 2.15% (1.91%)</b>			
1,518,435	BK Brasil Operacao e Assessoria	5,766	1.41	<b>Banks 2.15% (1.91%)</b>			
	<b>Mobile Telecommunications 1.34% (0.76%)</b>			218,708	Bancolombia ADR	8,789	2.15
871,840	Linx	5,472	1.34	<b>Total Colombia</b>			
	<b>Electricity 2.67% (3.50%)</b>					<b>8,789</b>	<b>2.15</b>
1,630,683	Light	6,347	1.55	<b>LUXEMBOURG 1.21% (0.54%)</b>			
812,117	Transmissora Alianca de Energia Eletrica	4,564	1.12	<b>Industrial Metals &amp; Mining 0.58% (0.00%)</b>			
				157,511	Ternium S.A. Sponsored	2,371	0.58
				<b>Software &amp; Computer Services 0.63% (0.54%)</b>			
				33,099	Globant	2,553	0.63
				<b>Total Luxembourg</b>			
						<b>4,924</b>	<b>1.21</b>
				<b>MEXICO 16.17% (18.30%)</b>			
				<b>Chemicals 0.00% (0.90%)</b>			
				<b>Industrial Metals &amp; Mining 1.36% (1.15%)</b>			
				2,944,187	Grupo Mexico	5,550	1.36

## Threadneedle Latin America Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>MEXICO 16.17% (18.30%) (continued)</b>			
<b>General Industrials 0.00% (1.10%)</b>			
<b>Industrial Transportation 0.94% (1.90%)</b>			
315,163	Grupo Aeroport Del Sureste	3,833	0.94
<b>Beverages 4.25% (4.28%)</b>			
231,605	Fomento Economico Mexicano ADR	17,364	4.25
<b>General Retailers 3.43% (3.22%)</b>			
5,747,919	Wal-Mart de Mexico	13,993	3.43
<b>Travel &amp; Leisure 0.68% (0.67%)</b>			
1,565,372	Alsea Sab de CV	2,771	0.68
<b>Mobile Telecommunications 2.29% (2.67%)</b>			
795,273	America Movil ADR	9,370	2.29
<b>Banks 3.22% (2.41%)</b>			
2,938,099	Grupo Financiero Banorte	13,172	3.22
	<b>Total Mexico</b>	<b>66,053</b>	<b>16.17</b>
<b>PANAMA 1.20% (0.78%)</b>			
<b>Travel &amp; Leisure 1.20% (0.78%)</b>			
59,206	Copa Holdings	4,915	1.20
	<b>Total Panama</b>	<b>4,915</b>	<b>1.20</b>
<b>REPUBLIC OF IRELAND 2.65% (0.41%)</b>			
<b>Liquidity Funds 2.65% (0.41%)<sup>1</sup></b>			
13,288,090	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	10,805	2.65
	<b>Total Republic of Ireland</b>	<b>10,805</b>	<b>2.65</b>
<b>UNITED STATES OF AMERICA 4.46% (6.11%)</b>			
<b>General Retailers 0.55% (0.54%)</b>			
4,610	Mercadolibre	2,269	0.55
<b>Banks 1.93% (2.75%)</b>			
341,330	BCO Santander Chile ADR	7,874	1.93
<b>Technology Hardware &amp; Equipment 1.98% (2.82%)</b>			
362,731	Ituran Location and Control	8,091	1.98
	<b>Total United States of America</b>	<b>18,234</b>	<b>4.46</b>
<b>Total value of investments<sup>2</sup></b>		<b>412,561</b>	<b>100.99</b>
<b>Net other liabilities/assets (0.77%)</b>		<b>(4,031)</b>	<b>(0.99)</b>
<b>Net assets</b>		<b>408,530</b>	<b>100.00</b>

March 2019 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

### Total Purchases and Sales

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	176,721	217,611
Total sales for the period	204,726	210,903

## Threadneedle Emerging Market Bond Fund

### Portfolio Statement

as at 7 September 2019

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>ANGOLA 0.00% (0.61%)</b>					<b>CAYMAN ISLANDS 4.06% (2.11%)</b>				
		<b>B3 0.00% (0.61%)</b>					<b>A+ 1.51% (0.00%)</b>		
		<b>Total Angola</b>			USD	1,000,000	Alibaba Group 4.5% 28/11/2034	932	0.48
					USD	2,270,000	Tencent Holdings 3.975% 11/04/2029	1,990	1.03
<b>ARGENTINA 1.56% (6.61%)</b>							<b>A 0.80% (0.00%)</b>		
		<b>B 0.00% (5.91%)</b>			USD	1,925,000	CK Hutchison International 19 3.375% 06/09/2049	1,543	0.80
		<b>CCC- 1.56% (0.00%)</b>					<b>BBB- 0.00% (0.71%)</b>		
USD	3,045,000	Republic of Argentina 6.625% 06/07/2028	1,006	0.52	USD	700,000	Energuate Trust 5.875% 03/05/2027	568	0.29
USD	1,825,000	Republic of Argentina 6.875% 26/01/2027	618	0.32			<b>Ba2 0.29% (0.41%)</b>		
USD	1,050,000	Republic of Argentina 7.125% 06/07/2036	357	0.18			<b>B+ 0.00% (0.55%)</b>		
USD	1,500,000	Republic of Argentina International Bond 5.875% 11/01/2028	500	0.26			<b>Not Rated 1.46% (0.44%)</b>		
USD	1,615,000	Republic of Argentina International Bond 6.875% 11/01/2048	550	0.28	USD	3,600,000	*Lenovo Group Perpetual Variable 16/09/2167	2,843	1.46
		<b>Not Rated 0.00% (0.70%)</b>					<b>Total Cayman Islands</b>	<b>7,876</b>	<b>4.06</b>
		<b>Total Argentina</b>	<b>3,031</b>	<b>1.56</b>	<b>CROATIA 1.24% (1.21%)</b>				
<b>BAHRAIN 0.57% (1.26%)</b>					USD	2,560,000	Croatia Government International Bond 6% 26/01/2024	2,414	1.24
		<b>B+ 0.57% (1.26%)</b>					<b>BBB- 1.24% (0.00%)</b>		
USD	1,200,000	Kingdom of Bahrain 7% Notes 26/01/2026	1,115	0.57			<b>BB+ 0.00% (1.21%)</b>		
		<b>Total Bahrain</b>	<b>1,115</b>	<b>0.57</b>			<b>Total Croatia</b>	<b>2,414</b>	<b>1.24</b>
<b>BELARUS 1.30% (1.21%)</b>					<b>DOMINICAN REPUBLIC 4.74% (5.76%)</b>				
		<b>B 1.30% (1.21%)</b>			USD	868,000	Dominican Republic International Bond 6.4% 05/06/2049	796	0.41
USD	2,370,000	Republic of Belarus 6.2% 28/02/2030	2,064	1.06	USD	1,475,000	Dominican Republic International Bond 6.85% 27/01/2045	1,408	0.73
USD	500,000	Republic of Belarus 7.625% 29/06/2027	463	0.24	USD	1,382,000	Dominican Republic International Bond 7.45% 30/04/2044	1,393	0.72
		<b>Total Belarus</b>	<b>2,527</b>	<b>1.30</b>	DOP	84,600,000	Dominican Republic International Bond 9.75% 05/06/2026	1,387	0.71
<b>BRAZIL 5.25% (5.57%)</b>							<b>Not Rated 2.17% (3.27%)</b>		
		<b>BB- 5.25% (4.40%)</b>			DOP	155,000,000	Dominican Republic International Bond 11.25% 05/02/2027	2,699	1.39
BRL	8,760	Brazil Government International Bond 10% 01/01/2025	2,002	1.03	DOP	85,400,000	Dominican Republic International Bond 11.5% 10/05/2024	1,512	0.78
USD	4,600,000	Brazil Government International Bond 5% 27/01/2045	4,001	2.06			<b>Total Dominican Republic</b>	<b>9,195</b>	<b>4.74</b>
USD	4,477,000	Brazil Government International Bond 5.625% 07/01/2041	4,181	2.16	<b>ECUADOR 0.62% (2.03%)</b>				
		<b>Ba3 0.00% (1.17%)</b>			USD	1,370,000	Republic of Ecuador 9.65% 13/12/2026	1,198	0.62
		<b>Total Brazil</b>	<b>10,184</b>	<b>5.25</b>			<b>Not Rated 0.00% (0.62%)</b>		
<b>BRITISH VIRGIN ISLANDS 2.33% (5.15%)</b>							<b>Total Ecuador</b>	<b>1,198</b>	<b>0.62</b>
		<b>A+ 1.55% (4.03%)</b>			<b>EGYPT 4.68% (4.45%)</b>				
USD	2,250,000	Sinopec Group Overseas Development (2018) 4.125% 12/09/2025	1,990	1.02	USD	1,800,000	Arab Republic of Egypt 6.588% 21/02/2028	1,516	0.78
USD	1,200,000	State Grid 3.5% 04/05/2027	1,037	0.53	USD	1,500,000	Arab Republic of Egypt 7.903% 21/02/2048	1,283	0.66
		<b>BB+ 0.52% (0.00%)</b>			USD	1,425,000	Arab Republic of Egypt 8.7002% 01/03/2049	1,293	0.67
USD	1,150,000	Gold Fields Orogen Holdings 5.125% 15/05/2024	1,001	0.52			<b>B 2.11% (1.82%)</b>		
		<b>BB- 0.26% (0.00%)</b>					<b>Total EGYPT</b>	<b>4,092</b>	<b>4.45</b>
USD	600,000	Studio City 7.25% 30/11/2021	500	0.26					
		<b>Ba3 0.00% (1.12%)</b>							
		<b>Total British Virgin Islands</b>	<b>4,528</b>	<b>2.33</b>					

## Threadneedle Emerging Market Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>EGYPT 4.68% (4.45%) (continued)</b>					<b>LUXEMBOURG 1.16% (1.10%)</b>				
		<b>B2 0.17% (0.00%)</b>					<b>BBB- 0.00% (1.10%)</b>		
USD	375,000	Arab Republic of Egypt 8.5% 31/01/2047	336	0.17	USD	2,530,000	Millicom International Cellular 6.25% 25/03/2029	2,248	1.16
		<b>B3 0.00% (0.44%)</b>					<b>Ba2 1.16% (0.00%)</b>		
		<b>Not Rated 2.40% (2.19%)</b>					<b>Total Luxembourg</b>	<b>2,248</b>	<b>1.16</b>
EGP	96,950,000	Egypt Treasury Bill 0% 05/11/2019	4,660	2.40					
		<b>Total Egypt</b>	<b>9,088</b>	<b>4.68</b>	<b>MEXICO 8.83% (4.05%)</b>				
<b>EL SALVADOR 0.19% (0.00%)</b>							<b>BBB+ 7.71% (4.05%)</b>		
		<b>B- 0.19% (0.00%)</b>			USD	2,000,000	Petroleos Mexicanos 4.25% 15/01/2025	1,554	0.80
USD	450,000	El Salvador Government International Bond 7.1246% 20/01/2050	376	0.19	USD	5,191,000	Petroleos Mexicanos 6.375% 23/01/2045	3,860	1.99
		<b>Total El Salvador</b>	<b>376</b>	<b>0.19</b>	USD	4,093,000	Petroleos Mexicanos 6.5% 02/06/2041	3,127	1.61
<b>GHANA 0.36% (0.00%)</b>							<b>BB 1.12% (0.00%)</b>		
		<b>B 0.36% (0.00%)</b>			USD	2,500,000	Petroleos Mexicanos 6.5% 23/01/2029	2,045	1.05
USD	864,000	Republic of Ghana 8.125% 26/03/2032	704	0.36	USD	2,092,000	Petroleos Mexicanos 6.625% 15/06/2035	1,643	0.85
		<b>Total Ghana</b>	<b>704</b>	<b>0.36</b>	USD	1,265,000	Petroleos Mexicanos 6.75% 21/09/2047	971	0.50
<b>HONDURAS 1.29% (1.38%)</b>							<b>BB 1.12% (0.00%)</b>		
		<b>BB- 1.29% (1.38%)</b>			USD	750,000	Petroleos Mexicanos 6.875% 04/08/2026	636	0.33
USD	2,800,000	Republic of Honduras 6.25% 19/01/2027	2,504	1.29	USD	1,250,000	United Mexican States 4.5% 22/04/2029	1,120	0.58
		<b>Total Honduras</b>	<b>2,504</b>	<b>1.29</b>	USD	1,600,000	Cemex 7.75% 16/04/2026	1,408	0.72
<b>HONG KONG 0.00% (0.91%)</b>							<b>Total Mexico</b>	<b>17,148</b>	<b>8.83</b>
		<b>Not Rated 0.00% (0.91%)</b>			USD	1,000,000	Elementia 5.5% 15/01/2025	784	0.40
		<b>Total Hong Kong</b>	<b>-</b>	<b>-</b>	<b>MONGOLIA 0.53% (0.00%)</b>				
<b>INDONESIA 5.37% (8.31%)</b>							<b>B 0.53% (0.00%)</b>		
		<b>BBB 1.92% (0.00%)</b>			USD	1,250,000	Mongolia Government Bond 4% 01/05/2023	1,034	0.53
USD	2,500,000	Indonesia Government International Bond 5.125% 15/01/2045	2,491	1.28			<b>Total Mongolia</b>	<b>1,034</b>	<b>0.53</b>
USD	1,150,000	Pertamina Persero 6.45% 30/05/2044	1,233	0.64	<b>MOROCCO 0.60% (1.11%)</b>				
		<b>Baa2 3.45% (2.05%)</b>					<b>BBB- 0.60% (1.11%)</b>		
USD	227,000	Indonesia Asahan Aluminium 6.53% 15/11/2028	228	0.12	USD	1,150,000	OCP Group 6.875% 25/04/2044	1,165	0.60
USD	2,225,000	Indonesia Asahan Aluminium 6.757% 15/11/2048	2,396	1.23			<b>Total Morocco</b>	<b>1,165</b>	<b>0.60</b>
USD	4,250,000	Indonesia Government International Bond 4.75% 18/07/2047	4,086	2.10	<b>NETHERLANDS 2.23% (5.01%)</b>				
		<b>BBB- 0.00% (3.95%)</b>					<b>BBB- 2.05% (3.06%)</b>		
		<b>BB+ 0.00% (2.31%)</b>			USD	3,380,000	Syngenta Finance 5.182% 24/04/2028	2,924	1.50
		<b>Total Indonesia</b>	<b>10,434</b>	<b>5.37</b>	USD	1,250,000	Syngenta Finance 5.676% 24/04/2048	1,061	0.55
<b>IVORY COAST 0.80% (1.38%)</b>							<b>BB- 0.00% (1.95%)</b>		
		<b>Ba3 0.00% (0.60%)</b>					<b>Ba3 0.18% (0.00%)</b>		
		<b>Not Rated 0.80% (0.78%)</b>			USD	417,000	Mong Duong Finance Holdings 5.125% 07/05/2029	348	0.18
USD	2,168,000	*Ivory Coast 2.5% 31/12/2032	1,543	0.80			<b>Total Netherlands</b>	<b>4,333</b>	<b>2.23</b>
		<b>Total Ivory Coast</b>	<b>1,543</b>	<b>0.80</b>	<b>NIGERIA 3.79% (3.35%)</b>				
<b>KAZAKHSTAN 1.53% (1.37%)</b>							<b>B 2.11% (1.76%)</b>		
		<b>Baa3 1.53% (1.37%)</b>			USD	1,845,000	Nigeria Government International Bond 6.5% 28/11/2027	1,527	0.79
USD	3,113,000	KazMunayGas 5.375% 24/04/2030	2,968	1.53	USD	2,961,000	Nigeria Government International Bond 7.875% 16/02/2032	2,567	1.32
		<b>Total Kazakhstan</b>	<b>2,968</b>	<b>1.53</b>					



