



Your success. Our priority.

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS  
THREADNEEDLE OPPORTUNITY INVESTMENT FUNDS ICVC  
MAY 2020

# THREADNEEDLE OPPORTUNITY INVESTMENT FUNDS ICVC

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*\*These pages, together with the investment reports, Directors' Statements, Comparative Table Disclosure and portfolio statements of the individual funds comprise the Manager's Report.*

## Company Information

### Company

Threadneedle Opportunity Investment Funds ICVC (the Company)  
Registered Number IC000862

### 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 24 September 2019)  
A Roughead (non-executive)  
P Stone (resigned from the Board on 15 June 2020)  
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 Annual Report and Audited Financial Statements for Threadneedle Opportunity Investment Funds ICVC for the 12 months to 25 May 2020.

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 Annual Report and Audited 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**



**R Vincent**

**Director**

27 August 2020

# Notes to the Annual Reports and Financial Statements for Threadneedle Opportunity Investment Funds ICVC

## Notes to the financial statements

for the accounting period 26 May 2019 to 25 May 2020

### 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.

#### (b) Basis of valuation of investments

The investments of the funds are valued at fair market prices at 12 noon of the accounting period (UK time). Investments are stated at their fair value which generally is the bid valuation of each security.

These bid values are sourced from independent pricing sources; to the extent that an independent pricing source is not available then quotes are obtained from a broker. Where the ACD deems that these valuations are unrepresentative of a fair valuation of the security, a fair valuation adjustment is applied based upon the ACD's opinion of fair value.

The last dealing point in the year has been used for the purposes of preparing the report and financial statements and in the ACD's opinion there have been no material movements in the funds between the last dealing point and close of business on the balance sheet date.

Derivatives are valued based on counterparty valuations, appropriate pricing models and the ACD's opinion of fair value.

The Fair Value of Collective Investment Schemes (CIS) holdings is the bid price for authorised unit trusts and the quoted price for open-ended investment companies and offshore funds.

#### (c) Exchange rates

Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into sterling at the exchange rates ruling at 12 noon (UK time), being the valuation point on the last working day of the accounting period.

Transactions denominated in a foreign currency are translated into sterling at the exchange rates ruling at the date of the transaction.

#### (d) Derivatives

The return in respect of any derivative transaction is treated as capital or revenue depending on the motive and circumstances of the transaction. Where positions are undertaken to protect or enhance capital the returns are capital and where they are generating or protecting revenue the returns are revenue. Where positions generate total returns the returns are apportioned between capital and income to reflect the nature of the transaction. Ongoing premiums on credit default swaps are charged or credited to revenue/expenses on an accruals basis, depending on whether protection is bought or sold.

Any capital gains/losses are included within net capital gains/(losses) and any revenue or expense is included within revenue or interest payable and similar charges respectively in the statement of total return.

Derivative revenue and expense are netted off for the purposes of disclosure. The net balance is disclosed within either the revenue or interest payable and similar charges note depending on whether the balance is in a net revenue or expense position respectively.

The revenue return element in respect of futures is calculated by reference to the quoted yield of the index upon which the future is based compared to LIBOR. The revenue so calculated may represent revenue or expenses in a fund's financial statements, in accordance with whether the fund has held a net long or short position, when considering the accounting period as a whole. The revenue or expense position is reversed where LIBOR exceeds the quoted yield of the relevant index.

Cash held at future brokers as margin is reflected separately within cash and bank balances.

#### (e) Recognition of revenue

Revenue is included in the Statement of Total Return on the following bases:

Dividends on quoted equities and preference shares are recognised when the security is traded ex-dividend.

Dividends, interest and other income receivable include any withholding taxes but exclude any other taxes such as attributable tax credits.

Special dividends are treated as either revenue or capital depending on the facts of each particular case.

Stock dividends are recognised as revenue on the basis of the market value of the shares at the date they are quoted ex-dividend.

Interest on debt securities and bank and short-term deposits is recognised on an earned basis.

In the case of debt securities any difference between acquisition cost and maturity value is recognised as revenue over the life of the security using the effective yield basis of calculating amortisation.

Dividends and distributions from CIS are recognised when the security is quoted ex-dividend.

Underwriting commission is recognised when the issue takes place, except where the fund is required to take up all or some of the shares underwritten, in which case an appropriate proportion of the commission is deducted from the cost of those shares.

Underwriting commission is treated as revenue except for the proportion that is deducted from the cost of shares, which is capital.

Equalisation on distributions received is treated as a repayment of capital and deducted from the cost of the investment.

Dividends from U.S. Real Estate Investment Trusts (REITs) include a capital element. Upon receipt, a provision equivalent to 30% of the dividend is made in capital. On an annual basis, once the actual information has been published in the market, the provision will be amended to reflect actual split between capital and revenue.

#### (f) Treatment of expenses (including management expenses)

All expenses other than those relating to the purchase and sale of investments, are included in expenses, in the Statement of Total Return. The ACD may from time to time subsidise costs incurred by any of the Funds including but not limited to the Auditor's fee, to keep the costs of the Fund in line with the published estimated Ongoing Charges Figure or for any other reason. Expenses are recognised on an accrual basis and include irrecoverable VAT where appropriate.

#### (g) Fee rebate

In addition to any direct charge for management fees within the funds, there would occur, in the absence of a rebate mechanism, an indirect charge for management fees in respect of investments in other Threadneedle funds. Any such target funds themselves bear a management fee, which reduces the values of those funds from what they otherwise would be. The rebate mechanism operates to ensure that investors in the funds bear only the fee validly applicable to them. Depending upon the ACD's treatment of management fees within the underlying funds, where management fees are taken to capital, any rebate is classified as a capital item and does not form part of the amount available for distribution.

#### (h) Allocation of revenue and expenses to multiple share classes

The allocation of revenue and expenses to each share class is based upon the proportion of the fund's capital net assets attributable to each share class, on the day the revenue is earned or the expense is suffered.

Revenue equalisation, annual management charge and registration fees are specific to each share class.

#### (i) Equalisation policy

The funds operate equalisation to ensure the level of distributable income for any share class is not affected by the issue or cancellation of shares.

#### (j) Allocation of return on hedged share classes

Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of exchange rate fluctuations between the Reference Currency or Reference Currencies and the Hedged Currency (for further definitions refer to page 44). Where undertaken, the allocation of return in relation to hedging transactions is applied in respect of that hedged share class only.

#### (k) Deferred tax

Deferred tax liabilities are provided in full in respect of all items for which recognition falls in different accounting periods for accounting and taxation purposes and deferred tax assets are recognised to the extent that they are considered recoverable. Further analysis of the deferred tax assets can be found within the financial statements of the individual funds.

#### (l) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

### 2 DISTRIBUTION POLICIES

(a) In accordance with the Collective Investment Schemes Sourcebook, where the revenue from investments exceeds the expenses and taxation for any share class, a distribution will be made from that share class. Should expenses and taxation exceed revenue for any share class, there will be no distribution for that share class and a transfer from capital will be made to cover the shortfall.

Revenue attributable to Accumulation shareholders is retained at the end of each distribution period and represents a reinvestment of revenue.

(b) Where distributions are unclaimed for a period of six years these are brought back into the relevant fund as capital.

(c) The ACD's charges in respect of the following funds are added back for the purpose of determining the amount available for distribution:

- Global Multi Asset Income Fund
- UK Social Bond Fund

(d) When a transfer is made between the revenue and capital of the same share class marginal tax relief is not taken into account when determining the distribution. Marginal tax relief is only taken into account where the transfer of benefit is between the revenue and capital property of at least two different share classes of the fund.

### 3 RISK MANAGEMENT POLICIES

In pursuing their investment objectives, the funds may hold a number of financial instruments. These financial instruments comprise securities, derivatives and other

# Notes to the Annual Reports and Financial Statements for Threadneedle Opportunity Investment Funds ICVC

## Notes to the financial statements

(continued)

investments, cash balances, debtors and creditors that arise directly from the funds' operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for creations and payable for cancellations and debtors for accrued revenue. The funds may also enter into a range of derivative transactions whose purpose is efficient portfolio management. In addition the funds only execute derivative contracts where both the derivative instrument and the counterparty have been approved by the ACD.

The ACD has a Risk Management Policy (RMP\*), which is reviewed by the Depositary. The processes detailed within are designed to monitor and measure as frequently as appropriate the risk of the funds' underlying investments, derivative and forward positions and their contribution to the overall risk profile of the funds.

The main risks arising from financial instruments and the ACD's policies for managing these risks are stated below. These policies have been consistent for both the current and prior period to which these financial statements relate.

### Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the funds might suffer through holding market positions in the face of price movements. This means the value of an investor's holding may go down as well as up and an investor may not recover the amount invested. Bond funds hold a range of fixed interest instruments which may be difficult to value and/or liquidate.

Investors should consider the degree of exposure of these funds in the context of all their investments.

The funds investment portfolios are exposed to market price fluctuations, which are monitored by the ACD as per the policies as set out in the Prospectus.

The investment guidelines and investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Financial Conduct Authority's Collective Investment Schemes Sourcebook describe the nature of the market price risk to which the fund will be exposed.

The value of the investment can fall as well as rise and investors might not get back the sum originally invested, especially if investments are not held for the long term.

The ACD meets regularly to consider the asset allocation of the portfolio in order to minimise the risk associated with particular industry sectors whilst continuing to follow the investment objective. An individual fund manager has responsibility for monitoring the existing portfolio selected in accordance with the overall asset allocation parameters and seeks to ensure that individual stocks also meet the risk reward profile that is acceptable. The investment guidelines and investment and borrowing powers are set out in the instrument of incorporation and the prospectus.

### Liquidity risk

Liquidity risk is the risk that the funds cannot raise sufficient cash to meet their liabilities when due. One of the key factors influencing this will be the ability to sell investments at, or close to, the fair value without a significant loss being realised. Under normal circumstances, the funds will remain close to fully invested. However, where circumstances require: either because a view of illiquid securities markets or high levels of cancellations in the funds, the funds may hold cash and/or more liquid assets.

Temporary higher liquidity levels may also arise during the carrying out of a change in asset allocation policy, or following a large issue of shares.

The ACD manages the funds' cash to ensure they can meet their liabilities. The ACD receives daily reports of issues and cancellations enabling the ACD to raise cash from the funds' portfolios in order to meet redemption requests. In addition the ACD monitors market liquidity of all securities, with particular focus on the Floating Rate Note (FRN) market, seeking to ensure the funds maintain sufficient liquidity to meet known and potential redemption activity. Fund cash balances are monitored daily by the ACD and Administrator.

Where investments cannot be realised in time to meet any potential liability, the funds may borrow up to 10% of their value to ensure settlement. All of the funds' financial liabilities are payable on demand or in less than one year.

In exceptional circumstances the ACD, with the prior agreement of the Depositary, may suspend dealing for a period of 28 days which may be extended further with FCA approval. The ACD may also, in certain circumstances, require a redeeming shareholder, in lieu of payment, to be transferred property of the fund.

### Credit risk/Counterparty risk

Credit risk is the risk that the counterparty in a financial transaction will fail to fulfil their obligation or commitment. Credit risk arises from three main sources. Firstly, the possibility that the issuer of a security will be unable to pay interest and principal in a timely manner. Secondly, for asset backed investments (including FRNs) there is the possibility of default of the issuer and default in the underlying assets meaning that the fund may not receive back the full principal originally invested. Thirdly, there is counterparty risk, which is the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the fund has fulfilled its responsibilities, which could result in the funds suffering a loss.

In order to manage credit risk the funds are subject to investment limits for issuers of securities. Issuer credit ratings are evaluated periodically and an approved issuer list is maintained and monitored. In addition the funds only buy and sell investments

through brokers which have been approved by the ACD as an acceptable counterparty and limits are set and monitored to cover the exposure to any individual broker. Changes in broker's financial ratings are periodically reviewed.

The funds may invest in what are considered riskier bonds (below investment grade). This brings the potential for increased risk of default and could affect both the income and the capital value of the fund.

Further details can be found in the portfolio statement of the individual funds.

### Interest rate risk

Interest rate risk is the risk that the value of the funds' investments will fluctuate as a result of changes in interest rates. The fund invests in floating rate securities. The income of these funds may be affected by changes in interest rates relevant to particular securities or as a result of the ACD being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future. Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

The interest rate risk profile for fund is shown in the notes to the financial statements, contained within the full financial statements.

### Credit risk/Counterparty risk

Credit risk is the risk that the counterparty in a financial transaction will fail to fulfil their obligation or commitment. The funds are exposed to credit/counterparty risk by virtue of its direct investment into bonds and also indirectly via the underlying investments the Collective Investment Scheme holds and through counterparties it uses to trade the underlying investments or derivative transactions it enters. Credit risk arises from four main sources. Firstly, the possibility that the issuer of a security will be unable to pay interest and principal in a timely manner. Secondly, for asset backed investments (including Floating Rate Notes (FRNs)) there is the possibility of default of the issuer and default in the underlying assets meaning that the funds may not receive back the full principal originally invested. Thirdly, there is counterparty risk, which is the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the funds have fulfilled its responsibilities, which could result in the funds suffering a loss. Fourthly, for derivative counterparties there is the risk that the counterparty is unable to fulfil its obligations under the derivative contract, which could result in the funds suffering a loss.

In order to manage credit risk the funds are subject to investment limits for issuers of securities. Issuer credit ratings are evaluated periodically and an approved issuer list is maintained and monitored. In addition the funds only buy and sell investments through brokers which have been approved by the ACD as an acceptable counterparty and limits are set and monitored to cover the exposure to any individual broker. Changes in broker's financial ratings are periodically reviewed.

The funds may invest in what are considered riskier bonds (below investment grade, i.e., credit ratings lower than BBB-). This brings the potential for increased risk of default and could affect both the income and the capital value of the fund. Further details can be found in the portfolio statement of the individual funds.

### Interest rate risk

Interest rate risk is the risk that the value of the funds' investments will fluctuate as a result of changes in interest rates. The funds invest in floating rate securities. The income of these funds may be affected by changes in interest rates relevant to particular securities or as a result of the ACD being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future. Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

The interest rate risk profile for a fund is shown in the notes to the financial statements, contained within the full financial statements.

### Currency risk

Foreign currency risk is the risk that the value of the funds' investments will fluctuate as a result of changes in foreign currency exchange rates. For those funds where a proportion of the net assets of the fund are denominated in currencies other than the fund's base currency, the balance sheet can be affected by movements in exchange rates. The ACD monitors the foreign currency exposure of the funds and may seek to manage exposure to currency movements by using forward exchange contracts or by hedging the value of investments that are priced in other currencies. Hedged Share Classes are available to investors as set out in the Important Information – Characteristics of Shares section on page 43. The currency risk profile for the relevant funds is shown in their notes to the financial statements, contained within the full financial statements.

## 4 CROSS HOLDINGS

There were no cross holdings in the current or prior year for any funds within the Threadneedle Opportunity Investment Funds ICVC.

## 5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

\*The RMP is available on request from the client services team contact details on page 47.

## Threadneedle Dynamic Real Return Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve a higher rate of return from capital appreciation and income than the rate of inflation in the UK (defined as the Consumer Price Index (CPI)), over a period of 3 to 5 years. Currently, the Fund looks to achieve an average annual return of CPI +4% when measured over this same time period, before charges are deducted. The Fund also seeks to deliver a positive return over any 3-year period (net of charges), regardless of market conditions. However, there is a risk to capital, and there is no guarantee that a positive return will be achieved in 3 years, or any other timescale.

The Fund actively manages an exposure to bonds, equities (company shares), money market instruments, cash, currencies, commodities, property and other alternative asset classes on a global basis. The exposure to these asset classes varies over time, as deemed necessary to achieve the investment objective, which may result in the Fund having little or no exposure to certain asset classes.

The Fund obtains exposure to different asset classes by investing in other collective investment schemes (including funds managed by Columbia Threadneedle companies) or by using derivatives (including forward transactions). The Fund may also invest directly in transferable securities (including bonds and company shares), money market instruments, deposits and cash. The Fund does not invest in physical commodities or directly in real property.

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

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

From 26 May 2019 to 25 May 2020, the published share price of the Threadneedle Dynamic Real Return Fund has fallen from 121.31p to 120.29p.

For comparison, using noon prices, the performance of the Class 2 share class was +2.07% compared to a return of +0.27% for the Morningstar UK Unit Trusts/ OETCs – IA Targeted Absolute Return Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the UK CPI +4% Index was +4.31%.

#### Market Overview and Portfolio Activity

For most of the year in review, financial markets existed in a kind of fragile equilibrium. Central banks were easing policy by enough to avert recession but were unable to raise inflation such that interest rates might need to rise again – a backdrop which supported risk assets like equities and corporate bonds but also safe havens such as US Treasuries. There were some challenges to

this equilibrium, such as US-China trade tensions, softer economic data and corporate earnings, and, in the UK, fears of a no-deal Brexit.

By the start of 2020, however, these threats appeared to be fading. Economic and corporate data seemed to have bottomed, and there was progress towards a US-China trade deal. In the UK, Prime Minister Boris Johnson's new EU withdrawal agreement and decisive election victory had removed some Brexit-related uncertainty. Global equities were marching on to fresh highs, the most recent of which was in mid-February.

Thereafter, however, these benign market conditions were shattered by a new and unexpected threat – the spread of the COVID-19 from China to the rest of the world. As the outbreak approached pandemic status in March, governments took drastic measures to contain it. With much of the world suddenly under lockdown, economic forecasts plummeted and investors deserted riskier assets in search of safer havens. Equities sold off, core government bond yields plunged to record lows, and credit spreads widened dramatically. A collapse in oil prices was exacerbated by a price war between Saudi Arabia and Russia.

Central banks responded to the crisis by unleashing a flood of stimulus. The Federal Reserve slashed interest rates close to zero and pledged unlimited bond purchases – now including corporate credit. Most of its major counterparts either reintroduced or scaled up their own asset-buying programmes, and those with still-positive interest rates generally cut them. Monetary stimulus was complemented by unprecedented economic support from governments around the world. The US Congress, for example, approved a \$2.2tn package, including loans to businesses and direct handouts to individuals.

From late March on, risk assets staged a recovery. Economic data was predictably dire, but markets were more influenced by stimulus developments and the trajectory of the pandemic, which was slowing in European and US hotspots. In April and May, risk appetite was further buoyed as a growing number of countries prepared to ease lockdowns. Equities, corporate bonds and industrial commodities clawed back some of their earlier losses, but not enough to undo the damage done in March.

Over the year as a whole, core bond yields fell significantly, meaning corporate bonds also produced solid total returns despite the wider spreads. A weaker pound inflated returns from overseas assets. Commodities were down heavily, even in sterling terms. The main equity regions had mixed fortunes: the US delivered double-digit returns in sterling, for example, while the UK FTSE All-Share produced a fall of even greater magnitude, as Brexit uncertainty weighed on sentiment.

In terms of asset allocation changes, one of our largest moves over the period was a significant increase in our previously small exposure to US equities. This was mainly carried out in two stages. The first was in the summer of 2019, reflecting our (then) increasingly neutral view across regions. The second came as the COVID-19 crisis was taking hold, and was followed shortly afterwards by a new position in a global

equity sleeve. By this point we had upgraded our overall risk appetite to 'favour', given the scale of the stimulus response to the crisis and the newly attractive valuations on offer, but we wanted to maintain a tilt towards higher-quality risk assets. The US tends to be a relatively defensive equity market and provides exposure to high-quality companies that look well placed to deliver growth, even in this uncertain environment. Our allocation here rose from 1.0% of net asset value (NAV) to 7.8%.

Meanwhile, the new global equity sleeve finished the period at 8.0% of NAV. This is a concentrated strategy focused on quality companies with robust balance sheets. We believe that this should perform well in absolute terms amid any type of economic recovery, but especially if – as is our base case – the recovery is drawn out over a longer period.

Having also upgraded our view of investment-grade (IG) credit to 'favour' towards the end of March, we significantly increased exposure to the asset class over the remainder of the period. Spreads had tightened from their late-March wides, but remained cheap compared with their long-run averages, despite high-grade credit being a targeted beneficiary of the policy response to the crisis. The IG allocation rose from 15.6% to 21.2% over the course of the review period.

Also in fixed income, we built a position in emerging-market (EM) local-currency debt. This started with Indonesian government bonds in June 2019 and later, in January 2020, via a new sleeve in the local-currency government debt of a broad range of EM countries. Slower but positive growth and contained inflation in EMs was enabling continued central bank easing, within a framework of increasingly credible policy regimes within the region. The allocation rose from zero at the start of the period to finish at 7.6% of NAV. On the other side, we took some profits in developed government debt, which enjoyed strong performance over the year.

The new global equity holding and our increased exposure to IG were largely funded by reductions across most of the other equity allocations, primarily via futures. In particular, we reduced exposure to UK and Japanese equities. We had added to UK equities in late 2019 and early 2020, mainly on valuation grounds, but as the extent of the COVID-19 impact became clearer, we could no longer see a clear catalyst to close the valuation gap with global peers. We had raised exposure to Japanese equities in March, as prices fell below book value, but their subsequent strong performance relative to global peers undermined the valuation case. Over the year, exposure to Japanese and UK equities fell from 13.0% of NAV to 7.7% and from 4.3% to 3.2%. By contrast, we further increased the allocation to Asia ex Japan equities, having already bolstered our position in the autumn of 2019 via Korean and Taiwanese index futures. Before the COVID-19 crisis, Asian data appeared to have bottomed out and was leading the recovery from the trade-war-driven manufacturing slump. Some cyclical exposure here should be rewarded as Asia is now further along in tackling the pandemic, and parts of its economy – such as Chinese manufacturing – show signs of reverting to pre-crisis levels.

### STATEMENT OF TOTAL RETURN

for the accounting period 26 May 2019 to 25 May 2020

	Notes	2020 £000	2019 £000
Income			
Net capital losses	2	(19,311)	(39,236)
Revenue	3	44,251	34,059
Expenses	4	(10,880)	(9,060)
Interest payable and similar charges	5	(3)	–
Net revenue before taxation		33,368	24,999
Taxation	6	(3,954)	(2,456)
Net revenue after taxation		29,414	22,543
Total return before distributions		10,103	(16,693)
Distributions	7	(29,505)	(22,633)
Change in net assets attributable to shareholders from investment activities		(19,402)	(39,326)

### BALANCE SHEET

as at 25 May 2020

	Notes	2020 £000	2019 £000
<b>Assets:</b>			
<b>Fixed assets:</b>			
<b>Investments</b>		1,941,300	1,581,799
<b>Current assets:</b>			
Debtors	8	8,361	5,865
Cash and bank balances	9	57,763	210,168
Cash equivalents**		116,548	178,253
Total assets		2,123,972	1,976,085
<b>Liabilities:</b>			
<b>Investment liabilities</b>		(3,325)	(11,424)
<b>Creditors:</b>			
Bank overdrafts	9	(33,962)	(3,254)
Distribution payable		(849)	(880)
Other creditors	10	(2,819)	(11,667)
Total liabilities		(40,955)	(27,225)
<b>Net assets attributable to shareholders</b>		<b>2,083,017</b>	<b>1,948,860</b>

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

for the accounting period 26 May 2019 to 25 May 2020

	2020 £000	2019 £000
Opening net assets attributable to shareholders	1,948,860	1,367,838
Amounts receivable on the issue of shares	399,290	710,318
Amounts payable on the cancellation of shares	(274,224)	(113,983)
	125,066	596,335
Dilution adjustment	93	618
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(19,402)	(39,326)
Retained distribution on accumulation shares	28,400	23,395
<b>Closing net assets attributable to shareholders</b>	<b>2,083,017</b>	<b>1,948,860</b>

### DISTRIBUTION TABLE

for the accounting period 26 May 2019 to 25 May 2020

Dividend distribution in pence per share

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019/2020	Distribution Paid 2018/2019
<b>Group 1</b>				
26/05/19 to 25/11/19	0.5988	–	0.5988	0.4188
26/11/19 to 25/05/20	0.9592	–	0.9592	1.0445
<b>Group 2</b>				
26/05/19 to 25/11/19	0.4806	0.1182	0.5988	0.4188
26/11/19 to 25/05/20	0.0556	0.9036	0.9592	1.0445
<b>Total distributions in the period</b>			<b>1.5580</b>	<b>1.4633</b>

#### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019/2020	Revenue Accumulated 2018/2019
<b>Group 1</b>				
26/05/19 to 25/11/19	0.6434	–	0.6434	0.4441
26/11/19 to 25/05/20	1.0358	–	1.0358	1.1112
<b>Group 2</b>				
26/05/19 to 25/11/19	0.3811	0.2623	0.6434	0.4441
26/11/19 to 25/05/20	0.3240	0.7118	1.0358	1.1112
<b>Total distributions in the period</b>			<b>1.6792</b>	<b>1.5553</b>

\*In pound Sterling and against UK peer group (See Performance summary on page 41).

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

## Threadneedle Dynamic Real Return Fund

### DISTRIBUTION TABLE

(continued)

#### Class S – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019/2020	Revenue Accumulated 2018/2019
<b>Group 1</b>				
26/05/19 to 25/11/19	0.6917	–	0.6917	0.5118
26/11/19 to 25/05/20	1.0405	–	1.0405	1.1033
<b>Group 2</b>				
26/05/19 to 25/11/19	0.3919	0.2998	0.6917	0.5118
26/11/19 to 25/05/20	0.4781	0.5624	1.0405	1.1033
<b>Total distributions in the period</b>			<b>1.7322</b>	<b>1.6151</b>

#### Class X – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019/2020	Revenue Accumulated 2018/2019
<b>Group 1</b>				
26/05/19 to 25/11/19	1.0171	–	1.0171	0.8049
26/11/19 to 25/05/20	1.4192	–	1.4192	1.4822
<b>Group 2</b>				
26/05/19 to 25/11/19	0.7876	0.2295	1.0171	0.8049
26/11/19 to 25/05/20	0.8827	0.5365	1.4192	1.4822
<b>Total distributions in the period</b>			<b>2.4363</b>	<b>2.2871</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019/2020	Distribution Paid 2018/2019
<b>Group 1</b>				
26/05/19 to 25/11/19	0.5122	–	0.5122	0.3327
26/11/19 to 25/05/20	0.8750	–	0.8750	0.9611
<b>Group 2</b>				
26/05/19 to 25/11/19	0.2883	0.2239	0.5122	0.3327
26/11/19 to 25/05/20	0.5371	0.3379	0.8750	0.9611
<b>Total distributions in the period</b>			<b>1.3872</b>	<b>1.2938</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019/2020	Revenue Accumulated 2018/2019
<b>Group 1</b>				
26/05/19 to 25/11/19	0.5468	–	0.5468	0.3505
26/11/19 to 25/05/20	0.9380	–	0.9380	1.0154
<b>Group 2</b>				
26/05/19 to 25/11/19	0.3627	0.1841	0.5468	0.3505
26/11/19 to 25/05/20	0.6711	0.2669	0.9380	1.0154
<b>Total distributions in the period</b>			<b>1.4848</b>	<b>1.3659</b>

Group 2: shares purchased during a distribution period.



## Threadneedle Dynamic Real Return Fund

### Comparative Table Disclosure

	Class 2 – Income shares			Class 2 – Accumulation shares		
	25/05/2020	25/05/2019	25/05/2018	25/05/2020	25/05/2019	25/05/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	120.12	123.52	119.04	128.92	130.96	125.07
Return before operating charges (p)	1.51	(1.05)	6.51	1.60	(1.09)	6.85
Operating charges (p)	(0.90)	(0.89)	(0.91)	(0.97)	(0.95)	(0.96)
Return after operating charges (p)*	0.61	(1.94)	5.60	0.63	(2.04)	5.89
Distributions (p)	(1.56)	(1.46)	(1.12)	(1.68)	(1.56)	(1.18)
Retained distributions on accumulation shares (p)	–	–	–	1.68	1.56	1.18
Closing net asset value per share (p)	119.17	120.12	123.52	129.55	128.92	130.96
*after direct transaction costs of (p)	0.01	0.01	–	0.01	0.01	–
<b>Performance</b>						
Return after charges (%)	0.51	(1.57)	4.70	0.49	(1.56)	4.71
<b>Other information</b>						
Closing net asset value (£000)	97,071	92,658	73,495	467,790	487,031	478,148
Closing number of shares	81,456,982	77,138,470	59,502,612	361,074,874	377,776,361	365,112,232
Operating charges (%)**	0.74	0.74	0.75	0.74	0.74	0.75
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	126.81	124.12	124.22	136.76	131.60	130.98
Lowest share price (p)	108.19	114.02	119.01	116.68	121.32	125.04
	Class S – Accumulation shares			Class X – Income shares		
	25/05/2020	25/05/2019	25/05/2018		14/11/2017 <sup>1</sup>	
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	115.06	116.65	111.16		119.34	
Return before operating charges (p)	1.37	(1.03)	6.04		3.60	
Operating charges (p)	(0.57)	(0.56)	(0.55)		(0.05)	
Return after operating charges (p)*	0.80	(1.59)	5.49		3.55	
Distributions (p)	(1.73)	(1.62)	(1.30)		–	
Retained distributions on accumulation shares (p)	1.73	1.62	1.30		–	
Closing net asset value per share (p)	115.86	115.06	116.65		122.89	
*after direct transaction costs of (p)	0.01	0.01	–		–	
<b>Performance</b>						
Return after charges (%)	0.70	(1.36)	4.94		2.97	
<b>Other information</b>						
Closing net asset value (£000)	1,347,621	1,226,675	715,676		–	
Closing number of shares	1,163,158,700	1,066,095,039	613,535,479		–	
Operating charges (%)**	0.49	0.49	0.48		–	
Direct transaction costs (%)***	–	–	–		–	
<b>Prices</b>						
Highest share price (p)	122.22	117.27	116.67		124.40	
Lowest share price (p)	104.31	108.19	111.16		119.37	

## Threadneedle Dynamic Real Return Fund

### Comparative Table Disclosure

(continued)

	Class X – Accumulation shares			Class Z - Income shares		
	25/05/2020	25/05/2019	25/05/2018	25/05/2020	25/05/2019	25/05/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	133.09	134.50	127.79	120.07	123.47	118.99
Return before operating charges (p)	1.47	(1.29)	6.84	1.55	(1.02)	6.55
Operating charges (p)	(0.12)	(0.12)	(0.13)	(1.11)	(1.09)	(1.12)
Return after operating charges (p)*	1.35	(1.41)	6.71	0.44	(2.11)	5.43
Distributions (p)	(2.44)	(2.29)	(1.89)	(1.39)	(1.29)	(0.95)
Retained distributions on accumulation shares (p)	2.44	2.29	1.89	–	–	–
Closing net asset value per share (p)	134.44	133.09	134.50	119.12	120.07	123.47
*after direct transaction costs of (p)	0.01	0.01	–	0.01	0.01	–
<b>Performance</b>						
Return after charges (%)	1.01	(1.05)	5.25	0.37	(1.71)	4.56
<b>Other information</b>						
Closing net asset value (£000)	79,811	25,500	22,754	9,269	9,253	9,683
Closing number of shares	59,366,123	19,159,539	16,917,639	7,780,659	7,706,272	7,842,197
Operating charges (%)**	0.09	0.09	0.10	0.91	0.91	0.92
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	141.67	135.30	134.52	126.73	124.03	124.14
Lowest share price (p)	120.97	124.97	127.83	108.10	113.96	118.91
<b>Class Z – Accumulation shares</b>						
	25/05/2020	25/05/2019	25/05/2018			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	127.86	130.06	124.38			
Return before operating charges (p)	1.63	(1.05)	6.85			
Operating charges (p)	(1.18)	(1.15)	(1.17)			
Return after operating charges (p)*	0.45	(2.20)	5.68			
Distributions (p)	(1.48)	(1.37)	(1.00)			
Retained distributions on accumulation shares (p)	1.48	1.37	1.00			
Closing net asset value per share (p)	128.31	127.86	130.06			
*after direct transaction costs of (p)	0.01	0.01	–			
<b>Performance</b>						
Return after charges (%)	0.35	(1.69)	4.57			
<b>Other information</b>						
Closing net asset value (£000)	81,455	107,743	68,082			
Closing number of shares	63,484,234	84,269,537	52,346,963			
Operating charges (%)**	0.91	0.91	0.92			
Direct transaction costs (%)***	–	–	–			
<b>Prices</b>						
Highest share price (p)	135.51	130.66	130.14			
Lowest share price (p)	115.59	120.39	124.33			

\*\*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). The non-UCITS retail scheme Key Investor Information document (NURS-KII) 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 14 November 2017.