## Threadneedle Emerging Market Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>NIGERIA 3.79% (3.35%) (continued)</b>					<b>ROMANIA 1.01% (0.00%)</b>				
		<b>Not Rated 1.68% (1.59%)</b>					<b>BBB- 1.01% (0.00%)</b>		
NGN	1,520,000,000	Nigeria Government Treasury Bill 0% 16/01/2020	3,260	1.68	EUR	1,700,000	Romania Government International Bond 4.625% 03/04/2049	1,962	1.01
		<b>Total Nigeria</b>	<b>7,354</b>	<b>3.79</b>			<b>Total Romania</b>	<b>1,962</b>	<b>1.01</b>
<b>OMAN 2.42% (2.52%)</b>					<b>RUSSIA 4.03% (0.00%)</b>				
		<b>Ba1 1.67% (2.52%)</b>					<b>Not Rated 4.03% (0.00%)</b>		
USD	2,102,000	Oman Government International 6.75% 17/01/2048	1,624	0.83	USD	1,600,000	Russian Federal Bond 5.1% 28/03/2035	1,487	0.77
USD	2,000,000	Oman Government International Bond 6% 01/08/2029	1,626	0.84	USD	7,200,000	Russian Federal Bond 4.375% 21/03/2029	6,338	3.26
		<b>BB 0.75% (0.00%)</b>					<b>Total Russia</b>	<b>7,825</b>	<b>4.03</b>
USD	1,900,000	Oman Government International Bond 6.5% 08/03/2047	1,452	0.75					
		<b>Total Oman</b>	<b>4,702</b>	<b>2.42</b>	<b>SAUDI ARABIA 4.40% (1.28%)</b>				
		<b>B- 0.51% (0.58%)</b>					<b>A1 4.40% (1.28%)</b>		
USD	1,100,000	Islamic Republic of Pakistan 8.25% 15/04/2024	990	0.51	USD	3,400,000	Saudi Arabian Oil 4.375% 16/04/2049	3,124	1.61
		<b>Total Pakistan</b>	<b>990</b>	<b>0.51</b>	USD	2,803,000	Saudi Arabian Oil 4.375% 16/04/2049 (UK Listing)	2,576	1.33
<b>PARAGUAY 1.42% (1.24%)</b>									
		<b>BB 1.42% (1.24%)</b>			USD	1,800,000	Saudi International Bond 4.375% 16/04/2029	1,679	0.86
USD	1,340,000	Republic of Paraguay 5.6% 13/03/2048	1,331	0.68	USD	1,000,000	Saudi International Bond 4.5% 26/10/2046	937	0.48
USD	1,380,000	Republic of Paraguay 6.1% 11/08/2044	1,434	0.74	USD	250,000	Saudi International Bond 4.625% 04/10/2047	236	0.12
		<b>Total Paraguay</b>	<b>2,765</b>	<b>1.42</b>			<b>Total Saudi Arabia</b>	<b>8,552</b>	<b>4.40</b>
<b>PERU 2.13% (1.30%)</b>					<b>SENEGAL 0.50% (1.35%)</b>				
		<b>A- 1.39% (1.30%)</b>					<b>B+ 0.50% (1.35%)</b>		
PEN	9,100,000	Peruvian Government International Bond 6.95% 12/08/2031	2,709	1.39	USD	613,000	Senegal Government International Bond 6.25% 23/05/2033	505	0.26
		<b>Not Rated 0.74% (0.00%)</b>			USD	575,000	Senegal Government International Bond 6.75% 13/03/2048	462	0.24
PEN	5,534,000	Peruvian Government International Bond 5.4% 12/08/2034	1,434	0.74			<b>Total Senegal</b>	<b>967</b>	<b>0.50</b>
		<b>Total Peru</b>	<b>4,143</b>	<b>2.13</b>	<b>SINGAPORE 1.06% (1.20%)</b>				
<b>QATAR 5.45% (2.04%)</b>							<b>Ba3 0.51% (0.00%)</b>		
		<b>AA- 5.45% (0.83%)</b>			USD	1,200,000	Golden Legacy 6.875% 27/03/2024	984	0.51
USD	6,298,000	Qatar Government International Bond 4% 14/03/2029	5,798	2.99			<b>B 0.29% (1.20%)</b>		
USD	4,235,000	Qatar Government International Bond 4.817% 14/03/2049	4,351	2.24	USD	695,000	Medco Oak Tree Pte 7.375% 14/05/2026	565	0.29
USD	400,000	Qatar Government International Bond 5.103% 23/04/2048	430	0.22	USD	855,000	Geo Coal International 8% 04/10/2022	502	0.26
		<b>Aa3 0.00% (1.21%)</b>					<b>Total Singapore</b>	<b>2,051</b>	<b>1.06</b>
		<b>Total Qatar</b>	<b>10,579</b>	<b>5.45</b>	<b>SOUTH AFRICA 4.24% (3.13%)</b>				
<b>REPUBLIC OF IRELAND 7.18% (3.43%)</b>							<b>BB+ 1.40% (0.00%)</b>		
		<b>Liquidity Funds 7.18% (3.43%)<sup>1</sup></b>			ZAR	43,750,000	South Africa Government Bond 10.5% 21/12/2026	2,719	1.40
USD	17,155,236	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	13,950	7.18			<b>BB 0.73% (2.07%)</b>		
		<b>Total Republic Of Ireland</b>	<b>13,950</b>	<b>7.18</b>	USD	1,580,000	South Africa Government Bond 5.875% 22/06/2030	1,422	0.73
					USD	5,000,000	Eskom Holdings 5.75% 26/01/2021	4,084	2.11
							<b>Total South Africa</b>	<b>8,225</b>	<b>4.24</b>



## Threadneedle Emerging Market Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>SRI LANKA 1.54% (1.56%)</b>					<b>VENEZUELA 1.00% (2.00%)</b>				
		<b>B 1.54% (1.56%)</b>					<b>D 0.53% (2.00%)</b>		
USD	1,010,000	Republic of Sri Lanka 6.75% 18/04/2028	803	0.41	USD	8,677,700	Venezuela Government International Bond 8.25% 13/10/2024 (Defaulted)	1,023	0.53
USD	1,900,000	Republic of Sri Lanka 6.85% 03/11/2025	1,568	0.81			<b>Not Rated 0.47% (0.00%)</b>		
USD	750,000	Republic of Sri Lanka 7.55% 28/03/2030	622	0.32	USD	8,692,931	Petroleos de Venezuela 6% 15/11/2026 (Defaulted)	919	0.47
		<b>Total Sri Lanka</b>	<b>2,993</b>	<b>1.54</b>			<b>Total Venezuela</b>	<b>1,942</b>	<b>1.00</b>
<b>TRINIDAD AND TOBAGO 0.00% (1.21%)</b>					<b>DERIVATIVES -0.05% (0.25%)</b>				
		<b>BB 0.00% (1.21%)</b>					<b>Forward Foreign Exchange Contracts -0.05% (0.25%)</b>		
		<b>Total Trinidad and Tobago</b>	<b>-</b>	<b>-</b>			Sell GBP 124,764		
<b>TURKEY 3.84% (4.92%)</b>							Buy USD 150,000 Credit Suisse	(3)	-
		<b>Ba3 0.00% (4.92%)</b>					Sell EUR 2,205,308		
		<b>B1 3.84% (0.00%)</b>					Buy USD 2,435,571 J.P. Morgan	(3)	-
USD	2,000,000	Turkey Government International Bond 5.125% 17/02/2028	1,480	0.76			Sell ZAR 49,140,000		
USD	4,360,000	Turkey Government International Bond 6% 25/03/2027	3,435	1.77			Buy USD 3,218,259 Bank of Scotland	(76)	(0.04)
USD	1,350,000	Turkey Government International Bond 6.625% 17/02/2045	1,023	0.53			Sell GBP 30,783		
USD	1,900,000	Turkey Government International Bond 6.875% 17/03/2036	1,514	0.78			Buy USD 38,000 Citigroup <sup>2</sup>	-	-
		<b>Total Turkey</b>	<b>7,452</b>	<b>3.84</b>			Sell GBP 733,365		
							Buy USD 894,000 Bank of Scotland	(6)	(0.01)
							<b>Total Derivatives</b>	<b>(88)</b>	<b>(0.05)</b>
<b>UKRAINE 3.93% (1.92%)</b>							<b>Total value of investments<sup>3</sup></b>	<b>194,913</b>	<b>100.38</b>
		<b>B- 3.93% (1.92%)</b>					<b>Net other (liabilities)/assets (3.09%)</b>	<b>(737)</b>	<b>(0.38)</b>
USD	2,350,000	Ukraine Government 7.375% 25/09/2032	2,019	1.04			<b>Net assets</b>	<b>194,176</b>	<b>100.00</b>
USD	955,000	Ukraine Government 7.75% 01/09/2024	843	0.44					
USD	5,400,000	Ukraine Government 7.75% 01/09/2026	4,759	2.45					
		<b>Total Ukraine</b>	<b>7,621</b>	<b>3.93</b>					
<b>UNITED ARAB EMIRATES 1.57% (0.62%)</b>									
		<b>AA 1.57% (0.62%)</b>							
USD	550,000	Abu Dhabi Government International 3.125% 03/05/2026	479	0.25					
USD	1,500,000	Abu Dhabi Government International 3.125% 11/10/2027	1,315	0.68					
USD	1,250,000	Abu Dhabi Government International 4.125% 11/10/2047	1,252	0.64					
		<b>Total United Arab Emirates</b>	<b>3,046</b>	<b>1.57</b>					
<b>UNITED KINGDOM 1.17% (2.42%)</b>									
		<b>Ba3 0.00% (1.35%)</b>							
		<b>B+ 0.40% (1.07%)</b>							
USD	1,050,000	Vedanta Resources 6.125% 09/08/2024	776	0.40					
		<b>B1 0.77% (0.00%)</b>							
USD	1,875,000	Liquid Telecom 8.5% 13/07/2022	1,493	0.77					
		<b>Total United Kingdom</b>	<b>2,269</b>	<b>1.17</b>					

March 2019 comparatives in brackets.

<sup>\*</sup>Variable rate bonds.<sup>1</sup>Cash equivalents.<sup>2</sup>Less than £500, rounded to nil.<sup>3</sup>Includes Cash equivalents.

### ANALYSIS OF INVESTMENTS BY ASSET CLASS

	Value £000	% of Investment
Fixed interest	190,615	97.80
Floating rate notes	4,386	2.25
Derivatives	(88)	(0.05)
<b>Total value of investments<sup>3</sup></b>	<b>194,913</b>	<b>100.00</b>

### Total Purchases and Sales

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	137,209	65,874
Total sales for the period	141,526	86,690

## Threadneedle High Yield Bond Fund

### Portfolio Statement

as at 7 September 2019

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>AUSTRALIA 0.70% (0.76%)</b>					<b>BB 0.63% (1.98%)</b>				
<b>BB+ 0.70% (0.00%)</b>					EUR 1,211,000 Getlink 3.625% 01/10/2023 1,126 0.13				
EUR	6,571,000	*Origin Energy Finance 4% 16/09/2074	5,897	0.70	EUR	2,500,000	SPIE 2.625% 18/06/2026	2,389	0.28
<b>BB 0.00% (0.76%)</b>					EUR 1,900,000 SPIE 3.125% 22/03/2024 1,873 0.22				
<b>Total Australia</b>			<b>5,897</b>	<b>0.70</b>	<b>Ba2 0.47% (0.48%)</b>				
<b>BELGIUM 0.56% (0.77%)</b>					EUR 1,700,000 Elis 1.875% 15/02/2023 1,601 0.19				
<b>BB+ 0.13% (0.30%)</b>					EUR 2,400,000 Elis 2.875% 15/02/2026 2,396 0.28				
EUR	1,100,000	*Solvay Finance Variable 04/03/2167	1,089	0.13	<b>BB- 1.42% (0.96%)</b>				
<b>Not Rated 0.43% (0.47%)</b>					EUR 205,000 Louvre Bidco SAS 4.25% 30/09/2024 184 0.02				
EUR	3,900,000	*Belfius Bank 4.609% 29/12/2165	3,626	0.43	EUR	1,420,000	*Louvre Bidco SAS FRN 30/09/2024	1,281	0.15
<b>Total Belgium</b>			<b>4,715</b>	<b>0.56</b>	EUR	4,028,000	Loxam SAS 3.25% 14/01/2025	3,773	0.45
<b>CANADA 0.47% (0.90%)</b>					EUR 2,008,000 Loxam SAS 3.75% 15/07/2026 1,888 0.22				
<b>B 0.18% (0.46%)</b>					EUR 1,963,000 Rexel 2.125% 15/06/2025 1,802 0.21				
EUR	1,623,000	Cott Finance 5.5% 01/07/2024	1,516	0.18	EUR	3,287,000	Rexel 2.75% 15/06/2026	3,091	0.37
<b>B- 0.29% (0.44%)</b>					<b>B 3.46% (2.17%)</b>				
EUR	2,736,000	Valeant Pharmaceuticals 4.5% 15/05/2023	2,481	0.29	EUR	9,821,000	Altice France 5.875% 01/02/2027	9,718	1.15
<b>Total Canada</b>			<b>3,997</b>	<b>0.47</b>	EUR	2,600,000	Casino Guichard 2.798% 05/08/2026	2,034	0.24
<b>CAYMAN ISLANDS 0.27% (0.27%)</b>					EUR 2,500,000 Casino Guichard 4.498% 07/03/2024 2,077 0.25				
<b>BB 0.27% (0.27%)</b>					EUR 3,700,000 Casino Guichard-Perrachon 1.865% 13/06/2022 3,090 0.37				
EUR	2,357,000	UPCB Finance VII 3.625% 15/06/2029	2,255	0.27	EUR	4,000,000	Casino Guichard-Perrachon 3.311% 25/01/2023	3,388	0.40
<b>Total Cayman Islands</b>			<b>2,255</b>	<b>0.27</b>	EUR	200,000	Casino Guichard-Perrachon 3.58% 07/02/2025	157	0.02
<b>FINLAND 0.18% (0.19%)</b>					EUR 1,300,000 Casino Guichard-Perrachon 4.726% 26/05/2021 1,191 0.14				
<b>BB+ 0.18% (0.19%)</b>					EUR 1,856,000 La Financiere Atalian 4% 15/05/2024 1,149 0.14				
EUR	1,627,000	Nokia 2% 11/03/2026	1,537	0.18	EUR	1,848,000	La Financiere Atalian 5.125% 15/05/2025	1,147	0.14
<b>Total Finland</b>			<b>1,537</b>	<b>0.18</b>	EUR	2,811,000	Numericable-SFR 5.625% 15/05/2024	1,564	0.19
<b>FRANCE 9.97% (9.17%)</b>					EUR 3,975,000 Paprec Holding 4% 31/03/2025 3,507 0.42				
<b>BBB- 0.73% (0.63%)</b>					<b>CCC+ 0.07% (0.08%)</b>				
EUR	1,166,000	*Credit Agricole Perpetual 6.5% 23/12/2049	1,130	0.13	EUR	675,000	Newco Sab Midco 5.375% 15/04/2025	623	0.07
EUR	660,000	*Orange 4% 26/10/2049	637	0.08	<b>Total France</b>			<b>84,003</b>	<b>9.97</b>
EUR	1,430,000	*Orange 5% 29/10/2049	1,572	0.19	<b>GERMANY 7.27% (8.06%)</b>				
EUR	2,900,000	*Orange Variable 15/04/2168	2,738	0.33	<b>BBB 1.37% (0.00%)</b>				
<b>BB+ 3.19% (2.87%)</b>					EUR 3,382,000 Unitymedia 3.75% 15/01/2027 3,236 0.38				
EUR	575,000	Crown European Holdings 2.25% 01/02/2023	547	0.06	EUR	2,000,000	Unitymedia Hessen 4% 15/01/2025	1,853	0.22
EUR	5,325,000	Crown European Holdings 2.625% 30/09/2024	5,189	0.62	EUR	3,107,000	Unitymedia NRW 3.5% 15/01/2027	2,959	0.35
EUR	1,435,000	Crown European Holdings 2.875% 01/02/2026	1,412	0.17	USD	4,180,000	Unitymedia NRW 5% 15/01/2025	3,513	0.42
EUR	300,000	Crown European Holdings 3.375% 15/05/2025	300	0.04	<b>BB+ 2.21% (3.10%)</b>				
EUR	212,000	Crown European Holdings 4% 15/07/2022	209	0.02	EUR	2,785,000	ADLER Real Estate 1.5% 06/12/2021	2,555	0.30
EUR	4,000,000	Elis 1.75% 11/04/2024	3,789	0.45	EUR	4,100,000	ADLER Real Estate 1.875% 27/04/2023	3,798	0.45
EUR	1,243,000	Faurecia 3.125% 15/06/2026	1,186	0.14	EUR	3,960,000	ADLER Real Estate 2.125% 06/02/2024	3,713	0.44
EUR	1,600,000	Orano 3.125% 20/03/2023	1,562	0.19	EUR	2,300,000	ADLER Real Estate 3% 27/04/2026	2,222	0.26
EUR	1,100,000	Orano 3.375% 23/04/2026	1,079	0.13	EUR	2,052,000	Demire Deutsche Mittelstand 2.875% 15/07/2022	1,861	0.22
EUR	1,800,000	Orano 3.5% 22/03/2021	1,698	0.20	EUR	1,445,000	IHO Verwaltungs PIK 3.625% 15/05/2025	1,329	0.16
EUR	2,717,000	*Solvay Finance 5.118% 29/06/2049	2,631	0.31	EUR	1,290,069	IHO Verwaltungs PIK 3.75% 15/09/2026	1,179	0.14
EUR	3,981,000	*Solvay Finance 5.869% 29/06/2049	4,235	0.50	EUR	2,022,000	*Lanxess Finance 4.5% 06/12/2076	1,999	0.24
EUR	3,354,000	SPCM 2.875% 15/06/2023	3,040	0.36	<b>BB 0.00% (0.99%)</b>				
					<b>Ba2 0.00% (0.65%)</b>				