## Threadneedle Dynamic Real Return Fund

### Notes to the financial statements

for the accounting period 26 May 2019 to 25 May 2020

#### 1 ACCOUNTING POLICIES

The accounting policies for the fund are the same as those disclosed on pages 4 and 5.

#### 2 NET CAPITAL LOSSES

Net capital losses during the period comprise:

	2020	2019
	£000	£000
Non-derivative securities*	14,555	(25,644)
Derivative contracts	(30,855)	(4,337)
Forward currency contracts	(13,695)	(11,329)
Management fee rebate on CIS holdings	456	450
Other gains	10,229	1,624
Transaction costs	(1)	–
Net capital losses	(19,311)	(39,236)
<b>The non-derivative securities balance above includes:</b>		
Realised gains*	11,798	8,973
Unrealised gains/(losses)*	2,757	(34,617)
	14,555	(25,644)

\*Where realised gains include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised gains/(losses).

#### 3 REVENUE

	2020	2019
	£000	£000
UK dividends	92	479
Overseas dividends	123	–
Franked dividend distributions	9,873	11,519
Interest distributions	9,134	7,960
Interest on debt securities	12,714	6,521
Interest on short term investments	458	1,061
Property Income Distributions	2,484	2,292
Non-taxable distributions on Offshore Funds	4,042	1,534
Taxable distributions on Offshore Funds	871	–
Derivative revenue	2,985	1,896
Bank interest	1,475	797
Total revenue	44,251	34,059

#### 4 EXPENSES

	2020	2019
	£000	£000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(9,784)	(8,191)
Registration fees	(798)	(648)
	(10,582)	(8,839)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(246)	(195)
Safe custody fees	(46)	(16)
	(292)	(211)
Other expenses:		
Audit fees	(10)	(10)
Expenses cap*	4	–
	(6)	(10)
Total expenses**	(10,880)	(9,060)

\*Excess expenses are paid by the ACD.

\*\*Including irrecoverable VAT where applicable.

#### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2020	2019
	£000	£000
Interest payable	(3)	–
Total interest payable and similar charges	(3)	–

#### 6 TAXATION

	2020	2019
	£000	£000
<b>a) Analysis of charge in period</b>		
Corporation tax	(3,939)	(2,456)
Double taxation relief	620	–
Overseas taxes	(635)	–
Total current tax (note 6b)	(3,954)	(2,456)
Total tax charge for the period	(3,954)	(2,456)
<b>b) Factors affecting taxation charge for period</b>		
Net revenue before taxation	33,368	24,999
Net revenue before taxation multiplied by the standard rate of corporation tax of 20%	(6,674)	(5,000)
Effects of:		
Revenue not subject to taxation	2,824	2,634
Overseas taxes	(635)	–
Double taxation relief	620	–
Capitalised revenue subject to taxation	(91)	(90)
Revenue taxable in other periods	2	–
Current tax charge for period (note 6a)	(3,954)	(2,456)

#### 7 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2020	2019
	£000	£000
Interim	11,627	6,628
Final	18,130	17,980
	29,757	24,608
Add: Revenue deducted on the cancellation of shares	931	337
Deduct: Revenue received on the creation of shares	(1,183)	(2,312)
Net distribution for the period	29,505	22,633
Net revenue after taxation	29,414	22,543
Tax relief on income fees	91	90
Undistributed revenue brought forward	1	1
Undistributed revenue carried forward	(1)	(1)
Total distributions	29,505	22,633

Details of the distribution per share are set out in the table on pages 6 to 7.

#### 8 DEBTORS

	2020	2019
	£000	£000
Amounts receivable for the issue of shares	181	674
Sales awaiting settlement	921	–
Accrued revenue	6,714	4,728
Foreign withholding tax recoverable	27	–
United Kingdom income tax recoverable	518	463
Total debtors	8,361	5,865

#### 9 CASH AND BANK BALANCES

	2020	2019
	£000	£000
Amounts held at futures clearing houses and brokers	43,089	17,777
Cash and bank balances	14,674	192,391
	57,763	210,168
Cash overdrafts at broker	(33,962)	(3,254)
Total cash and bank balances	23,801	206,914

#### 10 OTHER CREDITORS

	2020	2019
	£000	£000
Amounts payable for the cancellation of shares	(1,551)	(9,372)
Purchases awaiting settlement	(388)	–
Accrued expenses	(44)	(63)
Amounts payable to ACD	(708)	(711)
Corporation tax payable	(128)	(1,521)
Total other creditors	(2,819)	(11,667)

# Threadneedle Dynamic Real Return Fund

## Notes to the financial statements

(continued)

### 11 DILUTION ADJUSTMENT

Under certain circumstances the ACD has the power to apply a dilution adjustment on the purchase and/or redemption of shares. If applied, the dilution adjustment will be paid into the relevant fund. Full details of the operation of the scheme can be found in the Prospectus.

### 12 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 8 and 10.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 10.

A balance of £63,000 (2019: £72,000), in respect of annual management rebates is receivable at the end of the accounting period.

The fund invests in other sub-funds managed by Columbia Threadneedle, all transactions in respect of which are transacted with Threadneedle Investment Services Limited. Details of the investments are shown in the Portfolio Statement.

In addition this investment has produced a non-derivative security loss of £15,938,869 (2019: loss of £39,926,963).

All transactions have been entered into in the ordinary course of business on normal commercial terms.

### 13 SHAREHOLDER FUNDS

Threadneedle Dynamic Real Return Fund currently has four share classes; Class 2, Class S, Class X and Class Z shares. The charges on each share class are as follows:

#### Annual management charge

Class 2 shares	0.65%
Class S shares	up to 0.40%*
Class X shares	N/A**
Class Z shares	0.75%

#### Registration fees

Class 2 shares	0.035%
Class S shares	0.035%
Class X shares	0.035%
Class Z shares	0.110%

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on pages 8 to 9.

The distribution per share class is given in the distribution table on pages 6 to 7.

All classes have the same rights on winding up.

\*The ACD will take an annual management fee at a level which will enable the ongoing charges figure, on an annualised basis, to be no more than 0.50%. The actual annual management fee taken may therefore be less than 0.40% depending on other charges to the Fund in any given year.

\*\*X Shares are not subject to an Annual Management Charge.

#### Reconciliation of shares

	2020
<b>Class 2 – Income shares</b>	
Opening shares	77,138,470
Shares issued	10,640,587
Shares redeemed	(6,323,132)
Net conversions	1,057
Closing shares	<u>81,456,982</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	377,776,361
Shares issued	82,791,141
Shares redeemed	(99,559,386)
Net conversions	66,758
Closing shares	<u>361,074,874</u>
<b>Class S – Accumulation shares</b>	
Opening shares	1,066,095,039
Shares issued	182,785,913
Shares redeemed	(86,160,886)
Net conversions	438,634
Closing shares	<u>1,163,158,700</u>

	2020
<b>Class X – Accumulation shares</b>	
Opening shares	19,159,539
Shares issued	44,615,279
Shares redeemed	(4,408,695)
Net conversions	–
Closing shares	<u>59,366,123</u>
<b>Class Z – Income shares</b>	
Opening shares	7,706,272
Shares issued	1,234,666
Shares redeemed	(1,252,524)
Net conversions	92,245
Closing shares	<u>7,780,659</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	84,269,537
Shares issued	2,428,480
Shares redeemed	(22,663,968)
Net conversions	(549,815)
Closing shares	<u>63,484,234</u>

### 14 RISK MANAGEMENT

The analysis and tables provided below refer to the risk management policies narrative disclosure on pages 4 and 5.

#### Market price risk sensitivity

A 5.00% market increase applied to the fund would result in an increase on net asset value of the fund by 2.45% and vice versa (2019: 1.21%).

A 1.00% interest rate decrease applied to the fund would result in an increase on net asset value of the fund by 1.93% and vice versa (2019: 1.54%).

#### Currency exposures

A portion of the net assets of the fund are denominated in currencies other than Sterling, with the effect that the balance sheet and total return can be affected by currency movements.

	Total £000
<b>Currency 2020</b>	
Brazilian Real	8,929
Chilean Peso	2,612
China Renminbi	1,835
Colombian Peso	5,825
Czech Koruna	4,410
Danish Krone	4,908
Euro	(21,767)
Hong Kong Dollar	7,603
Hungarian Forint	3,627
Indonesian Rupiah	72,062
Japanese Yen	6,318
Malaysian Ringgit	6,568
Mexican Peso	7,784
Peruvian New Sol	3,663
Polish Zloty	8,504
Russian Ruble	11,218
South Africa Rand	7,611
South Korean Won	20,554
Taiwan Dollar	1,542
Thai Baht	9,110
Turkish Lira	3,066
US Dollar	198,796
<b>Currency 2019</b>	
Euro	(73,685)
Hong Kong Dollar	460
Japanese Yen	(62,351)
South Korean Won	2,886
US Dollar	40,967

## Threadneedle Dynamic Real Return Fund

### Notes to the financial statements

(continued)

#### Currency sensitivity

As the fund has no material currency exposure, no sensitivity analysis has been shown (2019: same).

#### Credit/Counterparty exposure

The following details exposure to counterparties obtained through the use of derivatives:

2020 Counterparty	Futures and Options Exposure £000	Forward Foreign Exchange Contracts Exposure £000	Collateral Pledged £000
Barclays	–	–	1,510
Citigroup	–	369	–
UBS	11,882	–	–

  

2019 Counterparty	Futures and Options Exposure £000	Forward Foreign Exchange Contracts Exposure £000	Collateral Pledged £000
Barclays	–	–	8,130
Citigroup	–	–	1,360

The fund held £350,000 (2019: £Nil) of collateral received from the fund's counterparties. The collateral held was in the form of cash. Collateral received is not owned by the fund and therefore is not included in the fund's cash balance. Positive exposure represents the fund's exposure to that counterparty and not the fund's holdings with that counterparty.

#### Interest rate risk

The fund's floating rate investments earn interest which is variable, based on LIBOR or its overseas equivalent.

Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

#### Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the fund's financial assets and financial liabilities at 25 May was:

	Floating rate financial assets £000	Fixed rate financial assets £000	Financial assets not carrying interest £000	Total £000
<b>Currency 2020</b>				
Brazilian Real	–	3,660	5,269	8,929
Chilean Peso	–	2,308	304	2,612
China Renminbi	–	–	1,835	1,835
Colombian Peso	–	5,443	809	6,252
Czech Koruna	–	5,115	338	5,453
Danish Krone	–	–	5,295	5,295
Euro	971	45,105	14,320	60,396
Hong Kong Dollar	486	–	7,117	7,603
Hungarian Forint	–	2,009	1,618	3,627
Indonesian Rupiah	–	68,750	4,262	73,012
Japanese Yen	–	–	7,683	7,683
Malaysian Ringgit	–	5,973	595	6,568
Mexican Peso	–	9,118	300	9,418
Peruvian New Sol	–	5,464	95	5,559
Polish Zloty	98	4,922	3,484	8,504
Russian Ruble	196	10,127	895	11,218
South Africa Rand	2,743	9,767	1,877	14,387
South Korean Won	17,741	–	3,430	21,171
Taiwan Dollar	–	–	1,542	1,542
Thai Baht	–	9,321	556	9,877
Turkish Lira	124	2,141	801	3,066
UK Sterling	29,488	389,968	1,293,002	1,712,458
US Dollar	9,759	102,970	236,461	349,190

	Floating rate financial assets £000	Fixed rate financial assets £000	Financial assets not carrying interest £000	Total £000
<b>Currency 2019</b>				
Euro	–	–	50,593	50,593
Hong Kong Dollar	460	–	–	460
South Korean Won	2,886	–	–	2,886
UK Sterling	384,756	468,637	1,249,517	2,102,910
US Dollar	319	136,884	127,997	265,200

  

	Floating rate financial liabilities £000	Fixed rate financial liabilities £000	Financial liabilities not carrying interest £000	Total £000
<b>Currency 2020</b>				
Colombian Peso	–	–	(427)	(427)
Czech Koruna	–	–	(1,043)	(1,043)
Danish Krone	–	–	(387)	(387)
Euro	–	–	(82,163)	(82,163)
Indonesian Rupiah	–	–	(950)	(950)
Japanese Yen	(1,365)	–	–	(1,365)
Mexican Peso	–	–	(1,634)	(1,634)
Peruvian New Sol	–	–	(1,896)	(1,896)
South Africa Rand	–	–	(6,776)	(6,776)
South Korean Won	–	–	(617)	(617)
Thai Baht	–	–	(767)	(767)
UK Sterling	–	–	(4,219)	(4,219)
US Dollar	(32,597)	–	(117,797)	(150,394)

  

	£000	£000	£000	£000
<b>Currency 2019</b>				
Euro	–	–	(124,279)	(124,279)
Japanese Yen	(3,254)	–	(59,097)	(62,351)
UK Sterling	–	–	(62,326)	(62,326)
US Dollar	–	–	(224,233)	(224,233)

#### Interest rate risk sensitivity

No sensitivity analysis shown as the fund has minimal exposure to interest rate risk in relation to cash balances (2019: same).

#### Derivative risks

Derivatives including forward foreign exchange contracts and futures and options are employed when they are the cheapest and most efficient method of gaining exposure. This increases the risk profile of the fund and may result in a higher degree of volatility. All open positions are regularly reviewed by the fund manager. The fund has entered into various forward foreign exchange contracts and futures and options during this accounting period. Such contracts commit the fund to future deliveries or receipts, typically three months forward, of assets and liabilities, at prices decided at the point of striking the contract. They therefore allow the fund manager to limit risk, or to enhance fund performance in return for the acceptance of greater risk.

At 25 May 2020, the fund had outstanding forward foreign exchange contracts and futures and options with an asset value of £13,280,000 (2019: £950,000) and a liability value of £3,325,000 (2019: £11,424,000).

### 15 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

**Level 1** – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

**Level 2** – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

**Level 3** – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

## Threadneedle Dynamic Real Return Fund

### Notes to the financial statements

(continued)

Valuation technique	2020		2019	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1*	756,075	(949)	785,499	(1,505)
Level 2	1,301,773	(2,376)	974,553	(9,919)
	<u>2,057,848</u>	<u>(3,325)</u>	<u>1,760,052</u>	<u>(11,424)</u>

Included within Level 1, are debt securities of £465,157,000 (2019: ££785,363,000). The valuation of some highly liquid exchange-traded debt securities (G7 sovereign debt, supranational debt or certain corporate bonds) is sufficiently close to a binding quoted price to categorise at this level.

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

### 16 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities and commitments outstanding (2019: Nil).

### 17 PORTFOLIO TRANSACTION COSTS

#### 25 May 2020

Purchases	Value	Commissions		Taxes	
	£000	£000	%	£000	%
Bonds	666,253	–	–	–	–
Equities	153,836	23	0.01	64	0.04
Collective investment schemes	444,639	–	–	–	–
<b>Total</b>	<b>1,264,728</b>	<b>23</b>		<b>64</b>	

**Gross purchases total:**

**1,264,815**

Sales	Value	Commissions		Taxes	
	£000	£000	%	£000	%
Bonds	593,583	–	–	–	–
Equities	11,542	3	0.02	1	0.00
Collective investment schemes	397,866	–	–	–	–
<b>Total</b>	<b>1,002,991</b>	<b>3</b>		<b>1</b>	

**Total sales net of transaction costs:** **1,002,987**

**Transaction costs as a percentage of average Net Assets**

Commissions: 0.00%  
Taxes: 0.00%

**Commissions**

**£000**

**Futures and Options**

**135**

#### 25 May 2019

Purchases	Value	Commissions		Taxes	
	£000	£000	%	£000	%
Bonds	474,890	–	–	–	–
Equities	11,001	6	0.06	55	0.50
Collective investment schemes	360,620	–	–	–	–
Corporate actions	2,288	–	–	–	–
<b>Total</b>	<b>848,799</b>	<b>6</b>		<b>55</b>	

**Gross purchases total:**

**848,860**

Sales	Value	Commissions		Taxes	
	£000	£000	%	£000	%
Bonds	69,728	–	–	–	–
Equities	21,851	13	0.06	–	–
Collective investment schemes	158,486	–	–	–	–
<b>Total</b>	<b>250,065</b>	<b>13</b>		<b>–</b>	

**Total sales net of transaction costs:** **250,052**

**Transaction costs as a percentage of average Net Assets**

Commissions: 0.00%  
Taxes: 0.00%

**Commissions**

**£000**

**Futures and Options**

**155**

Portfolio transaction costs are incurred by the fund when buying and selling underlying investments. These vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs:** Broker commissions, fees and taxes.

**Indirect transaction costs:** 'Dealing spread' – the difference between the buying and selling prices of the fund's underlying investments.

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

At the balance sheet date, the portfolio dealing spread was 0.46% (25 May 2019: 0.27%), being the difference between the respective buying and selling prices for the fund's investments.

### 18 POST BALANCE SHEET EVENT

Following the COVID-19 (Coronavirus) outbreak there has been an on-going period of high volatility in Global financial markets. As a result, we have witnessed significant movements in the net asset value of the Fund since the balance sheet date. During the period from the balance sheet date to 19 August 2020, the net asset value of the Fund decreased by XX.XX%.

The NAV was reviewed again on the 25th with no material movements noted since 19th of August.

The table below provides the net subscriptions and redemptions of shares between the year-ended 25 May 2020 and 19 August 2020 as a percentage of that share class NAV. This change is reflective of conditions that arose after the year end and hence is considered a non-adjusting event.

**Share class** **% Movement**

## Threadneedle Global Multi Asset Income Fund

### Investment Report

#### Investment Objective and Policy

The investment objective of the Fund is to achieve income with the prospect of capital appreciation over the medium to long term.

The Fund's investment policy is to actively manage a global portfolio with exposure primarily to fixed income, equities and property and, in addition, to cash, money market instruments, currencies, commodities and other alternative asset classes. The ACD will vary the exposure between these asset classes as deemed necessary in order to achieve the investment objective, and this may result in the Fund having no exposure to particular asset classes.

The Fund will invest in regulated and unregulated collective investment schemes and may also invest in transferable securities, derivatives, forward transactions, cash, deposits and money market instruments. Investments in collective investment schemes may include those managed, operated or advised by the ACD, or a company in the same group as the ACD.

The Fund's exposure to property and commodities will be gained indirectly through, but not limited to, investment in collective investment schemes, securitised notes, financial derivative instruments and/or property related securities including Real Estate Investment Trusts (REITs). The Fund will not invest in physical commodities or directly in real property.

The Fund may use derivatives for the purposes of Efficient Portfolio Management and for investment purposes.

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

From 26 May 2019 to 25 May 2020, the published share price of the Threadneedle Global Multi-Asset Income Fund has fallen from 117.73p to 113.96p.

For comparison, using noon prices, the performance of the Class 2 share class was +1.13% compared to a return of -0.05% for the Morningstar UK Unit Trusts/OEICs – IA Mixed Investment 20-60% Shares Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the Composite (Bloomberg Barclays Global Aggregate (GBP Hedged) (40%), MSCI World (40%), MSCI UK Monthly Property Index (20%)) Total return was +5.81%.

#### Market Overview and Portfolio Activity

For most of the year in review, financial markets existed in a kind of fragile equilibrium. Central banks were easing policy by enough to avert recession but were unable to raise inflation such that interest rates might need to rise again, a backdrop which supported risk assets like equities and corporate bonds but also safe havens such as US Treasuries. There were some challenges to this equilibrium, such as US-China trade tensions, softer economic data and corporate earnings, and, in the UK, fears of a no-deal Brexit.

By the start of 2020, however, these threats appeared to be fading. Economic and corporate data seemed to have bottomed, and there was

progress towards a US-China trade deal. In the UK, Prime Minister Boris Johnson's new EU withdrawal agreement and decisive election victory had removed some Brexit-related uncertainty. Global equities were marching on to fresh highs, the most recent of which was in mid-February.

Thereafter, however, these benign market conditions were shattered by a new and unexpected threat, the spread of the COVID-19 from China to the rest of the world. As the outbreak approached pandemic status in March, governments took drastic measures to contain it. With much of the world suddenly under lockdown, economic forecasts plummeted and investors deserted riskier assets in search of safer havens. Equities sold off, core government bond yields plunged to record lows, and credit spreads widened dramatically. A collapse in oil prices was exacerbated by a price war between Saudi Arabia and Russia.

Central banks responded to the crisis by unleashing a flood of stimulus. The Federal Reserve slashed interest rates close to zero and pledged unlimited bond purchases – now including corporate credit. Most of its major counterparts either reintroduced or scaled up their own asset-buying programmes, and those with still-positive interest rates generally cut them. Monetary stimulus was complemented by unprecedented economic support from governments around the world. The US Congress, for example, approved a \$2.2tn package, including loans to businesses and direct handouts to individuals.

From late March on, risk assets staged a recovery. Economic data was predictably dire, but markets were more influenced by stimulus developments and the trajectory of the pandemic, which was slowing in European and US hotspots. In April and May, risk appetite was further buoyed as a growing number of countries prepared to ease lockdowns. Equities, corporate bonds and industrial commodities clawed back some of their earlier losses, but not enough to undo the damage done in March. Over the year as a whole, core bond yields fell significantly, meaning corporate bonds also produced solid total returns despite the wider spreads. A weaker pound inflated returns from overseas assets. Commodities were down heavily, even in sterling terms. The main equity regions had mixed fortunes: the US delivered double-digit returns in sterling, while the UK's FTSE All-Share produced a fall of even greater magnitude, as Brexit uncertainty weighed on sentiment.

In terms of asset allocation changes, one of our biggest moves over the period was a significant increase in exposure to US equities, most of which occurred as the COVID-19 crisis was taking hold. The US tends to be a relatively defensive equity market and offers exposure to high-quality companies that look well placed to deliver growth, even in this uncertain environment. Our position in the Threadneedle US Equity Income Fund rose from 6.5% of net asset value (NAV) to 14.6%.

By contrast, we reduced exposure to European and UK equities around the same time. Europe had taken over from China as the epicentre of the pandemic, and the region's cyclical and open economy appeared

particularly vulnerable to its economic impacts. We had increased the UK equity allocation in late 2019 and early 2020, mainly on valuation grounds, but as the extent of the COVID impact became clearer, we could no longer see a clear catalyst to close the valuation gap with global peers. Over the year, the holdings in UK and pan-European equities respectively fell from 6.6% of NAV to 4.5% and from 5.1% to 3.2%.

In fixed income, our first notable move came early in the period. We started a new position in local-currency Indonesian government bonds. This decision was based on a supportive macroeconomic environment for local bond returns: principally, the scope for Indonesia's current-account deficit to improve further, slowing but not recessionary domestic growth, historically high real rates with falling inflation, and the fact that the bonds had not yet rallied, despite the start of an easing cycle by Indonesia's central bank. Combined with an increase in the holding in the Threadneedle Emerging Market Local Fund and new exposure to Mexican government debt, this brought total exposure to EM local bonds up to 7.2% from 0.6% at the start of the period.

In another significant adjustment, we sold the majority of the holding in the Threadneedle High Yield Bond Fund and established a new position in the Threadneedle (Lux) European Short-Term High Yield Bond Fund. The newly added strategy focuses on maturity over duration to manage risk, which should mean lower interest-rate sensitivity and less unpredictability. This raised the fund's exposure to high-yield credit, which rose from 11.0% to finish the period at 15.1% of NAV. On the other side, we took some profits in developed government bonds, exiting the holding in UK government bonds and trimming US Treasury inflation-protected securities (TIPS). Overall exposure to developed government bonds fell from 10.9% to 3.1%. Lastly, having reduced exposure to investment-grade (IG) credit to fund the new high-yield strategy, we significantly increased the allocation again in April 2020. The increase was concentrated in the general all-maturities fund rather than the short-dated fund. As we were anticipating a considerable tightening in spreads, we wanted exposure to a strategy with a higher duration and greater risk-adjusted return potential. While spreads had tightened from their late-March wiles, they remained cheap compared with their long-run averages, despite high-grade credit being a targeted beneficiary of the policy response to the crisis. Over the year, the allocation fell from 16.6% of NAV to 15.0%.

Balancing the cost of shutdowns with the benefits of stimulus, our forecasts suggest economic activity in the US regaining late-2019 levels by the end of next year, in something of a 'U-shaped' recovery. Europe is likely to experience a slower path back. Overall, we would judge the current crisis as a very large – but ultimately temporary – shock, and we are keen to be invested in those assets most affected by the monetary response and where valuations remain reasonable. However, with companies likely to emerge with weaker balance sheets than before, our focus since the March sell-off remains on taking higher-quality risk in both credit and equities.

### STATEMENT OF TOTAL RETURN

for the accounting period 26 May 2019 to 25 May 2020

	Notes	2020 £000	2019 £000
Income			
Net capital (losses)/gains	2	(5,125)	522
Revenue	3	2,991	1,759
Expenses	4	(404)	(314)
Interest payable and similar charges	5	(1)	–
Net revenue before taxation		2,586	1,445
Taxation	6	(265)	(165)
Net revenue after taxation		2,321	1,280
Total return before distributions		(2,804)	1,802
Distributions	7	(2,684)	(1,561)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(5,488)</b>	<b>241</b>

### BALANCE SHEET

as at 25 May 2020

	Notes	2020 £000	2019 £000
<b>Assets:</b>			
<b>Fixed assets:</b>			
<b>Investments</b>		63,219	75,077
<b>Current assets:</b>			
Debtors	8	829	850
Cash and bank balances	9	1,281	1,374
Total assets		65,329	77,301
<b>Liabilities:</b>			
<b>Investment liabilities</b>		(38)	(154)
<b>Creditors:</b>			
Bank overdrafts	9	(112)	–
Distribution payable		(416)	(390)
Other creditors	10	(782)	(236)
Total liabilities		(1,348)	(780)
<b>Net assets attributable to shareholders</b>		<b>63,981</b>	<b>76,521</b>

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

for the accounting period 26 May 2019 to 25 May 2020

	2020 £000	2019 £000
<b>Opening net assets attributable to shareholders</b>	76,521	35,473
Amounts receivable on the issue of shares	46,947	54,718
Amounts payable on the cancellation of shares	(54,989)	(14,778)
	(8,042)	39,940
Dilution adjustment	193	38
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(5,488)	241
Retained distribution on accumulation shares	797	829
<b>Closing net assets attributable to shareholders</b>	<b>63,981</b>	<b>76,521</b>

### DISTRIBUTION TABLE

for the accounting period 26 May 2019 to 25 May 2020

Dividend distribution in pence per share

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019/2020	Distribution Paid 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.7439	–	0.7439	0.7431
26/08/19 to 25/11/19	1.2638	–	1.2638	1.1436
26/11/19 to 25/02/20	0.6107	–	0.6107	0.6791
26/02/20 to 25/05/20	1.2155	–	1.2155	0.9145
<b>Group 2</b>				
26/05/19 to 25/08/19	0.4543	0.2896	0.7439	0.7431
26/08/19 to 25/11/19	0.4822	0.7816	1.2638	1.1436
26/11/19 to 25/02/20	0.4052	0.2055	0.6107	0.6791
26/02/20 to 25/05/20	0.6486	0.5669	1.2155	0.9145
<b>Total distributions in the period</b>			<b>3.8339</b>	<b>3.4803</b>

\*In pound Sterling and against UK peer group (See Performance summary on page 41).

## Threadneedle Global Multi Asset Income Fund

### DISTRIBUTION TABLE

(continued)

#### Class E – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019/2020	Distribution Paid 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.6910	–	0.6910	0.6851
26/08/19 to 25/11/19	1.1815	–	1.1815	1.0636
26/11/19 to 25/02/20	0.5725	–	0.5725	0.6222
26/02/20 to 25/05/20	1.1616	–	1.1616	0.8515
<b>Group 2</b>				
26/05/19 to 25/08/19	0.3013	0.3897	0.6910	0.6851
26/08/19 to 25/11/19	0.4537	0.7278	1.1815	1.0636
26/11/19 to 25/02/20	0.2905	0.2820	0.5725	0.6222
26/02/20 to 25/05/20	0.8753	0.2863	1.1616	0.8515
<b>Total distributions in the period</b>			<b>3.6066</b>	<b>3.2224</b>

#### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019/2020	Revenue Accumulated 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.8666	–	0.8666	0.8368
26/08/19 to 25/11/19	1.4821	–	1.4821	1.2960
26/11/19 to 25/02/20	0.7124	–	0.7124	0.7796
26/02/20 to 25/05/20	1.4478	–	1.4478	1.0555
<b>Group 2</b>				
26/05/19 to 25/08/19	0.5084	0.3582	0.8666	0.8368
26/08/19 to 25/11/19	0.5949	0.8872	1.4821	1.2960
26/11/19 to 25/02/20	0.3393	0.3731	0.7124	0.7796
26/02/20 to 25/05/20	0.6903	0.7575	1.4478	1.0555
<b>Total distributions in the period</b>			<b>4.5089</b>	<b>3.9679</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2019/2020	Distribution Paid 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.7250	–	0.7250	0.7244
26/08/19 to 25/11/19	1.2499	–	1.2499	1.1250
26/11/19 to 25/02/20	0.5873	–	0.5873	0.6601
26/02/20 to 25/05/20	1.2025	–	1.2025	0.8966
<b>Group 2</b>				
26/05/19 to 25/08/19	0.4228	0.3022	0.7250	0.7244
26/08/19 to 25/11/19	0.5324	0.7175	1.2499	1.1250
26/11/19 to 25/02/20	0.2743	0.3130	0.5873	0.6601
26/02/20 to 25/05/20	0.4966	0.7059	1.2025	0.8966
<b>Total distributions in the period</b>			<b>3.7647</b>	<b>3.4061</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2019/2020	Revenue Accumulated 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.8397	–	0.8397	0.8143
26/08/19 to 25/11/19	1.4553	–	1.4553	1.2723
26/11/19 to 25/02/20	0.6907	–	0.6907	0.7558
26/02/20 to 25/05/20	1.4205	–	1.4205	1.0306
<b>Group 2</b>				
26/05/19 to 25/08/19	0.4818	0.3579	0.8397	0.8143
26/08/19 to 25/11/19	0.7418	0.7135	1.4553	1.2723
26/11/19 to 25/02/20	0.3542	0.3365	0.6907	0.7558
26/02/20 to 25/05/20	0.7694	0.6511	1.4205	1.0306
<b>Total distributions in the period</b>			<b>4.4062</b>	<b>3.8730</b>

Group 2: shares purchased during a distribution period.