## Threadneedle High Yield Bond Fund

### Portfolio Statement

(continued)

	Value	% of		Value	% of		
Holding	Investment	£000	Net Asset Value	Holding	Investment	£000	Net Asset Value
<b>GERMANY 7.27% (8.06%) (continued)</b>				<b>JAPAN 1.38% (1.33%)</b>			
<b>BB- 1.66% (1.69%)</b>				<b>BB+ 1.38% (1.33%)</b>			
EUR	1,618,000	1,471	0.18	EUR	1,443,000	1,409	0.17
EUR	3,131,000	2,818	0.33	EUR	246,000	239	0.03
EUR	3,956,000	3,626	0.43	EUR	450,000	467	0.05
EUR	4,512,000	4,181	0.50	EUR	9,175,000	9,520	1.13
EUR	2,046,000	1,868	0.22			<b>11,635</b>	<b>1.38</b>
<b>B 1.40% (1.14%)</b>				<b>Total Japan</b>			
EUR	3,768,000	3,382	0.40				
EUR	2,100,000	1,873	0.22	<b>JERSEY 1.54% (2.34%)</b>			
EUR	3,570,000	2,772	0.33	<b>BB+ 0.00% (0.54%)</b>			
EUR	4,418,000	3,784	0.45	<b>BB 0.57% (0.49%)</b>			
<b>B2 0.11% (0.00%)</b>				EUR	5,000,000	4,815	0.57
EUR	1,076,000	922	0.11	<b>(P)Ba2 0.70% (0.61%)</b>			
<b>B- 0.43% (0.41%)</b>				EUR	6,337,904	5,896	0.70
EUR	3,735,000	3,634	0.43	<b>B 0.27% (0.30%)</b>			
<b>CCC+ 0.09% (0.08%)</b>				GBP	1,470,000	1,483	0.18
EUR	1,069,000	731	0.09	GBP	790,000	804	0.09
		<b>61,279</b>	<b>7.27</b>	<b>B- 0.00% (0.40%)</b>			
				<b>Total Jersey</b>			
						<b>12,998</b>	<b>1.54</b>
<b>ISLE OF MAN 0.54% (0.44%)</b>				<b>LUXEMBOURG 11.14% (10.52%)</b>			
<b>BB 0.54% (0.44%)</b>				<b>BBB- 0.53% (0.53%)</b>			
EUR	2,729,000	2,572	0.30	EUR	4,700,000	4,487	0.53
EUR	2,076,000	2,004	0.24	<b>BB+ 2.09% (1.60%)</b>			
		<b>4,576</b>	<b>0.54</b>	EUR	385,000	347	0.04
<b>ITALY 5.25% (6.19%)</b>				EUR	1,700,000	1,528	0.18
<b>BBB- 0.48% (0.51%)</b>				EUR	1,795,000	1,624	0.19
EUR	1,436,000	1,388	0.16	EUR	3,213,000	3,258	0.39
EUR	283,000	294	0.04	EUR	140,000	126	0.02
GBP	2,180,000	2,379	0.28	EUR	2,708,000	2,602	0.31
<b>BB+ 3.31% (3.15%)</b>				EUR	1,504,000	1,371	0.16
EUR	340,000	368	0.04	EUR	3,027,000	2,854	0.34
EUR	1,006,000	941	0.11	EUR	1,150,000	1,065	0.13
EUR	3,961,000	3,768	0.45	EUR	2,069,000	2,777	0.33
EUR	5,450,000	5,135	0.61	<b>BB 1.13% (1.12%)</b>			
EUR	4,780,000	4,510	0.54	EUR	2,842,000	2,627	0.31
EUR	3,370,000	3,319	0.39	EUR	400,000	361	0.04
EUR	5,758,000	5,482	0.65	EUR	2,108,000	1,938	0.23
EUR	1,300,000	1,353	0.16	EUR	4,575,000	4,612	0.55
EUR	3,005,000	2,990	0.36	<b>BB- 0.58% (0.39%)</b>			
<b>BB 0.50% (0.45%)</b>				EUR	2,500,000	2,408	0.29
EUR	4,180,000	4,226	0.50	EUR	3,511,000	2,418	0.29
<b>BB- 0.59% (1.02%)</b>				<b>BB 1.13% (1.12%)</b>			
EUR	5,364,000	4,950	0.59	EUR	2,842,000	2,627	0.31
<b>B+ 0.00% (0.67%)</b>				EUR	400,000	361	0.04
<b>B 0.37% (0.39%)</b>				EUR	2,108,000	1,938	0.23
EUR	3,434,000	3,134	0.37	EUR	4,575,000	4,612	0.55
		<b>44,237</b>	<b>5.25</b>	<b>BB- 0.58% (0.39%)</b>			
				EUR	2,500,000	2,408	0.29
				EUR	3,511,000	2,418	0.29

## Threadneedle High Yield Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>LUXEMBOURG 11.14% (10.52%) (continued)</b>									
		<b>B+ 1.50% (1.74%)</b>			EUR	2,000,000	Fiat Chrysler Auto 3.75% 29/03/2024	2,037	0.24
					EUR	4,242,000	Intertrust Group 3.375% 15/11/2025	4,031	0.48
EUR	912,000	Altice Financing 5.25% 15/02/2023	842	0.10	GBP	2,782,000	*Koninklijke KPN 6.875% 14/03/2073	2,853	0.34
USD	1,322,000	Altice Financing 6.625% 15/02/2025	1,106	0.13	EUR	3,090,000	*Repsol International Finance 4.5% 25/03/2075	3,176	0.38
EUR	1,101,000	Cirsa Finance International 4.75% 22/05/2025	1,052	0.13	EUR	6,500,000	*Telefonica Europe 3.75% 31/12/2049	6,172	0.73
EUR	1,929,000	Cirsa Finance International 6.25% 20/12/2023	1,856	0.22	EUR	1,800,000	*Telefonica Europe 5.875% 31/03/2049	1,877	0.22
EUR	3,650,000	Garfunkelux 7.5% 01/08/2022	3,120	0.37	GBP	5,100,000	*Telefonica Europe 6.75% Perpetual	5,389	0.64
GBP	2,387,000	Garfunkelux 8.5% 01/11/2022	2,226	0.26	EUR	1,100,000	*Telefonica Europe Perpetual 3% 04/12/2066	1,019	0.12
EUR	2,688,000	Matterhorn Telecom 3.875% 01/05/2022	2,432	0.29	EUR	8,300,000	*Telefonica Europe Perpetual 3.875% 22/09/2066	7,989	0.95
		<b>B 1.67% (1.72%)</b>			EUR	6,600,000	*Telefonica Europe Variable 14/03/2168	6,533	0.78
EUR	1,707,000	Codere Finance 2 (Luxembourg) 6.75% 01/11/2021	1,469	0.17	EUR	5,891,000	*Tennet Holding Variable 2.995% 01/06/2167	5,729	0.68
EUR	3,438,000	Crystal Almond 10% 01/11/2021	3,205	0.38			<b>BB 2.72% (3.26%)</b>		
EUR	3,560,000	*Group Ecore Holdings SAS FRN 15/11/2023	3,084	0.37	EUR	2,316,000	Dufry One 2.5% 15/10/2024	2,146	0.25
EUR	1,741,000	LSF 10 Wolverine Investments 5% 15/03/2024	1,612	0.19	EUR	7,317,000	InterXion Holding 4.75% 15/06/2025	7,153	0.85
EUR	1,105,000	*LSF 10 Wolverine Investments FRN 15/03/2024	996	0.12	EUR	3,559,000	LKQ European Holdings 3.625% 01/04/2026	3,388	0.40
EUR	3,794,000	Rossini 6.75% 30/10/2025	3,747	0.44	EUR	100,000	OI European Group 3.125% 15/11/2024	97	0.01
		<b>B- 2.78% (2.30%)</b>			EUR	6,672,000	Teva Pharmaceutical Finance 1.125% 15/10/2024	4,383	0.52
EUR	2,200,000	Altice 6.25% 15/02/2025	2,063	0.25	EUR	3,606,000	Teva Pharmaceutical Finance 1.25% 31/03/2023	2,656	0.32
EUR	6,966,000	Altice 7.25% 15/05/2022	1,370	0.16	EUR	2,375,000	Teva Pharmaceutical Finance Netherlands 3.25% 15/04/2022	1,981	0.23
USD	500,000	Altice 7.75% 15/05/2022	416	0.05	EUR	1,500,000	Teva Pharmaceutical Finance Netherlands 4.5% 01/03/2025	1,157	0.14
EUR	9,306,000	Altice 8% 15/05/2027	9,039	1.07			<b>BB- 1.12% (1.97%)</b>		
EUR	2,720,000	ARD Finance PIK 6.625% 15/09/2023	2,525	0.30	EUR	2,075,000	Axalta Coating Systems 3.75% 15/01/2025	1,929	0.23
EUR	4,779,000	Horizon Parent Holdings 8.25% 15/02/2022	4,389	0.52	EUR	3,090,000	Petrobras Global Finance 4.75% 14/01/2025	3,240	0.38
EUR	869,000	Matterhorn Telecom 4.875% 01/05/2023	788	0.09	GBP	1,688,000	Petrobras Global Finance 6.625% 16/01/2034	1,989	0.24
EUR	2,375,000	Swissport Financing 5.25% 14/08/2024	2,193	0.26	GBP	1,921,000	Petrobras International Finance 6.25% 14/12/2026	2,273	0.27
EUR	805,000	Takko Luxembourg 2 5.375% 15/11/2023	652	0.08			<b>B+ 0.79% (0.86%)</b>		
		<b>CCC+ 0.59% (1.12%)</b>			GBP	3,989,000	InterGen 7.5% 30/06/2021	3,895	0.46
USD	3,849,000	Altice Finco 8.125% 15/01/2024	3,238	0.38	EUR	621,000	Ziggo Secured Finance 3.75% 15/01/2025	574	0.07
EUR	1,084,000	Altice Finco 9% 15/06/2023	1,009	0.12	EUR	2,235,000	Ziggo Secured Finance 4.25% 15/01/2027	2,175	0.26
EUR	915,000	Picard Bondco 5.5% 30/11/2024	796	0.09			<b>(P)B+ 0.19% (0.00%)</b>		
EUR	2,743,000	Intralot Capital 5.25% 15/09/2024	1,199	0.14	EUR	1,708,000	Trivium Packaging Finance 3.75% 15/08/2026	1,630	0.19
		<b>CCC 0.13% (0.00%)</b>					<b>B 0.69% (0.28%)</b>		
EUR	1,149,000	Swissport Financing 9% 14/02/2025	1,060	0.13	EUR	1,460,000	Constellium 4.25% 15/02/2026	1,375	0.16
		<b>Total Luxembourg</b>	<b>93,887</b>	<b>11.14</b>	EUR	2,329,000	United Group 4.875% 01/07/2024	2,186	0.26
		<b>MEXICO 0.29% (0.22%)</b>			EUR	290,000	United Group 4.875% 01/07/2024	272	0.03
		<b>BB 0.29% (0.22%)</b>			EUR	2,095,000	UPC Holding 3.875% 15/06/2029	1,985	0.24
EUR	1,360,000	Cemex 2.75% 05/12/2024	1,255	0.15			<b>B- 0.70% (1.12%)</b>		
USD	1,304,000	Cemex 7.75% 16/04/2026	1,148	0.14	EUR	1,983,120	Summer Bidco Pik 9% 17/11/2025	1,902	0.23
		<b>Total Mexico</b>	<b>2,403</b>	<b>0.29</b>	EUR	4,261,000	Ziggo Bond Finance 4.625% 15/01/2025	3,951	0.47
		<b>NETHERLANDS 12.63% (14.44%)</b>							
		<b>BBB- 0.00% (1.13%)</b>							
		<b>BB+ 6.18% (5.55%)</b>							
EUR	5,493,000	Darling Global Finance 3.625% 15/05/2026	5,231	0.62					

## Threadneedle High Yield Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>NETHERLANDS 12.63% (14.44%) (continued)</b>					<b>B+ 0.34% (0.33%)</b>				
		<b>Not Rated 0.24% (0.27%)</b>			EUR	3,111,000	Grifols 3.2% 01/05/2025	2,868	0.34
EUR	1,590,000	Boats Investments Netherlands PIK 11% 31/03/2017 (Defaulted)	1,165	0.14			<b>(P)B 0.32% (0.00%)</b>		
USD	153,626	OSX 3 Leasing (2003/15) Perpetual	–	–	EUR	2,776,000	Tasty Bondco 1 6.25% 15/05/2026	2,652	0.32
USD	153,626	OSX 3 Leasing (2012/14) Perpetual	–	–			<b>CCC 0.00% (0.21%)</b>		
USD	4,726,969	OSX 3 Leasing 13% 20/03/2015 (Defaulted)	846	0.10			<b>CC 0.15% (0.00%)</b>		
		<b>Total Netherlands</b>	<b>106,384</b>	<b>12.63</b>	EUR	1,800,000	Distribuidora Internacional de Alimentación 1% 28/04/2021	1,292	0.15
<b>PORTUGAL 0.27% (0.36%)</b>					<b>Total Spain</b>				
		<b>Not Rated 0.27% (0.36%)</b>						<b>12,880</b>	<b>1.53</b>
EUR	1,100,000	Banco Espirito 2.625% 08/05/2017 (Defaulted)	251	0.03	<b>SWEDEN 1.54% (0.84%)</b>				
EUR	8,600,000	Banco Espirito Santo 4% 21/01/2019 (Defaulted)	1,648	0.20	EUR	5,673,000	<b>BB+ 1.54% (0.84%)</b> *Akelius Residential FRN 05/10/2078	5,466	0.65
EUR	1,600,000	Banco Espirito Santo 4.75% 15/01/2018 (Defaulted)	366	0.04	EUR	3,923,000	Intrum 3.5% 15/07/2026	3,671	0.44
		<b>Total Portugal</b>	<b>2,265</b>	<b>0.27</b>	EUR	1,545,000	Volvo Car 2% 24/01/2025	1,427	0.17
<b>REPUBLIC OF IRELAND 11.24% (9.49%)</b>					EUR	2,548,000	Volvo Car 2.125% 02/04/2024	2,372	0.28
		<b>BB+ 1.00% (0.49%)</b>					<b>Total Sweden</b>	<b>12,936</b>	<b>1.54</b>
EUR	209,000	Smurfit Kappa 3.25% 01/06/2021	196	0.02	<b>SWITZERLAND 1.02% (1.66%)</b>				
EUR	3,888,000	Smurfit Kappa Acquisitions 2.875% 15/01/2026 (Frankfurt Exchange)	3,848	0.46	USD	620,000	<b>BBB+ 0.06% (0.17%)</b> UBS 5.125% 15/05/2024	545	0.06
EUR	4,884,000	Smurfit Kappa Treasury 1.5% 15/09/2027	4,396	0.52			<b>BBB 0.52% (0.79%)</b>		
		<b>BB 0.74% (0.78%)</b>			EUR	1,053,000	*Credit Suisse 5.75% 18/09/2025	998	0.12
EUR	3,654,000	Ardagh Packaging Finance 2.75% 15/03/2024	3,360	0.40	USD	3,700,000	Credit Suisse 6.5% 08/08/2023	3,362	0.40
EUR	3,010,000	James Hardie International Finance 3.625% 01/10/2026	2,877	0.34			<b>BB+ 0.44% (0.67%)</b>		
		<b>BB- 0.30% (0.33%)</b>			EUR	3,760,000	*UBS Group 5.75% 29/12/2049	3,694	0.44
EUR	2,722,000	*Bank of Ireland 7.375% 29/12/2049	2,539	0.30			<b>BB 0.00% (0.03%)</b>		
		<b>B+ 1.02% (0.36%)</b>			<b>UNITED KINGDOM 15.91% (17.19%)</b>				
EUR	8,948,000	Eircom Finance 3.5% 15/05/2026	8,569	1.02	GBP	2,574,000	<b>Baa2 0.49% (0.55%)</b> Santander UK 10.0625% 29/10/2049	4,118	0.49
		<b>B 0.84% (1.08%)</b>					<b>BBB- 0.21% (0.00%)</b>		
EUR	5,527,000	Ardagh Packaging Finance 6.75% 15/05/2024	5,221	0.62	GBP	1,800,000	GKN Holdings 4.625% 15/05/2032	1,810	0.21
GBP	1,782,000	Virgin Media 5.5% 15/09/2024	1,830	0.22			<b>BB+ 4.52% (3.94%)</b>		
		<b>Liquidity Funds 4.54% (6.45%)<sup>1</sup></b>			GBP	882,000	Drax Finco 4.25% 01/05/2022	896	0.11
EUR	1,523	BlackRock Institutional Cash Series Euro Liquidity Platinum	136	0.02	EUR	3,934,000	Ineos Finance 2.875% 01/05/2026	3,588	0.43
GBP	38,127,863	BlackRock Institutional Cash Series Sterling Liquidity Platinum	38,128	4.52	EUR	1,145,000	International Game Technology 3.5% 15/07/2024	1,118	0.13
		<b>Not Rated 2.80% (0.00%)</b>			EUR	2,178,000	International Game Technology 3.5% 15/06/2026	2,080	0.25
EUR	248,418	IShares Euro High Yield Corporate Bond	23,642	2.80	EUR	1,080,000	International Game Technology 4.75% 15/02/2023	1,076	0.13
		<b>Total Republic of Ireland</b>	<b>94,742</b>	<b>11.24</b>	GBP	1,500,000	*Lloyds Bank 13% 29/01/2049	2,597	0.31
<b>SPAIN 1.53% (1.10%)</b>					EUR	1,420,000	OTE 3.5% 09/07/2020	1,307	0.16
		<b>BB+ 0.72% (0.56%)</b>			EUR	2,000,000	Tesco Corporate Treasury Services 1.375% 24/10/2023	1,848	0.22
EUR	5,200,000	Cellnex Telecom 2.375% 16/01/2024	4,980	0.59	GBP	1,179,000	Tesco Corporate Treasury Services 2.5% 02/05/2025	1,201	0.14
EUR	1,100,000	Cellnex Telecom 2.875% 18/04/2025	1,088	0.13	GBP	4,634,000	Tesco Property Finance 1 7.6227% 13/07/2039	5,921	0.70
					GBP	1,913,000	Tesco Property Finance 3 5.744% 13/04/2040	2,418	0.29
					GBP	916,000	Tesco Property Finance 5.5% 13/10/2041	1,161	0.14

# Threadneedle High Yield Bond Fund

## Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value		
<b>UNITED KINGDOM 15.91% (17.19%) (continued)</b>				<b>B- 1.38% (1.23%)</b>					
GBP	1,620,000	Travis Perkins 4.5% 07/09/2023	1,702	0.20	EUR	1,755,000	Algeco Scotsman 6.5% 15/02/2023	1,627	0.19
EUR	3,356,000	*Vodafone Group Variable 03/01/2079	3,171	0.38	USD	6,039,001	EnQuest PIK 7% 15/04/2022	4,094	0.49
USD	2,491,000	*Vodafone Group Variable 04/04/2079	2,315	0.27	GBP	2,937,000	*Stonegate Pub Company Financing FRN 15/03/2022	2,953	0.35
EUR	1,241,000	*Vodafone Group Variable 4.2% 03/10/2078	1,272	0.15	EUR	3,140,000	Synlab 8.25% 01/07/2023	2,933	0.35
GBP	783,000	*Vodafone Group Variable 4.875% 03/10/2078	824	0.10	<b>B3 0.42% (0.67%)</b>				
USD	3,984,000	*Vodafone Group Variable 6.25% 03/10/2078	3,460	0.41	GBP	3,680,000	KIRS Midco 3 8.375% 15/07/2023	3,496	0.42
<b>BB 2.92% (2.84%)</b>				<b>CCC+ 0.12% (0.17%)</b>					
EUR	2,861,000	Ardagh Packaging Finance 2.125% 15/08/2026	2,653	0.31	GBP	1,736,000	Boparan Finance 5.5% 15/07/2021	1,000	0.12
GBP	4,918,000	Arrow Global Finance 5.125% 15/09/2024 Callable	4,853	0.58	EUR	1,115,000	Thomas Cook Finance 3.875% 15/07/2023	129	0.02
GBP	1,488,000	Co-operative Group 5.125% 17/05/2024	1,555	0.18	EUR	1,621,000	Thomas Cook Group 6.25% 15/06/2022	218	0.03
GBP	1,668,000	*Co-operative Group 6.25% 08/07/2026	1,881	0.22	<b>CC 0.05% (0.00%)</b>				
EUR	2,489,000	EC Finance 2.375% 15/11/2022 (FWB)	2,266	0.27	EUR	651	NV Profit Share Preference Share	–	–
EUR	310,000	EC Finance 2.375% 15/11/2022 (Lux)	282	0.03	<b>Not rated 0.00% (0.00%)</b>				
EUR	4,046,000	Merlin Entertainments 2.75% 15/03/2022	3,825	0.45	USD	651	NV Profit Share Preference Share	–	–
GBP	2,459,000	Pinewood 3.75% 01/12/2023	2,515	0.30	<b>Total United Kingdom</b>				
GBP	1,255,000	William Hill 4.75% 01/05/2026	1,280	0.15	<b>134,064</b>	<b>15.91</b>			
GBP	3,399,000	William Hill 4.875% 07/09/2023	3,617	0.43	<b>UNITED STATES OF AMERICA 12.00% (10.32%)</b>				
<b>BB- 3.33% (3.72%)</b>				<b>BBB- 1.87% (1.72%)</b>					
GBP	1,570,000	EI Group 6.875% 15/02/2021	1,596	0.19	EUR	8,815,000	Equinix 2.875% 01/10/2025	8,217	0.97
GBP	7,576,000	Iron Mountain UK 3.875% 15/11/2025	7,615	0.90	EUR	6,825,000	Equinix 2.875% 01/02/2026	6,401	0.76
GBP	345,000	Miller Homes Group Holdings 5.5% 15/10/2024	350	0.04	USD	1,375,000	Equinix 5.375% 15/05/2027	1,211	0.14
USD	1,530,000	Neptune Energy Bondco 6.625% 15/05/2025	1,249	0.15	<b>BB+ 0.56% (0.96%)</b>				
EUR	2,965,000	Victoria 5.25% 15/07/2024	2,713	0.32	EUR	2,395,000	Ball Corporation 4.375% 15/12/2023	2,507	0.30
GBP	4,915,000	Virgin Media 4.875% 15/01/2027	5,145	0.61	EUR	2,378,000	Colfax 3.25% 15/05/2025	2,195	0.26
GBP	5,377,000	Virgin Media Secured Finance 5% 15/04/2027	5,660	0.67	<b>Ba1 0.35% (0.35%)</b>				
GBP	2,537,000	Virgin Media Secured Finance 5.125% 15/01/2025	2,624	0.31	EUR	3,138,000	UGI International 3.25% 01/11/2025	2,967	0.35
GBP	1,107,000	Virgin Media Secured Finance 5.25% 15/05/2029	1,180	0.14	<b>BB 2.73% (2.73%)</b>				
<b>Ba3 0.10% (0.00%)</b>				<b>BB 3.41% (1.95%)</b>					
GBP	840,000	Heathrow Finance 3.875% 01/03/2027	837	0.10	EUR	2,070,000	Axalta Coating Systems 4.25% 15/08/2024	1,919	0.23
<b>B+ 0.71% (0.70%)</b>				<b>B+ 1.89% (1.14%)</b>					
GBP	1,465,000	Jaguar Land Rover Automotive 2.75% 24/01/2021	1,368	0.16	EUR	100,000	Iron Mountain 3% 15/01/2025	92	0.01
GBP	5,436,000	Jaguar Land Rover Automotive 3.875% 01/03/2023	4,674	0.55	EUR	2,883,000	Kronos International 3.75% 15/09/2025	2,544	0.30
<b>B1 0.22% (0.63%)</b>				<b>BB 1.89% (1.14%)</b>					
EUR	2,027,000	The House of Finance 4.375% 31/07/2036	1,880	0.22	EUR	7,058,000	Netflix 3.625% 15/05/2027	6,794	0.81
<b>B 0.77% (1.98%)</b>				<b>B 1.89% (1.14%)</b>					
GBP	2,207,000	Ei Group 7.5% 15/03/2024	2,340	0.28	EUR	7,606,000	Netflix 3.875% 15/11/2029	7,299	0.87
GBP	3,292,000	Pinnacle Bidco 6.375% 15/02/2025	3,493	0.41	EUR	5,535,000	Netflix 4.625% 15/05/2029	5,561	0.66
EUR	700,000	Virgin Media Finance 4.5% 15/01/2025	648	0.08	EUR	4,855,000	Silgan Holdings 3.25% 15/03/2025	4,473	0.53
<b>B2 0.67% (0.76%)</b>				<b>B+ 1.89% (1.14%)</b>					
GBP	2,897,000	Arqiva Broadcast Finance 6.75% 30/09/2023	3,087	0.37	EUR	6,347,000	Avantor 4.75% 01/10/2024	6,110	0.72
GBP	2,965,000	Shop Direct Funding 7.75% 15/11/2022	2,545	0.30	EUR	4,076,000	Catalent Pharma Solution 4.75% 15/12/2024	3,776	0.45
<b>B2 0.67% (0.76%)</b>				<b>B 0.74% (1.28%)</b>					
EUR	2,965,000	Shop Direct Funding 7.75% 15/11/2022	2,545	0.30	USD	705,000	Catalent Pharma Solution 5% 15/07/2027	600	0.07
GBP	2,897,000	Arqiva Broadcast Finance 6.75% 30/09/2023	3,087	0.37	EUR	5,719,000	Spectrum Brands 4% 01/10/2026	5,458	0.65
EUR	2,965,000	Shop Direct Funding 7.75% 15/11/2022	2,545	0.30	USD	1,000,000	Cott Holdings 5.5% 01/04/2025	847	0.10
				<b>Financial &amp; Risk US Holdings 4.5% 15/05/2026</b>					
				5,409				0.64	



## Threadneedle High Yield 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 12.00% (10.32%) (continued)</b>									
		<b>B- 0.45% (0.19%)</b>					Sell GBP 21,350		
EUR	3,682,000	Financial & Risk US Holdings 6.875% 15/11/2026	3,760	0.45			Buy USD 26,090 J.P. Morgan <sup>2</sup>	–	–
		<b>Total United States of America</b>	<b>101,156</b>	<b>12.00</b>			Sell GBP 6,001,430		
							Buy USD 7,342,215 J.P. Morgan	(37)	–
							Sell GBP 66,030		
							Buy USD 80,730 J.P. Morgan	(1)	–
							<b>Total Derivatives</b>	<b>15,829</b>	<b>1.88</b>
<b>DERIVATIVES 1.88% (2.11%)</b>									
		<b>Credit Default Swaps 0.19% (0.16%)</b>					<b>Total value of investments<sup>3</sup></b>	<b>822,274</b>	<b>97.58</b>
EUR	15,700,000	Barclays Itraxx Crossover Credit Default Swap Index Sell Protection 20/06/2024 Spread 500	1,604	0.19			<b>Net other assets (1.33%)</b>	<b>20,360</b>	<b>2.42</b>
							<b>Net assets</b>	<b>842,634</b>	<b>100.00</b>
		<b>Forward Foreign Exchange Contracts 1.69% (1.95%)</b>							
		Sell GBP 1,817,808							
		Buy EUR 2,000,000 Lloyds	(23)	–					
		Sell GBP 1,828,916							
		Buy EUR 2,000,000 Barclays	(34)	–					
		Sell GBP 1,966,393							
		Buy EUR 2,157,903 Barclays	(30)	–					
		Sell GBP 743,031							
		Buy EUR 819,597 HSBC	(8)	–					
		Sell GBP 9,078,348							
		Buy EUR 9,903,726 HSBC	(192)	(0.02)					
		Sell EUR 1,822,537							
		Buy GBP 1,633,887 Goldman Sachs	(2)	–					
		Sell EUR 2,000,000							
		Buy GBP 1,799,494 Bank of Scotland	5	–					
		Sell EUR 12,500,000							
		Buy GBP 11,305,963 Bank of Scotland	90	0.01					
		Sell USD 148,660							
		Buy GBP 122,293 Lloyds	1	–					
		Sell EUR 19,734,160							
		Buy GBP 17,755,751 Bank of Scotland	49	–					
		Sell USD 2,487,907							
		Buy GBP 2,046,444 Lloyds	25	–					
		Sell EUR 2,339,464							
		Buy GBP 2,144,001 HSBC	45	–					
		Sell EUR 2,577,286							
		Buy GBP 2,353,214 UBS	41	–					
		Sell EUR 2,630,187							
		Buy GBP 2,391,476 Lloyds	31	–					
		Sell EUR 225,000,000							
		Buy GBP 206,494,065 HSBC	4,604	0.55					
		Sell EUR 225,000,000							
		Buy GBP 206,503,650 UBS	4,614	0.55					
		Sell EUR 225,000,000							
		Buy GBP 206,517,375 Lloyds	4,628	0.55					
		Sell USD 272,757							
		Buy GBP 221,493 HSBC <sup>2</sup>	–	–					
		Sell USD 31,196,844							
		Buy GBP 25,706,204 Bank of Scotland	353	0.04					
		Sell EUR 3,566,616							
		Buy GBP 3,262,377 Bank of Scotland	62	0.01					
		Sell USD 93,431							
		Buy GBP 77,829 Goldman Sachs	2	–					
		Sell USD 996,160							
		Buy GBP 811,397 Lloyds	2	–					
		Sell USD 101,060							
		Buy GBP 82,691 Citigroup <sup>2</sup>	–	–					
		Sell GBP 18,328							
		Buy USD 22,343 J.P. Morgan <sup>2</sup>	–	–					

March 2019 comparatives in brackets.