## Threadneedle Global Multi Asset Income Fund

### Comparative Table Disclosure

	Class 2 – Income shares			Class E – Income shares		
	25/05/2020	25/05/2019	25/05/2018	25/05/2020	25/05/2019	25/05/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	116.38	118.34	117.34	110.01	111.54	110.29
Return before operating charges (p)	0.67	2.46	5.53	0.59	2.24	5.12
Operating charges (p)	(0.94)	(0.94)	(0.95)	(0.47)	(0.55)	(0.57)
Return after operating charges (p)*	(0.27)	1.52	4.58	0.12	1.69	4.55
Distributions (p)	(3.83)	(3.48)	(3.58)	(3.61)	(3.22)	(3.30)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	112.28	116.38	118.34	106.52	110.01	111.54
*after direct transaction costs of (p)	0.00	0.02	0.01	0.00	0.01	0.01
<b>Performance</b>						
Return after charges (%)	(0.23)	1.28	3.90	0.11	1.52	4.13
<b>Other information</b>						
Closing net asset value (£000)	1,122	920	1,039	32,881	44,824	6,396
Closing number of shares	999,754	790,300	877,687	30,868,784	40,745,011	5,734,781
Operating charges (%)**	0.80	0.81	0.80	0.42	0.50	0.51
Direct transaction costs (%)***	–	0.01	0.01	–	0.01	0.01
<b>Prices</b>						
Highest share price (p)	123.06	120.70	120.26	116.52	113.82	113.20
Lowest share price (p)	102.51	110.62	114.56	97.10	104.42	107.90
	Class 2 – Accumulation shares			Class Z – Income shares		
	25/05/2020	25/05/2019	25/05/2018	25/05/2020	25/05/2019	25/05/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	135.11	133.34	128.29	116.38	118.34	117.34
Return before operating charges (p)	0.63	2.83	6.08	0.69	2.47	5.54
Operating charges (p)	(1.09)	(1.06)	(1.03)	(1.03)	(1.02)	(1.03)
Return after operating charges (p)*	(0.46)	1.77	5.05	(0.34)	1.45	4.51
Distributions (p)	(4.51)	(3.97)	(3.95)	(3.76)	(3.41)	(3.51)
Retained distributions on accumulation shares (p)	4.51	3.97	3.95	–	–	–
Closing net asset value per share (p)	134.65	135.11	133.34	112.28	116.38	118.34
*after direct transaction costs of (p)	0.00	0.02	0.01	0.00	0.02	0.01
<b>Performance</b>						
Return after charges (%)	(0.34)	1.33	3.94	(0.29)	1.23	3.84
<b>Other information</b>						
Closing net asset value (£000)	7,887	11,860	17,714	4,220	4,648	2,822
Closing number of shares	5,857,507	8,777,830	13,285,049	3,758,556	3,993,476	2,385,129
Operating charges (%)**	0.79	0.80	0.79	0.87	0.88	0.87
Direct transaction costs (%)***	–	0.01	0.01	–	0.01	0.01
<b>Prices</b>						
Highest share price (p)	145.27	136.90	133.47	123.05	120.68	120.24
Lowest share price (p)	121.62	126.67	127.83	102.50	110.61	114.55

## Threadneedle Global Multi Asset Income Fund

### Comparative Table Disclosure

(continued)

	Class Z – Accumulation shares		
	25/05/2020	25/05/2019	25/05/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	134.81	133.12	128.15
Return before operating charges (p)	0.65	2.86	6.09
Operating charges (p)	(1.20)	(1.17)	(1.12)
Return after operating charges (p)*	(0.55)	1.69	4.97
Distributions (p)	(4.41)	(3.87)	(3.87)
Retained distributions on accumulation shares (p)	4.41	3.87	3.87
Closing net asset value per share (p)	134.26	134.81	133.12
*after direct transaction costs of (p)	0.00	0.02	0.01
<b>Performance</b>			
Return after charges (%)	(0.41)	1.27	3.88
<b>Other information</b>			
Closing net asset value (£000)	17,871	14,269	7,502
Closing number of shares	13,310,453	10,585,345	5,635,526
Operating charges (%)**	0.87	0.88	0.86
Direct transaction costs (%)***	–	0.01	0.01
<b>Prices</b>			
Highest share price (p)	144.89	136.60	133.27
Lowest share price (p)	121.28	126.42	127.62

\*\*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). The non-UCITS retail scheme Key Investor Information document (NURS-KII) 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.

## Threadneedle Global Multi Asset Income Fund

### Notes to the financial statements

for the accounting period 26 May 2019 to 25 May 2020

#### 1 ACCOUNTING POLICIES

The accounting policies for the fund are the same as those disclosed on pages 4 and 5.

#### 2 NET CAPITAL (LOSSES)/GAINS

Net capital (losses)/gains during the period comprise:

	2020	2019
	£000	£000
Non-derivative securities*	(5,171)	666
Derivative contracts	199	–
Forward currency contracts	(310)	(207)
Management fee rebate on CIS holdings	57	53
Other gains	100	10
Net capital (losses)/gains	(5,125)	522
<b>The non-derivative securities balance above includes:</b>		
Realised (losses)/gains*	(1,754)	394
Unrealised (losses)/gains*	(3,417)	272
	(5,171)	666

\*Where realised (losses)/gains include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised (losses)/gains.

#### 3 REVENUE

	2020	2019
	£000	£000
UK dividends	20	10
Franked dividend distributions	765	658
Unfranked dividend distributions	–	45
Interest distributions	526	515
Interest on debt securities	248	166
Property Income Distributions	313	262
Non-taxable distributions on Offshore Funds	557	4
Taxable distributions on Offshore Funds	509	–
Derivative revenue	4	–
Bank interest	6	8
Management fee rebate on CIS holdings	43	91
Total revenue	2,991	1,759

#### 4 EXPENSES

	2020	2019
	£000	£000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(402)	(288)
Registration fees	(44)	(30)
	(446)	(318)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(10)	(6)
Safe custody fees	(6)	–
	(16)	(6)
Other expenses:		
Audit fees	(8)	–
Expenses cap	66	10
	58	10
Total expenses*	(404)	(314)

\*Including irrecoverable VAT where applicable.

#### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2020	2019
	£000	£000
Interest payable	(1)	–
Total interest payable and similar charges	(1)	–

#### 6 TAXATION

	2020	2019
	£000	£000
<b>a) Analysis of charge in period</b>		
Corporation tax	(264)	(165)
Adjustments in respect of prior periods	(1)	–
Double taxation relief	19	–

	2020	2019
	£000	£000
Overseas taxes	(19)	–
Total current tax (note 6b)	(265)	(165)
Total tax charge for the period	(265)	(165)
<b>b) Factors affecting taxation charge for period</b>		
Net revenue before taxation	2,586	1,445
Net revenue before taxation multiplied by the standard rate of corporation tax of 20%	(517)	(289)
Effects of:		
Revenue not subject to taxation	264	134
Overseas taxes	(19)	–
Double taxation relief	19	–
Capitalised revenue subject to taxation	(11)	(10)
Adjustments in respect of prior periods	(1)	–
Current tax charge for period (note 6a)	(265)	(165)

#### 7 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2020	2019
	£000	£000
Interim	1,856	1,062
Final	690	592
	2,546	1,654
Add: Revenue deducted on the cancellation of shares	306	46
Deduct: Revenue received on the creation of shares	(168)	(139)
Net distribution for the period	2,684	1,561
Net revenue after taxation	2,321	1,280
Annual management charge to capital	402	288
Expenses cap from capital	(39)	(7)
Total distributions	2,684	1,561

Details of the distribution per share are set out in the table on pages 14 to 15.

#### 8 DEBTORS

	2020	2019
	£000	£000
Amounts receivable for the issue of shares	393	451
Sales awaiting settlement	115	–
Accrued revenue	321	347
United Kingdom income tax recoverable	–	52
Total debtors	829	850

#### 9 CASH AND BANK BALANCES

	2020	2019
	£000	£000
Amounts held at futures clearing houses and brokers	113	140
Cash and bank balances	1,168	1,234
	1,281	1,374
Cash overdrafts at broker	(112)	–
Total cash and bank balances	1,169	1,374

#### 10 OTHER CREDITORS

	2020	2019
	£000	£000
Amounts payable for the cancellation of shares	(779)	(52)
Accrued expenses	52	10
Amounts payable to ACD	(51)	(29)
Corporation tax payable	(4)	(165)
Total other creditors	(782)	(236)

#### 11 DILUTION ADJUSTMENT

Under certain circumstances the ACD has the power to apply a dilution adjustment on the purchase and/or redemption of shares. If applied, the dilution adjustment will be paid into the relevant fund. Full details of the operation of the scheme can be found in the Prospectus.

## Threadneedle Global Multi Asset Income Fund

### Notes to the financial statements

(continued)

#### 12 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 8 and 10.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 10.

A balance of £12,000 (2019: £30,000), in respect of annual management rebates is receivable at the end of the accounting period.

The fund invests in other sub-funds managed by Columbia Threadneedle, all transactions in respect of which are transacted with Threadneedle Investment Services Limited. Details of the investments are shown in the Portfolio Statement.

In addition this investment has produced a non-derivative security loss of £3,300,276 (2019: loss of £23,704).

All transactions have been entered into in the ordinary course of business on normal commercial terms.

#### 13 SHAREHOLDER FUNDS

Threadneedle Global Multi Asset Income Fund currently has three share classes; Class 2, Class E and Class Z shares. The charges on each share class are as follows:

##### Annual management charge

Class 2 shares	0.65%
Class E shares	0.40%
Class Z shares	0.65%

##### Registration fees

Class 2 shares	0.035%
Class E shares	0.035%
Class Z shares	0.110%

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on pages 16 to 17.

The distribution per share class is given in the distribution table on pages 14 to 15.

All classes have the same rights on winding up.

##### Reconciliation of shares

	2020
<b>Class 2 – Income shares</b>	
Opening shares	790,300
Shares issued	666,544
Shares redeemed	(209,940)
Net conversions	(247,150)
Closing shares	<u>999,754</u>
<b>Class E – Income shares</b>	
Opening shares	40,745,011
Shares issued	34,107,020
Shares redeemed	(44,244,269)
Net conversions	261,022
Closing shares	<u>30,868,784</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	8,777,830
Shares issued	1,987,733
Shares redeemed	(4,908,056)
Net conversions	–
Closing shares	<u>5,857,507</u>
<b>Class Z – Income shares</b>	
Opening shares	3,993,476
Shares issued	987,071
Shares redeemed	(1,221,991)
Net conversions	–
Closing shares	<u>3,758,556</u>

	2020
<b>Class Z – Accumulation shares</b>	
Opening shares	10,585,345
Shares issued	4,301,190
Shares redeemed	(1,576,082)
Net conversions	–
Closing shares	<u>13,310,453</u>

#### 14 RISK MANAGEMENT

The analysis and tables provided below refer to the risk management policies narrative disclosure on pages 4 and 5.

##### Market price risk sensitivity

A 5.00% market increase applied to the fund would result in an increase on net asset value of the fund by 3.50% and vice versa (2019: 1.66%).

A 1.00% interest rate decrease applied to the fund would result in an increase on net asset value of the fund by 2.91% and vice versa (2019: 1.80%).

##### Currency exposures

A portion of the net assets of the fund are denominated in currencies other than Sterling, with the effect that the balance sheet and total return can be affected by currency movements.

	Total £000
<b>Currency 2020</b>	
Indonesian Rupiah	1,348
US Dollar	8,112
<b>Currency 2019</b>	£000
Euro	1
US Dollar	9,956

##### Currency sensitivity analysis

The only material currency exposure of the fund is to the US Dollar. A movement of 4.00% (2019: 4.66%) in this currency (equivalent to the movement in the year) would result in a change in the fund value of 0.51% (2019: 0.61%).

##### Credit/Counterparty exposure

As at the balance sheet date there is no derivative exposure or collateral to disclose.

	Collateral Pledged £000
<b>2019</b>	
<b>Counterparty</b>	£000
Barclays	140

The fund did not hold any collateral received from the fund's counterparties in either the current or prior year.

Positive exposure represents the fund's exposure to that counterparty and not the fund's holdings with that counterparty.

##### Interest rate risk

The fund's floating rate investments earn interest which is variable, based on LIBOR or its overseas equivalent.

Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

##### Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the fund's financial assets and financial liabilities at 25 May was:

	Floating rate financial assets £000	Fixed rate financial assets £000	Financial assets not carrying interest £000	Total £000
<b>Currency 2020</b>				
Indonesian Rupiah	–	1,338	10	1,348
UK Sterling	1,168	–	54,662	55,830
US Dollar	113	2,841	8,390	11,344
<b>Currency 2019</b>				
Euro	1	–	–	1
UK Sterling	1,373	4,006	61,810	67,189
US Dollar	–	4,343	11,861	16,204

## Threadneedle Global Multi Asset Income Fund

### Notes to the financial statements

(continued)

	Floating rate financial liabilities	Fixed rate financial liabilities	Financial liabilities not carrying interest	Total
Currency 2020	£000	£000	£000	£000
UK Sterling	(112)	–	(1,197)	(1,309)
US Dollar	–	–	(3,232)	(3,232)
<b>Currency 2019</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
UK Sterling	–	–	(625)	(625)
US Dollar	–	–	(6,248)	(6,248)

#### Interest rate risk sensitivity

No sensitivity analysis shown as the fund has minimal exposure to interest rate risk in relation to cash balances (2019: same).

#### Derivative risks

Derivatives including forward foreign exchange contracts are employed when they are the cheapest and most efficient method of gaining exposure. This increases the risk profile of the fund and may result in a higher degree of volatility. All open positions are regularly reviewed by the fund manager. The fund has entered into various forward foreign exchange contracts during this accounting period. Such contracts commit the fund to future deliveries or receipts, typically three months forward, of assets and liabilities, at prices decided at the point of striking the contract. They therefore allow the fund manager to limit risk, or to enhance fund performance in return for the acceptance of greater risk.