\*Variable rate bonds.

(P) refers to provisional rating.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

#### ANALYSIS OF INVESTMENTS BY ASSET CLASS

	Value £000	% of Investment
Fixed interest	688,708	83.76
Floating rate notes	117,737	14.32
Derivatives	15,829	1.92
<b>Total value of investments<sup>3</sup></b>	<b>822,274</b>	<b>100.00</b>

#### Total Purchases and Sales

for the accounting period 8 March 2019 to 7 September 2019

	2019 £000	2018 £000
Total purchases for the period	311,740	127,537
Total sales for the period	269,270	132,751

## Threadneedle Global Select Fund

### Portfolio Statement

as at 7 September 2019

	Value	% of		Value	% of
Holding	Investment	£000	Net Asset	Investment	Net Asset
			Value		Value
<b>BELGIUM 0.00% (0.79%)</b>					
	Beverages 0.00% (0.79%)				
	<b>Total Belgium</b>				
<b>BERMUDA 1.62% (1.04%)</b>					
	Financial Services 1.62% (1.04%)				
303,162	Ihs Markit	16,558	1.62		
	<b>Total Bermuda</b>	<b>16,558</b>	<b>1.62</b>		
<b>CANADA 1.21% (1.51%)</b>					
	Oil & Gas Producers 1.21% (1.51%)				
516,558	Suncor Energy (USD)	12,399	1.21		
	<b>Total Canada</b>	<b>12,399</b>	<b>1.21</b>		
<b>CAYMAN ISLANDS 3.41% (6.59%)</b>					
	Support Services 0.00% (0.85%)				
	General Retailers 2.09% (3.41%)				
146,744	Alibaba Group ADR	21,347	2.09		
	Software & Computer Services 1.32% (2.33%)				
379,700	Tencent Holdings	13,516	1.32		
	<b>Total Cayman Islands</b>	<b>34,863</b>	<b>3.41</b>		
<b>CHINA 1.20% (2.60%)</b>					
	Life Insurance 1.20% (2.60%)				
1,268,000	Ping An Insurance Group	12,336	1.20		
	<b>Total China</b>	<b>12,336</b>	<b>1.20</b>		
<b>DENMARK 0.95% (0.97%)</b>					
	Pharmaceuticals & Biotechnology 0.95% (0.97%)				
225,605	Novo Nordisk	9,684	0.95		
	<b>Total Denmark</b>	<b>9,684</b>	<b>0.95</b>		
<b>FRANCE 4.13% (3.25%)</b>					
	Beverages 1.39% (1.03%)				
90,841	Pernod Ricard	14,189	1.39		
	Personal Goods 1.06% (1.02%)				
32,003	LVMH Moet Hennessy Vuitton	10,854	1.06		
	Health Care Equipment & Services 1.68% (1.20%)				
141,939	Essilor International	17,212	1.68		
	<b>Total France</b>	<b>42,255</b>	<b>4.13</b>		
<b>GERMANY 2.39% (2.47%)</b>					
	Electronic & Electrical Equipment 0.48% (0.54%)				
148,140	Osram	4,916	0.48		
	Personal Goods 1.91% (1.93%)				
78,476	adidas	19,553	1.91		
	<b>Total Germany</b>	<b>24,469</b>	<b>2.39</b>		
<b>HONG KONG 0.97% (1.99%)</b>					
	Life Insurance 0.97% (1.99%)				
1,200,200	AIA Group	9,922	0.97		
	<b>Total Hong Kong</b>	<b>9,922</b>	<b>0.97</b>		
<b>INDIA 1.83% (1.90%)</b>					
	Banks 1.83% (1.90%)				
739,104	HDFC Bank	18,789	1.83		
	<b>Total India</b>	<b>18,789</b>	<b>1.83</b>		
<b>INDONESIA 1.30% (2.21%)</b>					
	Banks 1.30% (2.21%)				
54,197,600	Bank Rakyat Indonesia	13,320	1.30		
	<b>Total Indonesia</b>	<b>13,320</b>	<b>1.30</b>		
<b>JAPAN 3.17% (1.90%)</b>					
	Electronic & Electrical Equipment 0.84% (0.93%)				
17,800	Keyence	8,677	0.84		
	Leisure Goods 1.26% (0.97%)				
40,900	Nintendo	12,880	1.26		
	Technology Hardware & Equipment 1.07% (0.00%)				
177,500	Rohm	10,942	1.07		
	<b>Total Japan</b>	<b>32,499</b>	<b>3.17</b>		
<b>REPUBLIC OF IRELAND 5.82% (4.17%)</b>					
	Construction & Materials 1.06% (1.56%)				
397,317	CRH (Dublin Listing)	10,862	1.06		
	Industrial Engineering 1.63% (1.56%)				
169,149	Ingersoll-Rand	16,692	1.63		
	Liquidity Funds 2.15% (1.05%) <sup>1</sup>				
27,081,056	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	22,021	2.15		
	Health Care Equipment & Services 0.98% (0.00%)				
114,488	Medtronic	10,029	0.98		
	<b>Total Republic of Ireland</b>	<b>59,604</b>	<b>5.82</b>		
<b>SOUTH KOREA 1.53% (0.00%)</b>					
	Technology Hardware & Equipment 1.53% (0.00%)				
498,613	Samsung Electronics	15,666	1.53		
	<b>Total South Korea</b>	<b>15,666</b>	<b>1.53</b>		
<b>SPAIN 1.08% (1.13%)</b>					
	General Retailers 1.08% (1.13%)				
427,964	Inditex	11,012	1.08		
	<b>Total Spain</b>	<b>11,012</b>	<b>1.08</b>		
<b>SWITZERLAND 0.73% (2.18%)</b>					
	Electronic & Electrical Equipment 0.73% (0.99%)				
97,053	TE Connectivity	7,458	0.73		
	Support Services 0.00% (1.19%)				
	<b>Total Switzerland</b>	<b>7,458</b>	<b>0.73</b>		



## Threadneedle Global Select Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED KINGDOM 7.15% (7.51%)</b>				<b>General Retailers 3.79% (3.45%)</b>			
	<b>Mining 0.00% (1.72%)</b>			20,628	Amazon.com	30,875	3.02
				206,798	Service Corporate International	7,841	0.77
	<b>Personal Goods 2.28% (2.14%)</b>			<b>Media 1.28% (1.14%)</b>			
450,616	Unilever	23,306	2.28	348,199	Comcast Corporation	13,135	1.28
				<b>Electricity 0.70% (0.00%)</b>			
860,036	RELX (UK Listing)	16,800	1.64	39,822	FPL Group	7,118	0.70
				<b>Banks 2.39% (2.41%)</b>			
100,385	Aon	15,966	1.56	268,131	JPMorgan Chase	24,491	2.39
				<b>Real Estate Investment Trusts 2.05% (1.73%)</b>			
161,939	Ferguson	10,361	1.01	46,845	Equinix	20,978	2.05
				<b>Financial Services 9.55% (8.40%)</b>			
106,008	Reckitt Benckiser Group	6,754	0.66	247,639	Charles Schwab	7,980	0.78
	<b>Total United Kingdom</b>	<b>73,187</b>	<b>7.15</b>	69,820	CME Group	12,557	1.23
				133,484	MasterCard Class A	31,694	3.10
<b>UNITED STATES OF AMERICA 60.71% (56.89%)</b>				70,058	S&P Global	15,087	1.47
	<b>Oil &amp; Gas Producers 2.18% (2.64%)</b>			202,809	Visa 'A' Shares	30,449	2.97
162,783	Diamondback Energy	12,919	1.26	<b>Software &amp; Computer Services 12.66% (11.80%)</b>			
153,960	EOG Resources	9,461	0.92	57,545	Adobe Systems	13,464	1.31
				42,815	Alphabet Class A	42,188	4.12
	<b>Oil Equipment, Services &amp; Distribution 0.69% (2.25%)</b>			3,959	Alphabet Class C	3,898	0.38
456,426	Halliburton	7,052	0.69	143,830	Facebook	22,325	2.18
				330,819	Microsoft	37,671	3.68
	<b>Chemicals 1.46% (1.82%)</b>			47,849	Tyler Technologies	10,086	0.99
89,516	ECOLAB	14,947	1.46	<b>Technology Hardware &amp; Equipment 2.05% (2.44%)</b>			
				58,307	Lam Research	10,747	1.05
	<b>Construction &amp; Materials 1.05% (0.00%)</b>			69,996	Nvidia	10,230	1.00
151,756	Trex Company	10,720	1.05	<b>Total United States of America</b>			
				<b>621,516 60.71</b>			
	<b>Electronic &amp; Electrical Equipment 0.97% (1.11%)</b>			<b>DERIVATIVES 0.00% (0.00%)</b>			
135,801	Amphenol	9,913	0.97	<b>Forward Foreign Exchange Contracts 0.00% (0.00%)</b>			
				Sell GBP 1,107,430			
	<b>Industrial Transportation 2.00% (2.18%)</b>			Buy USD 1,350,000 Bank of Scotland			
151,388	Union Pacific	20,451	2.00	<b>Total Derivatives</b>			
				<b>(10) —</b>			
	<b>Support Services 1.73% (0.58%)</b>			<b>Total value of investments<sup>2</sup></b>			
93,678	Fidelity National Information Services	10,588	1.03	<b>1,015,527 99.20</b>			
104,142	TransUnion	7,140	0.70	<b>Net other assets (0.90%)</b>			
				<b>8,187 0.80</b>			
	<b>Leisure Goods 2.55% (0.67%)</b>			<b>Net assets</b>			
353,910	Activision Blizzard	15,704	1.53	<b>1,023,714 100.00</b>			
131,425	Electronic Arts	10,411	1.02	<i>March 2019 comparatives in brackets.</i>			
				<i><sup>1</sup>Cash equivalents.</i>			
	<b>Personal Goods 1.28% (1.60%)</b>			<i><sup>2</sup>Includes Cash equivalents.</i>			
78,868	Estee Lauder Companies Class A	13,149	1.28	<b>Total Purchases and Sales</b>			
				<i>for the accounting period 8 March 2019 to 7 September 2019</i>			
	<b>Health Care Equipment &amp; Services 7.86% (7.86%)</b>			<b>2019 2018</b>			
155,259	Baxter International	11,098	1.08	<b>£000 £000</b>			
72,573	Becton Dickinson	15,250	1.49	Total purchases for the period			
433,945	Centene	16,281	1.59	223,923 308,595			
52,022	Cooper Cos	13,011	1.27	Total sales for the period			
98,886	Stryker	17,699	1.73	226,556 309,251			
38,382	UnitedHealth Group	7,165	0.70				
	<b>Pharmaceuticals &amp; Biotechnology 4.47% (4.81%)</b>						
66,355	Alexion Pharmaceuticals	5,409	0.53				
229,594	Gilead Sciences	11,958	1.17				
56,989	Illumina	12,591	1.23				
107,928	Vertex Pharmaceuticals	15,785	1.54				

## Threadneedle Global Bond Fund

### Portfolio Statement

as at 7 September 2019

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>AUSTRALIA 1.04% (1.62%)</b>					<b>ITALY 5.10% (4.44%)</b>				
		<b>Aaa 0.00% (0.71%)</b>					<b>Baa3u 5.10% (3.41%)</b>		
		<b>AA+ 1.04% (0.91%)</b>			EUR	5,150,000	Buoni Poliennali Del Tesoro 1.65% 01/03/2032	4,886	0.93
AUD	6,250,000	Queensland Treasury 6.5% 14/03/2033	5,450	1.04	EUR	3,231,000	Buoni Poliennali Del Tesoro 2.95% 01/09/2038	3,513	0.67
		<b>Total Australia</b>	<b>5,450</b>	<b>1.04</b>	EUR	3,550,000	Buoni Poliennali Del Tesoro 4.75% 01/09/2044	4,943	0.94
<b>BELGIUM 1.91% (0.71%)</b>					EUR	3,900,000	Italy Government Bond 2.45% 01/09/2033	4,020	0.76
		<b>Not Rated 1.91% (0.71%)</b>			EUR	6,000,000	Italy Government Bond 2.7% 01/03/2047	6,302	1.20
EUR	8,750,000	Belgium Government Bond 1.7% 22/06/2050	10,069	1.91	EUR	2,500,000	Italy Government Bond 5.25% 1/11/2029	3,168	0.60
		<b>Total Belgium</b>	<b>10,069</b>	<b>1.91</b>	<b>Not Rated 0.00% (1.03%)</b>				
<b>BRITISH VIRGIN ISLANDS 0.46% (0.58%)</b>					<b>Total Italy</b>				
		<b>A+ 0.46% (0.58%)</b>						<b>26,832</b>	<b>5.10</b>
USD	3,000,000	Sinopec Group 2% 29/09/2021	2,420	0.46	<b>Total Japan</b>				
		<b>Total British Virgin Islands</b>	<b>2,420</b>	<b>0.46</b>	<b>49,884 9.48</b>				
<b>CANADA 5.94% (6.92%)</b>					<b>JAPAN 9.48% (8.74%)</b>				
		<b>AAA 4.80% (5.48%)</b>			USD	1,550,000	<b>AA- 0.24% (0.30%)</b> Japan Tobacco 2% 13/04/2021	1,254	0.24
USD	3,020,000	Canada Government 2.625% 25/01/2022	2,516	0.48			<b>A1 9.24% (6.77%)</b>		
USD	4,500,000	CPPIB Capital 2.25% 25/01/2022	3,703	0.70	JPY	2,512,050,000	Japan Government 0.2% 20/06/2036	19,643	3.73
USD	13,150,000	Export Development Canada 2.3% 10/02/2020	10,704	2.03	JPY	1,241,650,000	Japan Government 0.4% 20/03/2056	10,029	1.91
CAD	2,700,000	Province of British Columbia 3.25% 18/12/2021	1,718	0.33	JPY	1,500,800,000	Japan Government 0.7% 20/12/2048	13,264	2.52
CAD	10,100,000	PSP Capital 3% 05/11/2025	6,638	1.26	JPY	630,000,000	Japan Government 2.1% 20/03/2027	5,694	1.08
		<b>A+ 0.96% (1.21%)</b>			<b>Not Rated 0.00% (1.67%)</b>				
USD	3,425,000	Province of Ontario Canada 2.5% 10/09/2021	2,827	0.54	<b>Total Japan</b>				
USD	2,575,000	Province of Ontario Canada 3.2% 16/05/2024	2,236	0.42	<b>49,884 9.48</b>				
		<b>A 0.18% (0.23%)</b>			<b>NETHERLANDS 1.97% (2.53%)</b>				
USD	1,150,000	Canadian National Railway 2.4% 03/02/2020	935	0.18	AUD	3,400,000	<b>A+ 1.28% (1.65%)</b> BMW Finance 2.5% 24/08/2020	1,912	0.36
		<b>Total Canada</b>	<b>31,277</b>	<b>5.94</b>	USD	6,000,000	Siemens Financieringsmaatschappij 1.7% 15/09/2021	4,828	0.92
<b>FRANCE 3.76% (4.20%)</b>					USD	4,500,000	<b>BBB+ 0.69% (0.88%)</b> Deutsche Telekom 1.95% 19/09/2021	3,638	0.69
		<b>Aa2u 1.03% (1.74%)</b>			<b>Total Netherlands</b>				
EUR	2,400,000	France Government Bond 1.25% 25/05/2036	2,547	0.48	<b>10,378 1.97</b>				
EUR	2,500,000	France Government Bond 1.75% 25/06/2039	2,889	0.55	<b>REPUBLIC OF IRELAND 0.16% (0.20%)</b>				
		<b>Not Rated 2.73% (2.46%)</b>			EUR	445	<b>Liquidity Funds 0.16% (0.20%)<sup>1</sup></b> BlackRock Institutional Cash Series Euro Liquidity Platinum	40	0.01
EUR	12,750,000	France Government Bond 1.5% 25/05/2050	14,345	2.73	GBP	756,704	BlackRock Institutional Cash Series Sterling Liquidity Platinum	757	0.14
		<b>Total France</b>	<b>19,781</b>	<b>3.76</b>	USD	45,013	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	37	0.01
<b>GERMANY 0.00% (0.99%)</b>					<b>Total Republic of Ireland</b>				
		<b>Aaa 0.00% (0.99%)</b>			<b>834 0.16</b>				
		<b>Total Germany</b>	<b>-</b>	<b>-</b>	<b>SOUTH KOREA 1.60% (2.05%)</b>				
					USD	4,275,000	<b>AA 1.60% (2.05%)</b> Doosan Infracore 2.375% 21/11/2019	3,478	0.66
					USD	6,000,000	Export-Import Bank of Korea 2.75% 25/01/2022	4,955	0.94
					<b>Total South Korea</b>				
					<b>8,433 1.60</b>				

## Threadneedle Global Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>SPAIN 5.17% (5.97%)</b>					<b>Aaa 45.18% (39.33%)</b>				
		<b>A3 0.40% (0.00%)</b>			USD	6,650,000	Tennessee Valley Authority 5.88% 01/04/2036	7,889	1.50
EUR	2,150,000	Basque Government 1.125% 30/04/2029	2,091	0.40	USD	13,550,000	United States Treasury Note/Bond 0.5% 15/04/2024	11,406	2.17
		<b>Baa1 4.77% (3.85%)</b>			USD	12,300,000	United States Treasury Note/Bond 0.875% 15/01/2029	10,927	2.08
EUR	1,300,000	Spain Government Bond 1.95% 30/07/2030	1,382	0.26	USD	675,000	United States Treasury Note/Bond 1.375% 31/08/2023	547	0.10
EUR	11,415,000	Spain Government Bond 2.35% 30/07/2033	12,766	2.43	USD	37,650,000	United States Treasury Note/Bond 1.5% 31/10/2019	30,584	5.81
EUR	200,000	Spain Government Bond 2.7% 31/10/2048	248	0.05	USD	19,375,000	United States Treasury Note/Bond 1.5% 15/08/2020	15,714	2.99
EUR	4,420,000	Spain Government Bond 2.9% 31/10/2046	5,633	1.07	USD	21,000,000	United States Treasury Note/Bond 1.5% 15/08/2026	17,045	3.24
EUR	3,220,000	Spain Government Bond 4.7% 30/07/2041	5,066	0.96	USD	19,050,000	United States Treasury Note/Bond 1.625% 15/05/2026	15,588	2.96
		<b>Not Rated 0.00% (2.12%)</b>			USD	12,300,000	United States Treasury Note/Bond 2% 30/06/2024	10,245	1.95
		<b>Total Spain</b>	<b>27,186</b>	<b>5.17</b>	USD	13,000,000	United States Treasury Note/Bond 2.125% 15/05/2025	10,931	2.08
<b>SUPRANATIONAL 0.47% (2.14%)</b>					USD	2,100,000	United States Treasury Note/Bond 2.250% 15/08/2027	1,798	0.34
		<b>AAA 0.47% (0.59%)</b>			USD	3,750,000	United States Treasury Note/Bond 2.5% 15/08/2023	3,167	0.60
USD	2,850,000	European Investment Bank 3.25% 29/01/2024	2,483	0.47	USD	3,353,000	United States Treasury Note/Bond 2.5% 15/02/2045	2,972	0.56
		<b>AA+ 0.00% (1.55%)</b>			USD	875,000	United States Treasury Note/Bond 2.5% 15/02/2046	776	0.15
		<b>Total Supranational</b>	<b>2,483</b>	<b>0.47</b>	USD	14,575,000	United States Treasury Note/Bond 2.5% 15/05/2046	12,926	2.46
<b>SWEDEN 0.59% (0.76%)</b>					USD	16,300,000	United States Treasury Note/Bond 2.625% 15/02/2029	14,463	2.75
		<b>AAA 0.59% (0.76%)</b>			USD	16,500,000	United States Treasury Note/Bond 2.875% 15/05/2028	14,842	2.82
USD	3,800,000	Kommuninvest I 2% 12/11/2019	3,091	0.59	USD	22,750,000	United States Treasury Note/Bond 2.875% 15/08/2028	20,503	3.90
		<b>Total Sweden</b>	<b>3,091</b>	<b>0.59</b>	USD	12,029,300	United States Treasury Note/Bond 2.875% 15/08/2045	11,414	2.17
<b>UNITED ARAB EMIRATES 0.38% (0.50%)</b>					USD	14,750,000	United States Treasury Note/Bond 3.125% 15/11/2028	13,578	2.58
		<b>A3 0.38% (0.50%)</b>			USD	4,200,000	United States Treasury Note/Bond 3.125% 15/08/2044	4,143	0.79
USD	2,485,000	Emirates NBD 3.25% 19/11/2019	2,022	0.38	USD	1,500,000	United States Treasury Note/Bond 3.375% 15/11/2019	1,223	0.23
		<b>Total United Arab Emirates</b>	<b>2,022</b>	<b>0.38</b>	USD	2,500,000	United States Treasury Note/Bond 3.625% 15/02/2044	2,661	0.51
<b>UNITED KINGDOM 4.90% (6.33%)</b>					USD	2,050,000	United States Treasury Note/Bond 4.5% 15/02/2036	2,319	0.44
		<b>Aa2u 4.04% (3.83%)</b>			USD	2,050,000	United States Treasury Note/Bond 4.5% 15/02/2036	2,319	0.44
GBP	8,150,000	United Kingdom Gilt 1.75% 07/09/2037	9,213	1.75	USD	13,150,000	Federal Home Loan Bank 5.5% 15/07/2036	15,728	2.99
GBP	7,805,000	United Kingdom Gilt 1.75% 22/01/2049	9,099	1.73	USD	2,900,000	Federal National Mortgage Association 0% 09/10/2019	2,353	0.45
GBP	2,400,000	United Kingdom Gilt 1.75% 22/07/2057	2,954	0.56	USD	4,475,000	Port Authority of New York & New Jersey 4.458% 01/10/2062	4,682	0.89
		<b>A 0.44% (0.56%)</b>							
USD	2,800,000	*HSBC Holdings 3.262% 13/03/2023	2,319	0.44					
		<b>BBB 0.42% (0.00%)</b>							
USD	2,688,000	Imperial Brands Finance PI 3.125% 26/07/2024	2,214	0.42					
		<b>Not Rated 0.00% (1.94%)</b>							
		<b>Total United Kingdom</b>	<b>25,799</b>	<b>4.90</b>					
<b>UNITED STATES OF AMERICA 54.70% (49.97%)</b>									
		<b>AAA 0.43% (0.55%)</b>							
USD	1,730,000	Microsoft 1.55% 08/08/2021	1,402	0.27					
USD	1,025,000	Microsoft 2.875% 06/02/2024	870	0.16					

## Threadneedle Global Bond Fund

### Portfolio Statement

(continued)

			Value	% of			Value	% of	
	Holding	Investment	£000	Net Asset Value		Holding	Investment	£000	Net Asset Value
<b>UNITED STATES OF AMERICA 54.70% (49.97%) (continued)</b>									
		<b>A+ 0.43% (0.00%)</b>							
USD	2,750,000	Oracle 2.625% 15/02/2023	2,283	0.43			Sell USD 78,580,890		
		<b>A 0.12% (0.16%)</b>					Buy JPY 8,429,450,676 Lloyds	231	0.04
USD	800,000	Gilead Sciences 0% 01/03/2022	649	0.12			Sell USD 897,924		
		<b>A- 0.79% (1.33%)</b>					Buy JPY 94,681,458 Bank of Scotland	(10)	–
USD	2,080,000	ERAC USA Finance 2.6% 01/12/2021	1,702	0.32			Sell USD 6,102,642		
USD	3,000,000	Qualcomm 2.6% 30/01/2023	2,480	0.47			Buy RUB 386,985,634 HSBC	(193)	(0.04)
		<b>BBB+ 0.50% (0.79%)</b>					Sell GBP 960,565		
USD	3,230,000	NiSource Finance 2.65% 17/11/2022	2,661	0.50			Buy USD 1,175,755 Lloyds	(5)	–
		<b>BBB 0.53% (0.98%)</b>					Sell GBP 1,451,413		
CAD	700,000	AT&T 3.825% 25/11/2020	438	0.08			Buy USD 1,766,514 J.P. Morgan	(16)	–
USD	903,000	DTE Energy 2.4% 01/12/2019	735	0.14			Sell GBP 1,772,290		
USD	2,000,000	Northrop Grumman 2.55% 15/10/2022	1,649	0.31			Buy USD 2,142,359 Citigroup	(31)	(0.01)
		<b>BBB- 0.77% (0.96%)</b>					Sell CAD 4,220,951		
USD	5,000,000	Broadcom 2.65% 15/01/2023	4,051	0.77			Buy USD 3,237,308 Lloyds	37	0.01
		<b>Not Rated 1.62% (2.08%)</b>					Sell GBP 2,697,032		
USD	10,500,000	RFCS 0% 15/10/2019	8,520	1.62			Buy USD 3,293,476 Bank of Scotland	(20)	(0.01)
		<b>Total United States of America</b>	<b>287,864</b>	<b>54.70</b>			Sell RUB 387,068,989		
							Buy USD 5,804,439 UBS	(50)	(0.01)
							Sell ZAR 89,336,059		
							Buy USD 6,153,159 UBS	90	0.02
							Sell EUR 5,959,798		
							Buy USD 6,573,052 HSBC	(5)	–
							Sell EUR 5,946,593		
							Buy USD 6,700,502 Bank of Scotland	110	0.02
							Sell EUR 6,018,655		
							Buy USD 6,770,927 UBS	103	0.02
							Sell JPY 76,534,242		
							Buy USD 720,193 UBS	4	–
							Sell USD 6,333,159		
							Buy ZAR 89,306,191 Lloyds	(238)	(0.05)
							<b>Total Derivatives</b>	<b>(1,784)</b>	<b>(0.34)</b>
							<b>Total value of investments<sup>2</sup></b>	<b>512,019</b>	<b>97.29</b>
							<b>Net other assets (1.70%)</b>	<b>14,268</b>	<b>2.71</b>
							<b>Net assets</b>	<b>526,287</b>	<b>100.00</b>
							<i>March 2019 comparatives in brackets.</i>		
							*Variable rate bonds.		
							<sup>1</sup> Cash equivalents.		
							<sup>2</sup> Includes Cash equivalents.		
							<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>		
							<b>Value</b>	<b>% of</b>	
							<b>£000</b>	<b>Investment</b>	
							511,484	99.90	
							2,319	0.45	
							(1,784)	(0.35)	
							<b>Total value of investments<sup>2</sup></b>	<b>512,019</b>	<b>100.00</b>
							<b>Total Purchases and Sales</b>		
							<i>for the accounting period 8 March 2019 to 7 September 2019</i>		
							<b>2019</b>	<b>2018</b>	
							<b>£000</b>	<b>£000</b>	
							426,769	505,238	
							353,917	461,835	
							Total purchases for the period		
							Total sales for the period		

## Threadneedle UK Institutional Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 6.94% (7.81%)</b>				<b>OIL &amp; GAS 6.94% (7.81%)</b>			
<b>Oil &amp; Gas Producers 5.84% (6.38%)</b>				<b>Oil &amp; Gas Producers 5.84% (6.38%)</b>			
1,682,718	Cairn Energy	2,948	0.23	237,685	Ferguson	15,207	1.21
3,904,858	EnQuest	753	0.06	7,023,446	Hays	10,395	0.83
1,513,036	Premier Oil	1,238	0.10	2,040,311	Howden Joinery Group	11,214	0.89
3,031,264	Royal Dutch Shell 'B' Shares	68,446	5.45	907,579	Mears Group	2,441	0.19
<b>Oil Equipment, Services &amp; Distribution 1.10% (1.43%)</b>				<b>Oil Equipment, Services &amp; Distribution 1.10% (1.43%)</b>			
3,629,003	John Wood Group	13,805	1.10	486,730	Northgate	1,545	0.12
<b>Total Oil &amp; Gas 6.94</b>				<b>Total Oil &amp; Gas 6.94</b>			
				<b>PageGroup</b>			
				320,709			
				PayPoint			
				2,899			
				Rentokil Initial			
				22,941			
				Ricardo			
				1,818			
				RPS Group			
				1,707			
				Sanne Group IPO			
				1,841			
				<b>Total Industrials 245,959 19.58</b>			
<b>BASIC MATERIALS 2.68% (2.97%)</b>				<b>CONSUMER GOODS 18.27% (17.02%)</b>			
<b>Chemicals 2.67% (2.95%)</b>				<b>Beverages 4.81% (5.03%)</b>			
1,743,762	Elementis	2,644	0.21	1,074,980	Britvic	9,438	0.75
733,227	Johnson Matthey	22,576	1.80	1,395,075	Diageo	47,802	3.81
283,129	Synthomer	891	0.07	1,356,236	Stock Spirits Group	3,133	0.25
352,692	Victrex	7,484	0.59	<b>Food Producers 0.11% (0.11%)</b>			
<b>Mining 0.01% (0.02%)</b>				<b>Hotel Chocolat Group 1,416 0.11</b>			
996,215	Petra Diamonds	82	0.01	<b>Household Goods &amp; Home Construction 2.69% (0.25%)</b>			
<b>Total Basic Materials 33,677 2.68</b>				<b>Crest Nicholson Holdings 1,578 0.13</b>			
				<b>Galliford Try 1,407 0.11</b>			
				<b>Reckitt Benckiser Group 30,823 2.45</b>			
				<b>Leisure Goods 0.25% (0.09%)</b>			
				<b>Games Workshop Group 1,941 0.16</b>			
				<b>Photo-Me International 1,125 0.09</b>			
				<b>Personal Goods 4.75% (4.63%)</b>			
				<b>Burberry Group 13,574 1.08</b>			
				<b>Ted Baker 6,313 0.50</b>			
				<b>Unilever 39,859 3.17</b>			
				<b>Tobacco 5.66% (6.91%)</b>			
				<b>British American Tobacco 43,854 3.49</b>			
				<b>Imperial Brands 27,189 2.17</b>			
				<b>Total Consumer Goods 229,452 18.27</b>			
<b>INDUSTRIALS 19.58% (17.94%)</b>				<b>HEALTH CARE 12.64% (11.69%)</b>			
<b>Construction &amp; Materials 3.17% (3.41%)</b>				<b>Health Care Equipment &amp; Services 1.90% (1.57%)</b>			
14,206,429	<sup>1</sup> Breedon Aggregates	8,780	0.70	163,264	Consort Medical	1,224	0.10
523,625	Costain Group	795	0.06	1,153,386	Smith & Nephew	22,612	1.80
262,068	Ibstock	566	0.04	<b>Pharmaceuticals &amp; Biotechnology 10.74% (10.12%)</b>			
561,583	Marshalls	3,754	0.30	861,703	AstraZeneca	62,336	4.96
11,039,493	Melrose Industries	22,576	1.80	201,552	<sup>†</sup> Clinigen Group	1,779	0.14
488,084	Polypipe Group	1,909	0.15	113,488	Genus	3,178	0.25
750,693	Tyman	1,516	0.12	3,784,840	GlaxoSmithKline	64,721	5.15
<b>Aerospace &amp; Defence 3.50% (3.23%)</b>				<b>Vectura Group 2,963 0.24</b>			
223,483	Avon Rubber	3,795	0.30	<b>Total Health Care 158,813 12.64</b>			
1,019,381	Chemring Group	1,825	0.15	<b>CONSUMER SERVICES 18.80% (18.49%)</b>			
14,923,250	Cobham	24,176	1.92	<b>Food &amp; Drug Retailers 3.25% (3.85%)</b>			
1,562,706	Rolls-Royce Holdings	12,248	0.98	10,445,025	Tesco	24,107	1.92
948,687	Senior	1,945	0.15	8,873,511	WM Morrison Supermarkets	16,660	1.33
<b>General Industrials 1.80% (1.77%)</b>				<b>General Retailers 1.23% (1.50%)</b>			
3,601,228	Coats Group	2,578	0.21	324,207	<sup>†</sup> Joules Group	843	0.07
1,182,867	Smiths Group	19,937	1.59	6,513,153	Marks & Spencer Group	12,834	1.02
<b>Electronic &amp; Electrical Equipment 0.64% (0.57%)</b>				<b>N Brown Group 1,752 0.14</b>			
103,971	Discoverie Group	450	0.04				
707,853	Morgan Advanced Materials	1,815	0.14				
362,786	Oxford Instruments	4,658	0.37				
47,381	XP Power	1,118	0.09				
<b>Industrial Engineering 2.35% (2.46%)</b>							
4,134,219	Rotork	13,077	1.04				
1,767,324	Severfield	1,092	0.09				
562,208	Trifast	1,096	0.09				
941,997	Weir Group	14,158	1.13				
<b>Industrial Transportation 1.33% (1.16%)</b>							
57,615	Clarkson	1,282	0.10				
142,938	James Fisher & Sons	2,937	0.23				
5,685,546	Royal Mail	12,565	1.00				
<b>Support Services 6.79% (5.34%)</b>							
1,277,028	Aggreko	10,022	0.80				
628,636	Essentra	2,530	0.20				