At 25 May 2020, the fund had outstanding forward foreign exchange contracts with an asset value of £Nil (2019: £Nil) and a liability value of £38,000 (2019: £154,000).

### 15 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

**Level 1** – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

**Level 2** – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

**Level 3** – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

Valuation technique	2020		2019	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	8,596	–	9,593	–
Level 2	54,623	(38)	65,484	(154)
	63,219	(38)	75,077	(154)

Included within Level 1, are debt securities of £8,596,000 (2019: £9,593,000). The valuation of some highly liquid exchange-traded debt securities (G7 sovereign debt, supranational debt or certain corporate bonds) is sufficiently close to a binding quoted price to categorise at this level.

### 16 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities and commitments outstanding (2019: Nil).

### 17 PORTFOLIO TRANSACTION COSTS

#### 25 May 2020

	Value £000	Commissions £000	%	Taxes £000	%
<b>Purchases</b>					
Bonds	11,385	–	–	–	–
Equities	1,621	1	0.06	–	–
Collective investment schemes	62,430	–	–	–	–
<b>Total</b>	<b>75,436</b>	<b>1</b>			
<b>Gross purchases total:</b>	<b>75,437</b>				

	Value £000	Commissions £000	%	Taxes £000	%
<b>Sales</b>					
Bonds	15,983	–	–	–	–
Equities	2,417	1	0.06	–	–
Collective investment schemes	63,736	–	–	–	–
<b>Total</b>	<b>82,136</b>	<b>1</b>			

**Total sales net of transaction costs: 82,135**

#### Transaction costs as a percentage of average Net Assets

Commissions:	0.00%
Taxes:	0.00%

#### 25 May 2019

	Value £000	Commissions £000	%	Taxes £000	%
<b>Purchases</b>					
Bonds	8,618	–	–	–	–
Equities	1,947	1	0.06	5	0.26
Collective investment schemes	39,020	–	–	–	–
Corporate actions	164	–	–	–	–
<b>Total</b>	<b>49,749</b>	<b>1</b>		<b>5</b>	

**Gross purchases total: 49,755**

	Value £000	Commissions £000	%	Taxes £000	%
<b>Sales</b>					
Bonds	3,340	–	–	–	–
Equities	1,562	1	0.06	–	–
Collective investment schemes	4,894	–	–	–	–
<b>Total</b>	<b>9,796</b>	<b>1</b>			

**Total sales net of transaction costs: 9,795**

#### Transaction costs as a percentage of average Net Assets

Commissions:	0.00%
Taxes:	0.01%

Portfolio transaction costs are incurred by the fund when buying and selling underlying investments. These vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs:** Broker commissions, fees and taxes.

**Indirect transaction costs:** 'Dealing spread' – the difference between the buying and selling prices of the fund's underlying investments.

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

At the balance sheet date, the portfolio dealing spread was 0.86% (25 May 2019: 0.74%), being the difference between the respective buying and selling prices for the fund's investments.

### 18 POST BALANCE SHEET EVENT

Following the COVID-19 (Coronavirus) outbreak there has been an on-going period of high volatility in Global financial markets. As a result, we have witnessed significant movements in the net asset value of the Fund since the balance sheet date. During the period from the balance sheet date to 19 August 2020, the net asset value of the Fund decreased by XX.XX%.

The NAV was reviewed again on the 25th with no material movements noted since 19th of August.

The table below provides the net subscriptions and redemptions of shares between the year-ended 25 May 2020 and 19 August 2020 as a percentage of that share class NAV. This change is reflective of conditions that arose after the year end and hence is considered a non-adjusting event.

**Share class** **% Movement**

## Threadneedle UK Social 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), through investment in debt securities that are deemed to be supporting and funding socially beneficial activities and development, primarily in the UK.

The Fund is actively managed, and seeks to maximise its investment exposure to socially beneficial activities and development, based on assessments produced under the Fund's Social Assessment Methodology.

The Social Assessment Methodology ensures that social impact considerations are integrated into the investment decision-making process. Investment is directed towards eight social outcome areas: housing and property; community services; education, learning and skills; employment and training; financial inclusion; health and social care; transport and communications infrastructure, utilities and the environment. Eligible Investments are assessed to establish an overall view of the investment's "social intensity". Some debt securities will have more direct and tangible social benefits than others, however all those selected for investment are considered to have net positive impacts.

A Social Advisory Committee regularly reviews the Social Assessment Methodology and the assessments carried out and may propose amendments or updates over time. An annual report is made available to investors which provides a summary of the Fund's social impact performance.

The Fund may invest in all forms of debt security (usually investment grade) issued by a supranational, public, private or voluntary and/or charitable sector organisation, including without limitation, bonds, notes, bills, and loans, whether they have a fixed, floating, variable, index-linked rate or have a zero coupon.

Cash or near cash will be retained within the Fund for the purpose of efficient management, and similarly deposits and money market instruments may be held for this reason. The Fund may also use derivatives and forward transactions with the aim of reducing risk or managing the Fund more efficiently (including the hedging of any non-sterling denominated securities back to sterling). Derivatives may also be used for investment purposes provided not less than 60 days' notice is given to investors.

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

From 26 May 2019 to 25 May 2020, the published share price of the Threadneedle UK Social Bond Fund has risen from 111.64p to 112.26p.

For comparison, using noon prices, the performance of the Class 2 share class was +2.99%.

For information purposes, using global close prices, the total return of the ICE BofA 1-10 Year Sterling Non-Gilt Index was +3.15%.

#### Market Overview and Portfolio Activity

The year in review constituted a volatile period for the sterling investment-grade (IG) credit market, which nevertheless delivered a positive return. This was driven by a fall in the yields available on underlying UK government bonds (which move inversely to price). Credit spreads (the yield premiums offered by corporate bonds over "risk-free" government bonds) were subject to large swings, but finished the period wider.

In the first half of the period, three overlapping factors combined to push core government bond yields down. One of these drivers was the ongoing US-China trade dispute. Another was the accompanying deterioration in the global economy, which was especially evident in manufacturing data. The last and perhaps most important of these factors was looser monetary policy from key central banks, which also supported credit spreads. The US Federal Reserve led the way, making the first in a series of cuts in July 2019. At this stage, UK policymakers still appeared hawkish by comparison, insisting that rate hikes were still a possibility if a disorderly Brexit did not derail the economy.

In the fourth quarter (Q4) of 2019, gilt yields retraced some of their earlier declines and credit spreads tightened as trade tensions eased and the global economic backdrop appeared to improve. In the UK specifically, receding Brexit worries sharpened investors' appetite for risk. Prime Minister Boris Johnson negotiated a new withdrawal agreement with the EU and then won a decisive general election victory, paving the way for his Brexit deal to pass through Parliament in late December.

In Q1 of 2020, the UK duly left the EU and entered a transition phase scheduled to last until the end of the year. 'No deal' fears soon resurfaced. However, this and all other market preoccupations were overshadowed by a new and unexpected threat, the spread of the COVID-19 from China to the rest of the world. As the outbreak approached pandemic status in March, governments took drastic measures to contain it, economic forecasts plummeted, and investors deserted riskier assets in search of safer havens. Core government bond yields plunged to record lows, and credit spreads widened dramatically.

In response to the crisis, central banks and governments around the world unleashed an unprecedented flood of policy measures. In the UK, the Bank of England cut rates to a record low, offered banks special terms for loans to small businesses, and said it would buy £200bn in bonds, including corporate debt. A complementary fiscal package from the government included grants and business-rate holidays, as well as income-replacement schemes for people unable to work.

From late March on, corporate bonds and other risk assets staged a recovery. Economic data was predictably dire, but markets were more influenced by stimulus developments and the trajectory of the pandemic, which was slowing in European and US hotspots. In April and May, risk appetite was further buoyed as a growing number of countries prepared to ease lockdowns. Sterling IG spreads tightened significantly, but not enough to undo the widening seen in March. Gilt yields continued to fall, rounding off a strong year for the asset class – and accordingly for total returns in the sterling IG market.

Over the period, we moved the fund's duration from a mildly short position, relative to the ICE BofA Merrill Lynch 1–10 Year Sterling Non-Gilt index, to a longer position. We did this as a defensive measure, especially amid the uncertainty in

the run-up to the general election and, later, as the COVID-19 crisis emerged, but we also wanted to take advantage of the resumption of quantitative easing. Our position against the curve aimed to benefit from a flattening of the yield curve and demand for longer-dated credit. In terms of credit risk, beta was maintained at a higher level than that of the index to reflect our positive view of the asset class.

We took part in a range of new issues over the period, the largest of which (in terms of position size) came from Royal Bank of Scotland. This was a social bond with a strong focus on deprivation and on lending to small and medium-size entities, and it also provided an opportunity to diversify exposure.

Other notable additions to the portfolio included new issues from Royal London, Yorkshire Water, the European Investment Bank (EIB), and the International Finance Corporation (IFC). Royal London, which is the UK's largest mutual insurer, helps people with the long-term challenge of saving for retirement and also provides support for those with chronic illnesses, such as diabetes. Yorkshire Water intends to use the proceeds from this particular bond to improve water quality and waste treatment in Yorkshire, furthering the aims of sustainable development goal (SDG) 6, "Clean Water and Sanitation". The EIB issue was a COVID-19-focused sustainability bond, which will build on the institution's existing €50n pipeline of healthcare projects, while the IFC offering was a social bond, also aimed at combating the pandemic.

Meanwhile, on our analyst's recommendation, we lowered exposure to London & Quadrant Housing and increased our holdings of other longer-dated housing association bonds, including Catalyst Housing (a new addition to the portfolio during the year) and Affordable Housing Finance. We also reduced the position in Marks & Spencer and exited Intu and Trafford Centre, which are exposed to pressures in the UK retail sector and to Brexit-related risks in general. Other issuers that we exited completely include Penmon Group, Sanctuary Housing Association, and Derby Healthcare.

We map each of the bonds in the portfolio to the 17 UN Sustainable Development Goals (SDGs). Over the period (May 2019 – May 2020), we increased our exposures to SDG 1: No Poverty from 1.8% to 3.3%, and SDG 3: Good Health and Wellbeing from 8.7% to 11.5%. The four most prominent goals represented in the fund remain SDG 7: Affordable and Clean Energy (9.8%), SDG 8: Decent Work and Economic Growth (18.9%), SDG 9: Industry, Innovation and Infrastructure (16.7%), and SDG 11: Sustainable Cities and Communities (15.8%).

Despite the tightening that has taken place since the March sell-off, sterling IG spreads finished the review period well wide of the long-term average. At the same time, the support measures introduced by governments and central banks will help to mitigate the significant, though temporary, interruption to economic output and employment. More specifically, much of the policy response is targeted at keeping the credit channel open. Policymakers want to avoid an economic shock turning into a financial crisis. We have been impressed by the speed, scale and scope of their actions.

In terms of corporate fundamentals, leverage will likely continue to rise as companies borrow more to weather the storm. It is notable, however, that many have cut dividend payments and abandoned share buybacks, which is credit supportive.

All things considered, we feel that IG spreads are compensating investors well for the increased credit risk associated with the current crisis.

### STATEMENT OF TOTAL RETURN

for the accounting period 26 May 2019 to 25 May 2020

	Notes	2020 £000	2019 £000
Income			
Net capital gains	2	305	1,306
Revenue	3	3,984	3,147
Expenses	4	(714)	(489)
Interest payable and similar charges	5	(1)	(38)
Net revenue before taxation		3,269	2,620
Taxation	6	–	–
Net revenue after taxation		3,269	2,620
Total return before distributions		3,574	3,926
Distributions	7	(3,803)	(2,981)
Change in net assets attributable to shareholders from investment activities		(229)	945

### BALANCE SHEET

as at 25 May 2020

	Notes	2020 £000	2019 £000
Assets:			
Fixed assets:			
Investments		195,757	141,136
Current assets:			
Debtors	8	2,962	3,121
Cash and bank balances	9	4,015	3,707
Cash equivalents**		4,223	1,005
Total assets		206,957	148,969
Liabilities:			
Investment liabilities		(1,282)	(746)
Creditors:			
Bank overdrafts	9	(78)	–
Distribution payable		(629)	(463)
Other creditors	10	(1,186)	(365)
Total liabilities		(3,175)	(1,574)
Net assets attributable to shareholders		203,782	147,395

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

for the accounting period 26 May 2019 to 25 May 2020

	2020 £000	2019 £000
Opening net assets attributable to shareholders	147,395	116,533
Amounts receivable on the issue of shares	95,764	57,780
Amounts payable on the cancellation of shares	(40,849)	(29,208)
	54,915	28,572
Dilution adjustment	177	34
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(229)	945
Retained distribution on accumulation shares	1,524	1,311
Closing net assets attributable to shareholders	203,782	147,395

### DISTRIBUTION TABLE

for the accounting period 26 May 2019 to 25 May 2020

Interest distribution in pence per share

#### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019/2020	Distribution Paid 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.6484	–	0.6484	0.7137
26/08/19 to 25/11/19	0.6409	–	0.6409	0.7207
26/11/19 to 25/02/20	0.5992	–	0.5992	0.6935
26/02/20 to 25/05/20	0.5726	–	0.5726	0.6624
<b>Group 2</b>				
26/05/19 to 25/08/19	0.3528	0.2956	0.6484	0.7137
26/08/19 to 25/11/19	0.1959	0.4450	0.6409	0.7207
26/11/19 to 25/02/20	0.2271	0.3721	0.5992	0.6935
26/02/20 to 25/05/20	0.2885	0.2841	0.5726	0.6624
<b>Total distributions in the period</b>			<b>2.4611</b>	<b>2.7903</b>

\*In pound Sterling and against UK peer group (See Performance summary on page 41).