## Threadneedle UK Equity Opportunities Fund

### Portfolio Statement

as at 7 September 2019

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>OIL &amp; GAS 4.94% (5.53%)</b>				<b>CONSUMER SERVICES 27.20% (25.64%)</b>			
	<b>Oil &amp; Gas Producers 3.52% (3.57%)</b>				<b>Food &amp; Drug Retailers 4.64% (5.09%)</b>		
146,987	Royal Dutch Shell 'B' Shares	3,319	3.52	935,204	Tesco	2,158	2.28
	<b>Oil Equipment, Services &amp; Distribution 1.42% (1.96%)</b>			1,187,842	WM Morrison Supermarkets	2,230	2.36
352,989	John Wood Group	1,343	1.42		<b>General Retailers 2.23% (2.52%)</b>		
	<b>Total Oil &amp; Gas</b>	<b>4,662</b>	<b>4.94</b>	1,068,099	Marks & Spencer Group	2,105	2.23
<b>BASIC MATERIALS 3.40% (3.52%)</b>					<b>Media 6.99% (6.58%)</b>		
	<b>Chemicals 3.40% (3.52%)</b>			1,358,764	ITV	1,652	1.75
71,802	Johnson Matthey	2,211	2.34	291,571	Pearson	2,499	2.65
47,336	Victrex	1,004	1.06	124,883	RELX (London Listing)	2,441	2.59
	<b>Total Basic Materials</b>	<b>3,215</b>	<b>3.40</b>		<b>Travel &amp; Leisure 13.34% (11.45%)</b>		
<b>INDUSTRIALS 19.43% (15.74%)</b>				88,743	Compass Group	1,852	1.96
	<b>Construction &amp; Materials 2.07% (1.83%)</b>			137,436	easyJet	1,279	1.35
953,010	Melrose Industries	1,949	2.07	1,645,041	Firstgroup	2,142	2.27
	<b>Aerospace &amp; Defence 3.85% (3.27%)</b>			149,490	J D Wetherspoon	2,383	2.52
1,562,066	Cobham	2,531	2.68	952,791	Rank Group	1,605	1.70
141,316	Rolls-Royce Holdings	1,108	1.17	1,832,548	Restaurant Group	2,331	2.47
	<b>General Industrials 2.23% (1.84%)</b>			813,884	Stagecoach Group	1,013	1.07
125,084	Smiths Group	2,108	2.23		<b>Total Consumer Services</b>	<b>25,690</b>	<b>27.20</b>
	<b>Industrial Engineering 1.64% (1.46%)</b>			<b>TELECOMMUNICATIONS 1.97% (2.48%)</b>			
490,151	Rotork	1,550	1.64		<b>Fixed Line Telecommunications 1.97% (2.48%)</b>		
	<b>Industrial Transportation 1.12% (0.91%)</b>			1,106,723	BT Group	1,859	1.97
479,082	Royal Mail	1,059	1.12		<b>Total Telecommunications</b>	<b>1,859</b>	<b>1.97</b>
	<b>Support Services 8.52% (6.43%)</b>			<b>UTILITIES 1.10% (1.98%)</b>			
101,237	Aggreko	795	0.84		<b>Gas, Water &amp; Multiutilities 1.10% (1.98%)</b>		
409,243	Electrocomponents	2,448	2.59	1,558,090	Centrica	1,038	1.10
487,084	Hays	721	0.77		<b>Total Utilities</b>	<b>1,038</b>	<b>1.10</b>
309,098	Howden Joinery Group	1,699	1.80	<b>FINANCIALS 13.83% (15.82%)</b>			
514,897	Rentokil Initial	2,382	2.52		<b>Banks 3.78% (4.31%)</b>		
	<b>Total Industrials</b>	<b>18,350</b>	<b>19.43</b>	849,171	Royal Bank of Scotland Group	1,595	1.69
<b>CONSUMER GOODS 17.31% (18.57%)</b>				304,893	Standard Chartered	1,978	2.09
	<b>Beverages 3.84% (4.76%)</b>				<b>Nonlife Insurance 2.52% (2.41%)</b>		
105,747	Diageo	3,623	3.84	453,396	RSA Insurance Group	2,379	2.52
	<b>Food Producers 2.20% (2.02%)</b>				<b>Life Insurance 4.71% (5.33%)</b>		
283,009	Tate & Lyle	2,077	2.20	886,157	Legal & General Group	2,048	2.17
	<b>Personal Goods 5.29% (5.11%)</b>			170,042	Prudential	2,395	2.54
42,689	Burberry Group	977	1.03		<b>Financial Services 2.82% (3.77%)</b>		
69,531	Ted Baker	668	0.71	126,628	3i Group	1,458	1.54
64,868	Unilever	3,355	3.55	2,236,190	Sherborne Investors Guernsey	1,078	1.14
	<b>Tobacco 5.98% (6.68%)</b>			1,549,692	Sherborne Investors Guernsey B	132	0.14
102,132	British American Tobacco	2,978	3.15		<b>Total Financials</b>	<b>13,063</b>	<b>13.83</b>
125,884	Imperial Brands	2,674	2.83	<b>Total value of investments</b>			
	<b>Total Consumer Goods</b>	<b>16,352</b>	<b>17.31</b>			<b>95,370</b>	<b>100.98</b>
<b>HEALTH CARE 11.80% (10.08%)</b>				<b>Net other (liabilities)/assets (0.64%)</b>			
	<b>Pharmaceuticals &amp; Biotechnology 11.80% (10.08%)</b>					<b>(928)</b>	<b>(0.98)</b>
82,997	AstraZeneca	6,004	6.36	<b>Net assets</b>			
300,383	GlaxoSmithKline	5,137	5.44			<b>94,442</b>	<b>100.00</b>
	<b>Total Health Care</b>	<b>11,141</b>	<b>11.80</b>	<i>March 2019 comparatives in brackets.</i>			
				<b>Total Purchases and Sales</b>			
				<i>for the accounting period 8 March 2019 to 7 September 2019</i>			
						<b>2019</b>	<b>2018</b>
						<b>£000</b>	<b>£000</b>
				Total purchases for the period		2,960	4,523
				Total sales for the period		4,902	7,793

## Performance Summary for the six months ended 31 August 2019

Funds	Sector	Index	Class 1 Net Return %	Class 2 Net Return %	Sector Median Net Return %	Index Total Return %
<b>UNITED KINGDOM</b>						
UK Fund	IA UK All Companies	FTSE All-Share Total Return	+5.68	+5.99	+4.33	+4.28
UK Select Fund	IA UK All Companies	FTSE All-Share Total Return	+4.01	+4.31	+4.33	+4.28
UK Smaller Companies Fund	IA UK Smaller Companies	Numis Smaller Companies ex Investment Companies	+5.71	+6.04	+3.38	-0.39
UK Growth & Income Fund	IA UK All Companies	FTSE All-Share Total Return	+7.21	+7.51	+4.33	+4.28
UK Equity Income Fund	IA UK Equity Income	FTSE All-Share Total Return	+4.63	+4.92	+1.95	+4.28
UK Monthly Income Fund	IA UK Equity Income	FTSE All-Share Total Return	+3.33	–	+1.95	+4.28
Monthly Extra Income Fund	IA UK Equity & Bond Income	–	+6.48	–	+3.98	–
Sterling Corporate Bond Fund	IA £ Corporate Bond	iBoxx GBP Non-Gilts	+7.57	+7.72	+8.03	+8.19
Strategic Bond Fund	IA £ Strategic Bond	60% iBoxx GBP Non-Gilts 1-10 Years + 40% ICE BofAML European Currency High Yield Excluding Subordinated Financials Constrained (Hedged to £)	+4.41	+4.71	+5.38	+4.92
Sterling Bond Fund	IA UK Gilts	FTSE Actuaries UK Conventional Gilts All Stocks	+10.57	–	+10.66	+10.48
UK Institutional Fund	IA UK All Companies	FTSE All-Share Total Return	+3.37	+3.80	+4.33	+4.28
UK Equity Opportunities Fund	IA UK All Companies	FTSE All-Share Total Return	–	+2.54	+4.33	+4.28
<b>EUROPE</b>						
European Fund	IA Europe Excluding UK	FTSE World Europe ex UK	+15.99	+16.33	+11.22	+12.24
European Select Fund	IA Europe Excluding UK	FTSE World Europe ex UK	+17.28	+17.60	+11.22	+12.24
European Smaller Companies Fund	Morningstar Category Europe ex-UK Small/Mid-Cap Equity	EMIX Smaller European Companies Ex UK	+9.56	+9.90	+7.30	+8.90
European Bond Fund	–	ICE BofAML Pan-Europe Broad Market	+14.10	–	–	+13.51
<b>US</b>						
American Fund	IA North America	S&P 500	+17.04	+17.38	+14.45	+15.93
American Select Fund	IA North America	S&P 500	+14.23	+14.56	+14.45	+15.93
American Smaller Companies Fund (US)	Morningstar Category US Mid-Cap Equity	Russell 2500	+13.94	+14.26	+13.17	+8.18
Dollar Bond Fund	Morningstar Category USD Diversified Bond	50% ICE BofAML Euro-Dollar & Globals/50% ICE BofAML US Treasuries – Master	+17.65	–	+17.67	+19.40
<b>JAPAN</b>						
Japan Fund	IA Japan	MSCI Japan	+13.86	+14.14	+9.28	+10.20
<b>PACIFIC BASIN &amp; EMERGING MARKETS, ASIA PACIFIC EXCLUDING JAPAN</b>						
Asia Fund	IA Asia Pacific Excluding Japan	MSCI AC Asia Pacific Ex Japan	+8.86	+9.12	+6.61	+5.58
Latin America Fund	Morningstar Category Latin American Equity	MSCI EM Latin America 10/40	+3.07	+3.39	+2.26	+2.49
Emerging Market Bond Fund	Morningstar Category Global Emerging Markets Bond	JPM Emerging Market Bonds Global	+14.16	+14.45	+14.10	+16.93



**Performance Summary for the six months ended 31 August 2019 (continued)**

Funds	Sector	Index	Class 1 Net Return %	Class 2 Net Return %	Sector Median Net Return %	Index Total Return %
<b>GLOBAL</b>						
<b>High Yield Bond Fund</b>	IA £ High Yield	ICE BofAML European Currency High Yield ex sub-financials constrained (100% £ Hedged)	+4.76	+5.03	+4.14	+5.21
<b>Global Select Fund</b>	IA Global	MSCI AC World	+17.77	+18.09	+11.75	+12.56
<b>Global Bond Fund</b>	Morningstar Category Global Bond	JPM GBI Global	+18.90	+19.24	+13.99	+17.46
<b>CASH</b>						
<b>Sterling Short-Term Money Market Fund</b>	–	1 Month GBP London Interbank Bid Rate (LIBID)	+0.25	–	–	+0.30

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.

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 Fund</b>	Class 1 – Income shares	5
	Class 1 – Accumulation shares	5
	Class 2 – Income shares	5
	Class 2 – Accumulation shares	5
	Class X – Income shares	5
	Class X – Accumulation shares	5
	Class Z – Income shares	5
<b>UK Select Fund</b>	Class 1 – Income shares	5
	Class 2 – Income shares	5
	Class D – Accumulation shares	5
	Class L – Accumulation shares	5
	Class X – Accumulation shares	5
	Class X2 – Accumulation shares	5
	Class Z – Income shares	5
<b>UK Smaller Companies 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
	Class Z – Accumulation shares	5
<b>UK Growth &amp; Income Fund</b>	Class 1 – Income shares	5
	Class 2 – Income shares	5
	**Class X – Gross accumulation shares	5
	Class Z – Income shares	5
	Class Z – Accumulation shares	5
	Class Z CHF Hedged – Gross accumulation shares	5
<b>UK Equity Income Fund</b>	Class 1 – Income shares	5
	Class 1 – Accumulation shares	5
	Class 2 – Income shares	5
	Class 2 – Accumulation shares	5
	Class D – Income shares	5
	Class L – Income shares	5
	Class L – Accumulation shares	5
	Class X – Income shares	5
	Class X – Accumulation shares	5
	Class Z – Income shares	5
Class Z – Accumulation shares	5	
<b>UK Monthly Income Fund</b>	Class 1 – Income shares	5
	Class 2 – Income shares	5
	**Class X – Gross income shares	5
	Class Z – Income shares	5
<b>Monthly Extra Income Fund</b>	Class 1 – Income shares	4
	Class 1 EUR Hedged – Income shares	4
	Class 1 EUR Hedged – Accumulation shares	4
	**Class X – Gross income shares	4
	**Class X – Gross accumulation shares	4
	Class Z – Income shares	4
	Class Z – Accumulation shares	4
Class Z EUR Hedged – Accumulation shares	4	
<b>Sterling Corporate Bond Fund</b>	Class 1 – Income shares	3
	Class 1 – Accumulation shares	3
	Class 1 – Gross income shares	3
	Class 2 – Income shares	3
	Class 2 – Gross accumulation shares	3
	Class L – Income shares	3
	Class L – Accumulation shares	3
	Class L – Gross income shares	3
	Class X – Gross income shares	3
Class X – Gross accumulation shares	3	

## Risk and Reward Profiles

(continued)

Fund	Share Class	SRRI*
<b>Sterling Bond Fund</b>	Class 1 – Income shares	4
	Class 1 – Gross accumulation shares	4
	Class X – Gross income shares	4
	Class X – Gross accumulation shares	4
	Class Z – Income shares	4
	Class Z – Gross accumulation shares	4
<b>Sterling Short-Term Money Market Fund</b>	Class 1 – Income shares	1
	Class 2 – Accumulation shares	1
	Class X – Gross accumulation shares	1
<b>European Fund</b>	Class 1 – Accumulation shares	5
	Class 2 – Accumulation shares	5
	Class D – Accumulation shares	5
	Class L – Income shares	5
	Class L – Accumulation shares	5
	Class L GBP Hedged – Income shares	5
	Class X – Accumulation shares	5
	Class X2 – Accumulation shares	5
	Class Z – Income shares	5
	Class Z – Accumulation shares	5
<b>European Select Fund</b>	Class 1 – Income shares	5
	Class 1 – Accumulation shares	5
	Class 2 – Income shares	5
	Class 2 – Accumulation shares	5
	Class 2 USD Hedged – Accumulation shares	5
	Class X – Accumulation shares	5
	Class Z – Income shares	5
	Class Z – Accumulation shares	5
<b>European Smaller Companies Fund</b>	Class 1 – Income shares	5
	Class 1 EUR – Income shares	5
	Class 1 – Accumulation shares	5
	Class 2 – Accumulation shares	5
	**Class X – Gross accumulation shares	5
	Class Z – Income shares	5
	Class Z – Accumulation shares	5
<b>European Bond Fund</b>	Class 1 – Income shares	4
	Class 1 – Gross accumulation shares	4
	Class 2 – Gross accumulation shares	4
	**Class X – Gross accumulation shares	4
	Class Z – Income shares	4
	Class Z – Accumulation shares	4
<b>Strategic Bond Fund</b>	Class 1 – Income shares	3
	Class 1 – Gross income shares	3
	Class 2 – Income shares	3
	Class 2 – Gross income shares	3
	Class 2 – Gross accumulation shares	3
	**Class X – Gross accumulation shares	3
	Class Z – Income shares	3
	Class Z – Gross income shares	3
	Class Z – Gross accumulation shares	3
<b>American Fund</b>	Class 1 – Income shares	5
	Class 1 – Accumulation shares	5
	Class 2 – Accumulation shares	5
	Class X – Accumulation shares	5
	Class Z – Income shares	5
	Class Z – Accumulation shares	5