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

## Threadneedle UK Social Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2019/2020	Revenue Accumulated 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.7480	–	0.7480	0.8029
26/08/19 to 25/11/19	0.7432	–	0.7432	0.8160
26/11/19 to 25/02/20	0.6994	–	0.6994	0.7905
26/02/20 to 25/05/20	0.6716	–	0.6716	0.7596
<b>Group 2</b>				
26/05/19 to 25/08/19	0.3461	0.4019	0.7480	0.8029
26/08/19 to 25/11/19	0.2150	0.5282	0.7432	0.8160
26/11/19 to 25/02/20	0.3145	0.3849	0.6994	0.7905
26/02/20 to 25/05/20	0.3359	0.3357	0.6716	0.7596
<b>Total distributions in the period</b>			<b>2.8622</b>	<b>3.1690</b>

#### Class 2 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019/2020	Distribution Paid 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.6485	–	0.6485	0.7138
26/08/19 to 25/11/19	0.6403	–	0.6403	0.7209
26/11/19 to 25/02/20	0.5994	–	0.5994	0.6938
26/02/20 to 25/05/20	0.5726	–	0.5726	0.6625
<b>Group 2</b>				
26/05/19 to 25/08/19	0.3711	0.2774	0.6485	0.7138
26/08/19 to 25/11/19	0.5235	0.1168	0.6403	0.7209
26/11/19 to 25/02/20	0.2772	0.3222	0.5994	0.6938
26/02/20 to 25/05/20	0.3010	0.2716	0.5726	0.6625
<b>Total distributions in the period</b>			<b>2.4608</b>	<b>2.7910</b>

#### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019/2020	Gross Revenue Accumulated 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.7616	–	0.7616	0.8174
26/08/19 to 25/11/19	0.7561	–	0.7561	0.8308
26/11/19 to 25/02/20	0.7120	–	0.7120	0.8048
26/02/20 to 25/05/20	0.6838	–	0.6838	0.7734
<b>Group 2</b>				
26/05/19 to 25/08/19	0.3059	0.4557	0.7616	0.8174
26/08/19 to 25/11/19	0.5296	0.2265	0.7561	0.8308
26/11/19 to 25/02/20	0.3840	0.3280	0.7120	0.8048
26/02/20 to 25/05/20	0.3352	0.3486	0.6838	0.7734
<b>Total distributions in the period</b>			<b>2.9135</b>	<b>3.2264</b>

#### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019/2020	Distribution Paid 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.6277	–	0.6277	0.6927
26/08/19 to 25/11/19	0.6183	–	0.6183	0.7000
26/11/19 to 25/02/20	0.5779	–	0.5779	0.6729
26/02/20 to 25/05/20	0.5521	–	0.5521	0.6422
<b>Group 2</b>				
26/05/19 to 25/08/19	0.2907	0.3370	0.6277	0.6927
26/08/19 to 25/11/19	0.3245	0.2938	0.6183	0.7000
26/11/19 to 25/02/20	0.2290	0.3489	0.5779	0.6729
26/02/20 to 25/05/20	0.3049	0.2472	0.5521	0.6422
<b>Total distributions in the period</b>			<b>2.3760</b>	<b>2.7078</b>

#### Class Z – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2019/2020	Revenue Accumulated 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.7208	–	0.7208	0.7763
26/08/19 to 25/11/19	0.7142	–	0.7142	0.7892
26/11/19 to 25/02/20	0.6709	–	0.6709	0.7641
26/02/20 to 25/05/20	0.6443	–	0.6443	0.7331
<b>Group 2</b>				
26/05/19 to 25/08/19	0.3293	0.3915	0.7208	0.7763
26/08/19 to 25/11/19	0.3359	0.3783	0.7142	0.7892
26/11/19 to 25/02/20	0.3593	0.3116	0.6709	0.7641
26/02/20 to 25/05/20	0.3383	0.3060	0.6443	0.7331
<b>Total distributions in the period</b>			<b>2.7502</b>	<b>3.0627</b>

#### Class Z – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2019/2020	Distribution Paid 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.6276	–	0.6276	0.6927
26/08/19 to 25/11/19	0.6183	–	0.6183	0.6999
26/11/19 to 25/02/20	0.5779	–	0.5779	0.6729
26/02/20 to 25/05/20	0.5520	–	0.5520	0.6421
<b>Group 2</b>				
26/05/19 to 25/08/19	0.1110	0.5166	0.6276	0.6927
26/08/19 to 25/11/19	0.2291	0.3892	0.6183	0.6999
26/11/19 to 25/02/20	0.1806	0.3973	0.5779	0.6729
26/02/20 to 25/05/20	0.3297	0.2223	0.5520	0.6421
<b>Total distributions in the period</b>			<b>2.3758</b>	<b>2.7076</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019/2020	Gross Revenue Accumulated 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.7340	–	0.7340	0.7907
26/08/19 to 25/11/19	0.7272	–	0.7272	0.8038
26/11/19 to 25/02/20	0.6834	–	0.6834	0.7779
26/02/20 to 25/05/20	0.6562	–	0.6562	0.7468
<b>Group 2</b>				
26/05/19 to 25/08/19	0.2461	0.4879	0.7340	0.7907
26/08/19 to 25/11/19	0.4390	0.2882	0.7272	0.8038
26/11/19 to 25/02/20	0.3481	0.3353	0.6834	0.7779
26/02/20 to 25/05/20	0.3456	0.3106	0.6562	0.7468
<b>Total distributions in the period</b>			<b>2.8008</b>	<b>3.1192</b>

#### Class Z EUR Hedged – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2019/2020	Gross Revenue Accumulated 2018/2019
<b>Group 1</b>				
26/05/19 to 25/08/19	0.6284	–	0.6284	0.6701
26/08/19 to 25/11/19	0.6056	–	0.6056	0.6556
26/11/19 to 25/02/20	0.5462	–	0.5462	0.6596
26/02/20 to 25/05/20	0.5472	–	0.5472	0.6148
<b>Group 2</b>				
26/05/19 to 25/08/19	0.6284	–	0.6284	0.6701
26/08/19 to 25/11/19	0.6056	–	0.6056	0.6556
26/11/19 to 25/02/20	0.5462	–	0.5462	0.6596
26/02/20 to 25/05/20	0.5472	–	0.5472	0.6148
<b>Total distributions in the period</b>			<b>2.3274</b>	<b>2.6001</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Social Bond Fund

### Comparative Table Disclosure

	Class 2 – Income shares			Class 2 – Accumulation shares		
	25/05/2020	25/05/2019	25/05/2018	25/05/2020	25/05/2019	25/05/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	110.67	110.44	112.98	127.68	124.25	123.82
Return before operating charges (p)	3.52	3.44	0.83	4.03	3.91	0.90
Operating charges (p)	(0.42)	(0.42)	(0.42)	(0.48)	(0.48)	(0.47)
Return after operating charges (p)*	3.10	3.02	0.41	3.55	3.43	0.43
Distributions (p)	(2.46)	(2.79)	(2.95)	(2.86)	(3.17)	(3.27)
Retained distributions on accumulation shares (p)	–	–	–	2.86	3.17	3.27
Closing net asset value per share (p)	111.31	110.67	110.44	131.23	127.68	124.25
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.80	2.73	0.36	2.78	2.76	0.35
<b>Other information</b>						
Closing net asset value (£000)	13,442	5,267	690	3,527	574	356
Closing number of shares	12,076,521	4,759,497	624,577	2,687,199	449,298	286,312
Operating charges (%)**	0.37	0.38	0.38	0.37	0.38	0.38
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	114.80	111.70	114.20	134.34	128.10	125.58
Lowest share price (p)	103.53	109.19	110.73	121.44	124.23	123.47
	Class 2 – Gross income shares <sup>§</sup>			Class 2 – Gross accumulation shares <sup>§</sup>		
	25/05/2020	25/05/2019	25/05/2018	25/05/2020	25/05/2019	25/05/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	110.70	110.47	113.02	129.99	126.50	126.06
Return before operating charges (p)	3.51	3.44	0.83	4.12	3.98	0.92
Operating charges (p)	(0.42)	(0.42)	(0.43)	(0.49)	(0.49)	(0.48)
Return after operating charges (p)*	3.09	3.02	0.40	3.63	3.49	0.44
Distributions (p)	(2.46)	(2.79)	(2.95)	(2.91)	(3.23)	(3.33)
Retained distributions on accumulation shares (p)	–	–	–	2.91	3.23	3.33
Closing net asset value per share (p)	111.33	110.70	110.47	133.62	129.99	126.50
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.79	2.73	0.35	2.79	2.76	0.35
<b>Other information</b>						
Closing net asset value (£000)	70,892	47,257	45,585	15,937	11,155	9,423
Closing number of shares	63,674,373	42,690,998	41,264,674	11,927,805	8,580,967	7,449,415
Operating charges (%)**	0.37	0.38	0.38	0.37	0.38	0.38
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	114.82	111.73	114.24	136.78	130.42	127.86
Lowest share price (p)	103.55	109.22	110.76	123.65	126.47	125.71



## Threadneedle UK Social Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Accumulation shares		
	25/05/2020	25/05/2019	25/05/2018	25/05/2020	25/05/2019	25/05/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	110.69	110.47	113.02	127.11	123.79	123.46
Return before operating charges (p)	3.52	3.43	0.83	4.02	3.88	0.89
Operating charges (p)	(0.50)	(0.50)	(0.51)	(0.57)	(0.56)	(0.56)
Return after operating charges (p)*	3.02	2.93	0.32	3.45	3.32	0.33
Distributions (p)	(2.38)	(2.71)	(2.87)	(2.75)	(3.06)	(3.16)
Retained distributions on accumulation shares (p)	–	–	–	2.75	3.06	3.16
Closing net asset value per share (p)	111.33	110.69	110.47	130.56	127.11	123.79
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.73	2.65	0.28	2.71	2.68	0.27
<b>Other information</b>						
Closing net asset value (£000)	28,178	14,484	8,623	50,587	30,112	16,201
Closing number of shares	25,310,695	13,084,959	7,805,903	38,747,100	23,689,349	13,087,502
Operating charges (%)**	0.44	0.45	0.45	0.44	0.45	0.45
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	114.80	111.70	114.22	133.67	127.53	125.18
Lowest share price (p)	103.55	109.21	110.75	120.83	123.73	123.09
	Class Z – Gross income shares <sup>5</sup>			Class Z – Gross accumulation shares <sup>5</sup>		
	25/05/2020	25/05/2019	25/05/2018	25/05/2020	25/05/2019	25/05/2018
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	110.68	110.46	113.01	129.46	126.08	125.74
Return before operating charges (p)	3.52	3.43	0.83	4.09	3.96	0.91
Operating charges (p)	(0.50)	(0.50)	(0.51)	(0.58)	(0.58)	(0.57)
Return after operating charges (p)*	3.02	2.93	0.32	3.51	3.38	0.34
Distributions (p)	(2.38)	(2.71)	(2.87)	(2.80)	(3.12)	(3.22)
Retained distributions on accumulation shares (p)	–	–	–	2.80	3.12	3.22
Closing net asset value per share (p)	111.32	110.68	110.46	132.97	129.46	126.08
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.73	2.65	0.28	2.71	2.68	0.27
<b>Other information</b>						
Closing net asset value (£000)	11,240	11,060	10,146	9,968	27,475	3,017
Closing number of shares	10,096,766	9,993,078	9,185,622	7,496,298	21,221,988	2,393,191
Operating charges (%)**	0.44	0.45	0.45	0.44	0.45	0.45
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	114.79	111.69	114.21	136.15	129.89	127.50
Lowest share price (p)	103.54	109.20	110.75	123.07	126.02	125.37

## Threadneedle UK Social Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z EUR Hedged – Gross accumulation shares <sup>§</sup>		
	25/05/2020	25/05/2019	25/05/2018
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	107.98	106.05	105.38
Return before operating charges (p)	3.69	2.40	1.16
Operating charges (p)	(0.47)	(0.47)	(0.49)
Return after operating charges (p)*	3.22	1.93	0.67
Distributions (p)	(2.33)	(2.60)	(2.75)
Retained distributions on accumulation shares (p)	2.33	2.60	2.75
Closing net asset value per share (p)	111.20	107.98	106.05
*after direct transaction costs of (p)	–	–	–
<b>Performance</b>			
Return after charges (%)	2.98	1.82	0.64
<b>Other information</b>			
Closing net asset value (£000)	11	11	22,492
Closing number of shares	10,000	10,000	21,210,000
Operating charges (%)**	0.43	0.44	0.45
Direct transaction costs (%)***	–	–	–
<b>Prices</b>			
Highest share price (p)	116.53	110.08	114.33
Lowest share price (p)	104.52	103.96	104.39

\*\*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). The non-UCITS retail scheme Key Investor Information document (NURS-KII) 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.

# Threadneedle UK Social Bond Fund

## Notes to the financial statements

for the accounting period 26 May 2019 to 25 May 2020

### 1 ACCOUNTING POLICIES

The accounting policies for the fund are the same as those disclosed on pages 4 and 5.

### 2 NET CAPITAL GAINS

Net capital gains during the period comprise:

	2020	2019
	£000	£000
Non-derivative securities*	2,822	1,639
Derivative contracts	(1,303)	(402)
Forward currency contracts	(1,581)	40
Other gains	369	31
Transaction costs	(2)	(2)
Net capital gains	305	1,306
<b>The non-derivative securities balance above includes:</b>		
Realised gains*	955	717
Unrealised gains*	1,867	922
	2,822	1,639

\*Where realised gains include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised gains.

### 3 REVENUE

	2020	2019
	£000	£000
Interest on debt securities	3,936	3,112
Interest on short term investments	2	17
Derivative revenue	15	–
Bank interest	31	18
Total revenue	3,984	3,147

### 4 EXPENSES

	2020	2019
	£000	£000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(534)	(361)
Registration fees	(130)	(88)
	(664)	(449)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(21)	(14)
Safe custody fees	(18)	(15)
	(39)	(29)
Other expenses:		
Audit fees	(11)	(11)
	(11)	(11)
Total expenses*	(714)	(489)

\*Including irrecoverable VAT where applicable.

### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2020	2019
	£000	£000
Interest payable	(1)	(1)
Derivative expense	–	(37)
Total interest payable and similar charges	(1)	(38)

### 6 TAXATION

	2020	2019
	£000	£000
<b>a) Analysis of charge in period</b>		
Total current tax (note 6b)	–	–
Total tax charge for the period	–	–
<b>b) Factors affecting taxation charge for period</b>		
Net revenue before taxation	3,269	2,620
Net revenue before taxation multiplied by the standard rate of corporation tax of 20%	(654)	(524)
Effects of:		
Distributions treated as tax deductible	654	524
Current tax charge for period (note 6a)	–	–
Interest distributions were made in respect of all distributions during the prior period.		

### 7 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2020	2019
	£000	£000
Interim	2,867	2,248
Final	1,027	864
	3,894	3,112
Add: Revenue deducted on the cancellation of shares	135	42
Deduct: Revenue received on the creation of shares	(226)	(173)
Net distribution for the period	3,803	2,981
Net revenue after taxation	3,269	2,620
Annual management charge to capital	534	361
Total distributions	3,803	2,981

Details of the distribution per share are set out in the table on pages 21 to 22.

### 8 DEBTORS

	2020	2019
	£000	£000
Amounts receivable for the issue of shares	703	1,263
Accrued revenue	2,259	1,858
Total debtors	2,962	3,121

### 9 CASH AND BANK BALANCES

	2020	2019
	£000	£000
Amounts held at futures clearing houses and brokers	1,416	719
Cash and bank balances	2,599	2,988
	4,015	3,707
Cash overdrafts at broker	(78)	–
Total cash and bank balances	3,937	3,707

### 10 OTHER CREDITORS

	2020	2019
	£000	£000
Amounts payable for the cancellation of shares	(311)	(14)
Purchases awaiting settlement	(814)	(300)
Accrued expenses	(9)	(14)
Amounts payable to ACD	(52)	(37)
Total other creditors	(1,186)	(365)

### 11 DILUTION ADJUSTMENT

Under certain circumstances the ACD has the power to apply a dilution adjustment on the purchase and/or redemption of shares. If applied, the dilution adjustment will be paid into the relevant fund. Full details of the operation of the scheme can be found in the Prospectus.

### 12 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 8 and 10.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 10.

All transactions have been entered into in the ordinary course of business on normal commercial terms.

### 13 SHAREHOLDER FUNDS

Threadneedle UK Social Bond Fund currently has two share classes; Class 2 and Class Z shares. The charges on each share class are as follows:

Annual management charge	
Class 2 shares	0.30%
Class Z shares	0.30%

## Threadneedle UK Social Bond Fund

### Notes to the financial statements

(continued)

#### Registration fees

Class 2 shares	0.035%
Class Z shares	0.110%

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on pages 23 to 25. The distribution per share class is given in the distribution table on pages 21 to 22.

All classes have the same rights on winding up.