## Risk and Reward Profiles

(continued)

Fund	Share Class	SRRI*
<b>American Select Fund</b>	Class 1 – Income shares	5
	Class 1 – Accumulation shares	5
	Class 2 – Accumulation shares	5
	Class X – Accumulation shares	5
	Class Z – Income shares	5
	Class Z – Accumulation shares	5
	Class Z CHF Hedged – Accumulation shares	5
	Class Z GBP Hedged – Accumulation shares	5
<b>American Smaller Companies Fund (US)</b>	Class 1 – Income shares	6
	Class 1 – Accumulation shares	6
	Class 1 EUR – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Accumulation shares	6
	Class Z – Income shares	6
	Class Z – Accumulation shares	6
<b>Dollar Bond Fund</b>	Class 1 – Income shares	4
	Class 1 – Gross accumulation shares	4
	Class X – Gross accumulation shares	4
	Class Z – Income shares	4
	Class Z – Gross accumulation shares	4
<b>Japan Fund</b>	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Income shares	6
	Class X – Accumulation shares	6
	Class X2 – Accumulation shares	6
	Class Z – Accumulation shares	6
<b>Asia Fund</b>	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Accumulation shares	6
	Class X2 – Accumulation shares	6
	Class Z – Accumulation shares	6
<b>Latin America Fund</b>	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Accumulation shares	6
	Class Z – Accumulation shares	6
<b>Emerging Market Bond Fund</b>	Class 1 – Income shares	4
	Class 1 – Gross income shares	4
	Class 1 – Gross accumulation shares	4
	Class 2 – Income shares	4
	Class 2 – Gross accumulation shares	4
	Class X – Gross income shares	4
	Class X – Gross accumulation shares	4
	Class Z – Income shares	4
	Class Z – Gross income shares	4
	Class Z – Gross accumulation shares	4
<b>High Yield Bond Fund</b>	Class 1 – Income shares	3
	Class 1 – Gross income shares	3
	Class 1 USD Hedged – Gross income shares	3
	Class 1 – Gross accumulation shares	3
	Class 2 – Income shares	3
	Class 2 – Gross income shares	3
	Class 2 – Gross accumulation shares	3
	Class X – Gross income shares	3
	Class X – Gross accumulation shares	3
	Class Z – Income shares	3
	Class Z – Accumulation shares	3
	Class Z – Gross income shares	3
	Class Z – Gross accumulation shares	3

## Risk and Reward Profiles

(continued)

Fund	Share Class	SRRI*
Global Select Fund	Class 1 – Accumulation shares	5
	Class 2 – Accumulation shares	5
	Class X – Accumulation shares	5
	Class Z – Income shares	5
	Class Z – Accumulation shares	5
Global Bond Fund	Class 1 – Income shares	4
	Class 1 – Accumulation shares	4
	Class 1 – Gross income shares	4
	Class 1 – Gross accumulation shares	4
	Class 2 – Income shares	4
	Class 2 – Gross accumulation shares	4
	Class X – Gross accumulation shares	4
	Class Z – Income shares	4
	Class Z – Gross income shares	4
	Class Z – Gross accumulation shares	4
UK Institutional Fund	Class 1 – Accumulation shares	5
	Class 2 – Accumulation shares	5
	**Class X – Gross accumulation shares	5
UK Equity Opportunities Fund	Class 2 – Income shares	5
	Class 2 – Accumulation shares	5
	Class Z – Income shares	5

\* As at 7 September 2019 the synthetic risk and reward indicator (SRRI) is explained in the table below:

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) 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.

The risk and reward profile of the American Smaller Companies Fund (US) changed to 6 for all share classes on 8 March 2019.

\*\*For launch dates, refer to the footnotes after the fund's comparative table.

## Important Information

Threadneedle 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 J Griffiths on 24 September 2019.
- Resignation of M Scrimgeour on 26 April 2019.
- Appointment of R Vincent on 12 August 2019.

### Changes to the Prospectus

The following changes were made to the prospectus of the Company during the period from 8 March 2019 to 7 September 2019:

- Change of investment policy for the American Select Fund (effective 15 April 2019)
- Change of name and investment policy for the Sterling Fund to change its name to “Sterling Short-Term Money Market Fund” (effective 1 May 2019)
- Include details of co-management between Threadneedle Asset Management Limited and Threadneedle Investments Singapore (Pte.) Limited for the Asia Fund
- Change of name and investment policy for the UK Overseas Earnings Fund to change its name to “UK Equity Opportunities Fund” (effective 1 July 2019)
- Removal of references to the following funds (post-Brexit):
  - European Corporate Bond Fund
  - European High Yield Bond Fund
  - Pan European Fund
  - Pan European Smaller Companies Fund
- Change of name and investment policy of UK Corporate Bond Fund to change its name to “Sterling Corporate Bond Fund” (effective 31 August 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 Fund
  - American Smaller Companies Fund (US)
  - Asia Fund
  - Dollar Bond Fund
  - Emerging Market Bond Fund
  - European Bond Fund
  - European Fund
  - European Select Fund
  - European Smaller Companies Fund
  - Global Bond Fund
  - Global Select Fund

## Important Information

(continued)

High Yield Bond Fund  
 Japan Fund  
 Latin America Fund  
 Monthly Extra Income Fund  
 Sterling Bond Fund  
 Strategic Bond Fund  
 UK Equity Income Fund  
 UK Fund  
 UK Growth & Income Fund  
 UK Institutional Fund  
 UK Monthly Income Fund  
 UK Select Fund  
 UK Smaller Companies Fund

- Updates to Taxation, performance (including target benchmark performance (where applicable)) and dilution adjustments
- Update to the list of directors of Threadneedle Investment Services Limited

### Changes to the Instrument of Incorporation

The following changes were made to the instrument of incorporation of the Company during the period from 8 March 2019 to 7 September 2019:

- Change of investment policy for the American Select Fund (effective 15 April 2019)
- Change of name and investment policy for the Sterling Fund to change its name to "Sterling Short-Term Money Market Fund" (effective 1 May 2019)
- Change of name and investment policy for the UK Overseas Earnings Fund to change its name to "UK Equity Opportunities Fund" (effective 1 July 2019)
- Removal of references to the following funds (post-Brexit):  
 European Corporate Bond Fund  
 European High Yield Bond Fund  
 Pan European Fund  
 Pan European Smaller Companies Fund
- Change of name and investment policy of UK Corporate Bond Fund to change its name to "Sterling Corporate Bond Fund" (effective 31 August 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 Fund  
 American Smaller Companies Fund (US)  
 Asia Fund  
 Dollar Bond Fund  
 Emerging Market Bond Fund  
 European Bond Fund  
 European Fund  
 European Select Fund  
 European Smaller Companies Fund

Global Bond Fund  
 Global Select Fund  
 High Yield Bond Fund  
 Japan Fund  
 Latin America Fund  
 Monthly Extra Income Fund  
 Sterling Bond Fund  
 Strategic Bond Fund  
 UK Equity Income Fund  
 UK Fund  
 UK Growth & Income Fund  
 UK Institutional Fund  
 UK Monthly Income Fund  
 UK Select Fund  
 UK Smaller Companies Fund

### Emerging Market Bond Fund

From 1 January 2020, the Emerging Market Bond Fund will be able to invest directly in mainland Chinese bonds on the China Interbank Bond Market. The Fund will be able to invest up to a maximum of 10% of its assets in mainland 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 Fund.

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 funds.

## Important Information

(continued)

### Characteristics of Shares

The Company is structured as an umbrella company and currently consists of 28 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	Retail and non-retail investors
	Class 1 EUR (including Class 1 Hedged Shares)	EUR 2,500	
	Class 1 USD (including Class 1 Hedged Shares)	USD 3,000	
	Class 1 JPY	JPY 280,000	
	Class 1 CHF (including Class 1 Hedged Shares)	CHF 3,000	
	Class 1 SGD (Hedged Shares)	SGD 4,000	
	Class L	Class L GBP	
Class M	Class M AUD (Hedged Share Class)	AUD 750	Retail and non-retail investors
	Class M USD (Hedged Share Class)	USD 3,000	
Class N	Class N USD (Hedged Share Class)	USD 1.5 million	Retail and non-retail investors
Class 2	Class 2 GBP	GBP 0.5 million	Non-retail investors
	Class 2 EUR (including Class 2 Hedged Shares)	EUR 0.75 million	
	Class 2 USD (including Class 2 Hedged Shares)	USD 0.8 million	
	Class 2 JPY	JPY 70 million	
	Class 2 CHF (Hedged Share Class)	CHF 1.2 million	
Class X	Class X GBP	GBP 3 million	Available only to Eligible Shareholders
	Class X EUR	EUR 5 million	
	Class X USD	USD 5 million	
	Class X JPY	JPY 420 million	
	Class X AUD (Hedged Share Class)	AUD 5 million	
Class Z	Class Z GBP*	GBP 1 million	Available at the ACD's discretion to eligible distributors which have entered into separate fee arrangements with their clients
	Class Z EUR (including Class Z Hedged Shares)	EUR 1.5 million	
	Class Z USD (including Class Z Hedged Shares)	USD 1.5 million	
	Class Z JPY	JPY 140 million	
	Class Z CHF (including Class Z Hedged Shares)	CHF 1.5 million	

### 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.

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.

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.

### 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.

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.

### Investor Reports

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 [columbiathreadneedle.com/shortform](http://columbiathreadneedle.com/shortform) and from Threadneedle Investment Services Limited P.O. Box 10033, Chelmsford, Essex CM99 2AL.

The annual accounting period for the Company ends on 7 March and the interim reporting period ends on 7 September.



## **Important Information**

*(continued)*

Where there is any inconsistency between the version presented in English and any translation, the English language version takes precedence.

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)

### 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	Investment in Deposits	China-Hong Kong Stock Connect
UK Fund	X	X													X	X			
UK Select Fund	X	X						X							X	X			
UK Smaller Companies Fund	X	X					X								X	X			
UK Growth & Income Fund	X	X													X	X			
UK Equity Income Fund	X	X													X	X			
UK Monthly Income Fund	X	X													X	X			
Monthly Extra Income Fund	X	X			X		X		X	X					X	X			
Sterling Corporate Bond Fund	X	X			X		X		X	X					X				
High Yield Bond Fund	X	X			X		X		X	X	X				X	X			
Strategic Bond Fund	X	X		X	X		X		X	X	X	X	X	X					
Sterling Bond Fund	X	X			X		X		X	X					X				
Sterling Short-Term Money Market Fund	X		X	X					X						X			X	
European Fund	X	X													X	X			
European Select Fund	X	X						X							X	X			
European Smaller Companies Fund	X	X					X								X	X			
European Bond Fund	X	X			X		X		X	X					X				
American Fund	X	X													X	X			
American Select Fund	X	X						X							X	X			
American Smaller Companies Fund (US)	X	X					X								X		X		
Dollar Bond Fund	X	X			X		X		X	X					X				
Japan Fund	X	X													X		X		
Asia Fund	X	X				X	X								X		X	X	
Latin America Fund	X	X				X	X								X		X		
Emerging Market Bond Fund	X	X		X	X	X	X		X	X					X	X			
Global Select Fund	X	X						X							X	X			
Global Bond Fund	X	X		X	X		X		X	X					X				
UK Institutional Fund	X	X													X	X			
UK Equity Opportunities Fund	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

## Important Information

*(continued)*

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.

**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.

**Investment in Deposits Risk:** The Investment Policy of the fund allows it to invest principally in deposits.

**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.

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

Threadneedle Asset Management Limited  
Cannon Place  
78 Cannon Street  
London EC4N 6AG

### 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

Baum Financial Services Law Team  
Grosser Burstah 42  
20457 Hamburg  
Germany

### 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  
**Email** (enquiries): questions@service.columbiathreadneedle.co.uk

#### Asian Investors

**Address:** Threadneedle Investment Services Limited  
International Financial Data Services  
47, avenue JF Kennedy  
L-1855 Luxembourg  
**Telephone** (dealing & customer enquiries): +852 3667 7111\*  
**Fax** (dealing): +352 2452 9807  
**Email** (enquiries): threadneedleenquiries@statestreet.com

### All Other Investors

**Address:** Threadneedle Investment Services Limited  
International Financial Data Services  
47, avenue JF Kennedy  
L-1855 Luxembourg  
**Telephone** (dealing & customer enquiries): +352 464 010 7020\*  
**Fax** (dealing): +352 2452 9807  
**Email** (enquiries): questions@service.columbiathreadneedle.co.uk  
**Website:** columbiathreadneedle.com

### Paying and Information Agent in Austria

Raiffeisen Bank International AG  
Am Stadtpark 9  
A-1030 Vienna  
Austria

### Paying and Information Agent in Belgium

CACEIS Belgium S.A  
avenue du Port 86 C b 320  
1000 Brussels  
Belgium

### Paying and Information Agent in France

BNP Paribas Securities Services  
Les Grands Moulins de Pantin  
9 rue du Débarcadère  
93500 Pantin  
France

### Paying and Information Agent in Germany

J.P. Morgan AG  
Junghofstr. 14  
60311 Frankfurt am Main  
Germany

### Paying and Information Agent in Hong Kong

HSBC Institutional Trust Services (Asia) Limited  
Services Transfer Agency, Fund Services  
1 Queen's Road Central  
Hong Kong

### Paying and Information Agent in Ireland

J.P. Morgan Bank Administration Services (Ireland) Limited  
J.P. Morgan House, International Financial Services Centre  
Dublin 1  
Ireland

### Paying and Information Agent in Italy

Allfunds Bank S.A. (filiale di Milano)  
via Bocchetto, 6  
20123 Milan  
Italy  
BNP Paribas Securities Services  
succursale di Milano  
Piazza Lina Bo Bardi, 3  
20124 Milan  
Italy  
SGSS S.p.A.  
con sede legale in Milano  
via Benigno Crespi 19/A – MAC2  
Italy  
State Street Bank S.p.A.  
Via Ferrante Aporti, 10  
20125 Milan  
Italy

\*Calls will be recorded.

## Directory

*(continued)*

### **Paying and Information Agent in Luxembourg**

State Street Bank Luxembourg S.A.  
49 avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

### **Information Agent in Spain**

Threadneedle Investment Funds ICVC is duly authorised for its marketing in Spain under registered number 482 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)).

### **Paying and Information Agent in Sweden**

Skandinaviska Enskilda Banken AB  
Kungsträdgårdsgatan  
SE - 10640  
Stockholm  
Sweden

### **Representative and Paying Agent in Switzerland**

BNP Paribas Securities Services, Paris, Succursale de Zurich  
Selnaustrasse 16  
8002 Zurich  
Switzerland

To find out more visit [columbiathreadneedle.com](https://columbiathreadneedle.com)



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