#### Reconciliation of shares

	2020
<b>Class 2 – Income shares</b>	
Opening shares	4,759,497
Shares issued	7,349,072
Shares redeemed	(302,287)
Net conversions	270,239
Closing shares	12,076,521
<b>Class 2 – Accumulation shares</b>	
Opening shares	449,298
Shares issued	2,418,945
Shares redeemed	(186,206)
Net conversions	5,162
Closing shares	2,687,199
<b>Class 2 – Gross income shares</b>	
Opening shares	42,690,998
Shares issued	21,273,165
Shares redeemed	(289,790)
Net conversions	–
Closing shares	63,674,373
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	8,580,967
Shares issued	4,136,467
Shares redeemed	(796,608)
Net conversions	6,979
Closing shares	11,927,805
<b>Class Z – Income shares</b>	
Opening shares	13,084,959
Shares issued	15,954,816
Shares redeemed	(3,455,061)
Net conversions	(274,019)
Closing shares	25,310,695
<b>Class Z – Accumulation shares</b>	
Opening shares	23,689,349
Shares issued	22,522,531
Shares redeemed	(7,455,745)
Net conversions	(9,035)
Closing shares	38,747,100
<b>Class Z – Gross income shares</b>	
Opening shares	9,993,078
Shares issued	3,161,019
Shares redeemed	(3,068,395)
Net conversions	11,064
Closing shares	10,096,766
<b>Class Z – Gross accumulation shares</b>	
Opening shares	21,221,988
Shares issued	2,915,102
Shares redeemed	(16,631,484)
Net conversions	(9,308)
Closing shares	7,496,298
<b>Class Z EUR Hedged – Gross accumulation shares</b>	
Opening shares	10,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	10,000

### 14 RISK MANAGEMENT

The analysis and tables provided below refer to the risk management policies narrative disclosure on pages 4 and 5.

#### Market price risk sensitivity

A 1.00% interest rate decrease applied to the fund would result in an increase on net asset value of the fund by 4.58% and vice versa (2019: 4.60%).

#### Currency exposures

A portion of the net assets of the fund are denominated in currencies other than Sterling, with the effect that the balance sheet and total return can be affected by currency movements.

	Total £000
<b>Currency 2020</b>	
Euro	225
US Dollar	117
<b>Currency 2019</b>	£000
Euro	(1)
US Dollar	44

#### Currency sensitivity

As the fund has no material currency exposure, no sensitivity analysis has been shown (2019: same).

#### Credit/Counterparty exposure

The following details exposure to counterparties obtained through the use of derivatives:

2020 Counterparty	Forward Foreign Exchange	
	Contracts Exposure £000	Collateral Pledged £000
Barclays	–	680
Citigroup	–	290
HSBC	2	10
2019 Counterparty	Forward Foreign Exchange	
	Contracts Exposure £000	Collateral Pledged £000
Barclays	–	290
Citigroup	–	10
UBS	–	270

The fund did not hold any collateral received from the fund's counterparties in either the current or prior year.

Positive exposure represents the fund's exposure to that counterparty and not the fund's holdings with that counterparty.

#### Analysis of investments by credit ratings

	2020		2019	
	Value £000	% of Investment	Value £000	% of Investment
AAA	16,651	8.38	14,386	10.17
Aaa	4,361	2.19	2,957	2.09
AA	14,917	7.51	10,337	7.31
Aa2	1,228	0.62	1,046	0.74
AA-	3,031	1.53	6,202	4.39
Aa3	4,089	2.06	1,766	1.25
A+	15,237	7.67	11,846	8.38
A	16,733	8.42	11,888	8.41
A2	4,690	2.36	2,449	1.73
A-	19,871	10.00	5,935	4.20
A3	7,460	3.75	5,013	3.55
BBB+	21,983	11.06	17,767	12.57
Baa1	8,356	4.20	8,930	6.32
BBB	27,976	14.08	14,169	10.02
Baa2	10,937	5.50	6,561	4.64
BBB-	3,081	1.55	3,067	2.17
Baa3	243	0.12	191	0.13
BB+	2,098	1.06	2,814	1.99
BB	1,601	0.81	1,347	0.95
BB-	612	0.31	–	–
B	–	–	411	0.29
B-	297	0.15	–	–
Not Rated*	10,287	5.18	12,054	8.52
Liquidity Funds	4,223	2.13	1,005	0.71
Derivatives**	(1,264)	(0.64)	(746)	(0.53)
	198,698	100.00	141,395	100.00

\*S&P and Moody's are used for credit ratings, 'non-rated' stocks may be rated by other agencies.

\*\*The derivative positions do not have a significant impact on the risk profile.

## Threadneedle UK Social Bond Fund

### Notes to the financial statements

(continued)

#### Interest rate risk

The fund's floating rate investments earn interest which is variable, based on LIBOR or its overseas equivalent.

Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

#### Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the fund's financial assets and financial liabilities at 25 May was:

	Floating rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Total
	£000	£000	£000	£000
<b>Currency 2020</b>				
Euro	12,672	16,288	840	29,800
UK Sterling	17,149	141,465	47,748	206,362
US Dollar	9,529	6,874	28	16,431
<b>Currency 2019</b>				
Euro	5,763	9,750	164	15,677
UK Sterling	17,137	105,249	25,756	148,142
US Dollar	5,446	2,502	18	7,966

	Floating rate financial liabilities	Fixed rate financial liabilities	Financial liabilities not carrying interest	Total
	£000	£000	£000	£000
<b>Currency 2020</b>				
Euro	(78)	–	(29,497)	(29,575)
UK Sterling	–	–	(2,922)	(2,922)
US Dollar	–	–	(16,314)	(16,314)
<b>Currency 2019</b>				
Euro	–	–	(15,678)	(15,678)
UK Sterling	–	–	(790)	(790)
US Dollar	–	–	(7,922)	(7,922)

#### Interest rate risk sensitivity

No sensitivity analysis shown as the fund has minimal exposure to interest rate risk in relation to cash balances (2019: same).

#### Derivative risks

Derivatives including forward foreign exchange contracts, futures and options and interest rate swaps are employed when they are the cheapest and most efficient method of gaining exposure. This increases the risk profile of the fund and may result in a higher degree of volatility. All open positions are regularly reviewed by the fund manager. The fund has entered into various forward foreign exchange contracts, futures and options and interest rate swaps during this accounting period. Such contracts commit the fund to future deliveries or receipts, typically three months forward, of assets and liabilities, at prices decided at the point of striking the contract. They therefore allow the fund manager to limit risk, or to enhance fund performance in return for the acceptance of greater risk.

At 25 May 2020, the fund had outstanding forward foreign exchange contracts, futures and options and interest rate swaps with an asset value of £18,000 (2019: £Nil) and a liability value of £1,282,000 (2019: £746,000).

### 15 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

**Level 1** – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

**Level 2** – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

**Level 3** – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

Valuation technique	2020		2019	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1*	12,098	(129)	7,168	(89)
Level 2	187,882	(1,153)	134,973	(657)
	199,980	(1,282)	142,141	(746)

Included within Level 1, are debt securities of £12,083,000 (2019: £7,168,000). The valuation of some highly liquid exchange-traded debt securities (G7 sovereign debt, supranational debt or certain corporate bonds) is sufficiently close to a binding quoted price to categorise at this level.

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

### 16 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities and commitments outstanding (2019: Nil).

### 17 PORTFOLIO TRANSACTION COSTS

During the period under review the fund's purchases and sales of bonds amounted to £107,697,652 (2019: £71,548,122) and £54,088,869 (2019: £40,806,199) respectively. Collective investment schemes purchases and sales amounted to £13,018,566 (2019: £9,004,661) and £9,800,000 (2019: £8,000,000) respectively. Corporate action costs and proceeds amounted to £Nil (2019: £Nil) and £189,052 (2019: £175,644) respectively.

The purchases and sales are not subject to portfolio transaction costs.

The commissions incurred by the fund when buying and selling futures and options in the current year was £1,273 (2019: £603).

**Indirect transaction costs:** 'Dealing spread' – the difference between the buying and selling prices of the fund's underlying investments.

At the balance sheet date, the portfolio dealing spread was 0.73% (25 May 2019: 0.59%), being the difference between the respective buying and selling prices for the fund's investments.

### 18 POST BALANCE SHEET EVENT

Following the COVID-19 (Coronavirus) outbreak there has been an on-going period of high volatility in Global financial markets. As a result, we have witnessed significant movements in the net asset value of the Fund since the balance sheet date. During the period from the balance sheet date to 19 August 2020, the net asset value of the Fund decreased by XX.XX%.

The NAV was reviewed again on the 25th with no material movements noted since 19th of August.

The table below provides the net subscriptions and redemptions of shares between the year-ended 25 May 2020 and 19 August 2020 as a percentage of that share class NAV. This change is reflective of conditions that arose after the year end and hence is considered a non-adjusting event.

Share class % Movement

**Statement of Authorised Corporate Director's (ACD) Responsibilities in relation to the Financial Statements of the Company**

The Open-Ended Investment Companies Regulations 2001 and the Collective Investment Schemes Sourcebook (COLL), as issued (and amended) by the Financial Conduct Authority (FCA), require the ACD to prepare financial statements for each annual accounting period which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the financial position of each sub-fund and its net revenue/(expenses) and the net gains/(losses) on the property of each sub-fund for the period. In preparing the financial statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to Authorised Funds issued by the Investment Management Association (IMA);
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records, which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the Collective Investment Schemes Sourcebook, the Instrument of Incorporation and the Prospectus. The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the Threadneedle Opportunity Investment Funds ICVC (the Company) for the Period ended 25 May 2020**

The Depositary is responsible for the safekeeping of all the property of the Company (other than tangible moveable property) which is entrusted to it and ensuring proper registration of tangible moveable property, and for the collection of income arising from all such scheme property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed and operated by the Authorised Corporate Director in accordance with the Financial Conduct Authority' Collective Investment Schemes Sourcebook ("the Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), the Company's Instrument of Incorporation, and the Prospectus, as appropriate, concerning: the pricing of and dealing in Shares in the Company; the application of income of the Company; and the investment portfolio and borrowing activities of the Company.

Having carried out procedures and enquiries considered duly necessary to discharge our responsibilities as Depositary of the Company, based on information and explanations provided to us, we believe that, in all material respects, the Company, acting through the Authorised Corporate Director:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Sourcebook, and where applicable, the OEIC regulations, the Company's Instrument of Incorporation, and the Prospectus;
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company; and
- (iii) has, otherwise, ensured the proper operation of the Company."

Citibank Europe plc,  
UK Branch

27 August 2020

## Independent Auditors' Report to the Shareholders of Threadneedle Opportunity Investment Funds ICVC

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

In our opinion, the financial statements of Threadneedle Opportunity Investment Funds ICVC (the "Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 25 May 2020 and of the net revenue and the net capital gains/losses on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Threadneedle Opportunity Investment Funds ICVC is an Open Ended Investment Company ('OEIC') with 3 sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report (the "Annual Report"), which comprise: the balance sheets as at 25 May 2020; the statements of total return; the statements of changes in net assets attributable to shareholders for the year then ended; the distribution tables; the accounting policies; and the notes to the financial statements.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the Authorised Corporate Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Authorised Corporate Director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's or any of the sub-funds' ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's or any of the sub-funds' ability to continue as a going concern.

#### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

#### Authorised Corporate Director's Report

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

#### Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of Authorised Corporate Director's Responsibilities set out on page 29, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and each of the sub-funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or individual sub-fund, or has no realistic alternative but to do so.

#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### Use of this report

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### OTHER REQUIRED REPORTING

#### Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

#### Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
  - the financial statements are not in agreement with the accounting records.
- We have no exceptions to report arising from this responsibility.

Edinburgh  
27 August 2020

PricewaterhouseCoopers LLP  
Chartered Accountants and  
Statutory Auditors

## Threadneedle Dynamic Real Return Fund

### Portfolio Statement

as at 25 May 2020

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>BRAZIL 0.18% (0.00%)</b>					<b>FRANCE 0.53% (0.00%)</b>				
<b>Government Bonds 0.18% (0.00%)</b>					<b>Corporate Bonds 0.40% (0.00%)</b>				
BRL	21,000	Brazil Government International Bond 10% 01/01/2029	3,660	0.18	EUR	1,000,000	Altice France 2.5% 15/01/2025	855	0.04
<b>Total Brazil</b>			<b>3,660</b>	<b>0.18</b>	EUR	500,000	Casino Guichard-Perrachon 3.31% 25/01/2023	418	0.02
<b>CANADA 0.16% (0.00%)</b>					<b>FRANCE 0.53% (0.00%)</b>				
<b>Corporate Bonds 0.13% (0.00%)</b>					<b>Corporate Bonds 0.40% (0.00%)</b>				
EUR	3,000,000	Valeant Pharmaceuticals 4.5% 15/05/2023	2,640	0.13	EUR	2,850,000	Crown European Holdings 4% 15/07/2022	2,620	0.13
<b>Oil &amp; Gas Producers 0.03% (0.00%)</b>					<b>Beverages 0.05% (0.00%)</b>				
	46,122	Suncor Energy (USD)	664	0.03	EUR	1,924,000	Getlink 3.625% 01/10/2023	1,683	0.08
<b>Total Canada</b>			<b>3,304</b>	<b>0.16</b>	EUR	1,000,000	Loxam 3.5% 15/04/2022	825	0.04
<b>CAYMAN ISLANDS 0.27% (0.00%)</b>					<b>FRANCE 0.53% (0.00%)</b>				
<b>General Retailers 0.14% (0.00%)</b>					<b>Health Care Equipment &amp; Services 0.08% (0.00%)</b>				
	16,952	Alibaba Group ADR	2,949	0.14	EUR	2,150,000	Orano 3.5% 22/03/2021	1,934	0.09
<b>Software &amp; Computer Services 0.13% (0.00%)</b>					<b>Beverages 0.05% (0.00%)</b>				
	61,100	Tencent Holdings	2,665	0.13		9,268	Pernod Ricard	1,090	0.05
<b>Total Cayman Islands</b>			<b>5,614</b>	<b>0.27</b>	<b>Total France</b>			<b>11,054</b>	<b>0.53</b>
<b>CHILE 0.11% (0.00%)</b>					<b>GERMANY 0.34% (0.00%)</b>				
<b>Government Bonds 0.11% (0.00%)</b>					<b>Corporate Bonds 0.23% (0.00%)</b>				
CLP	1,735,000,000	Chile Government International Bond 5% 01/03/2035	2,308	0.11	EUR	2,400,000	ADLER Real Estate 1.875% 27/04/2023	2,047	0.10
<b>Total Chile</b>			<b>2,308</b>	<b>0.11</b>	EUR	1,500,000	Platin 5.375% 15/06/2023	1,184	0.06
<b>CHINA 0.11% (0.00%)</b>					<b>GERMANY 0.34% (0.00%)</b>				
<b>Life Insurance 0.11% (0.00%)</b>					<b>Corporate Bonds 0.23% (0.00%)</b>				
	280,000	Ping An Insurance Group	2,249	0.11	EUR	122,000	Techem Verwaltungsgesellschaft 2% 15/07/2025	103	-
<b>Total China</b>			<b>2,249</b>	<b>0.11</b>	EUR	389,000	Thyssenkrupp 1.375% 03/03/2022	331	0.02
<b>COLOMBIA 0.26% (0.00%)</b>					<b>GERMANY 0.34% (0.00%)</b>				
<b>Government Bonds 0.26% (0.00%)</b>					<b>Personal Goods 0.11% (0.00%)</b>				
COP	20,574,000,000	Colombia Government International Bond 9.85% 28/06/2027	5,443	0.26		12,340	Adidas	2,370	0.11
<b>Total Colombia</b>			<b>5,443</b>	<b>0.26</b>	<b>Total Germany</b>			<b>7,138</b>	<b>0.34</b>
<b>CZECH REPUBLIC 0.25% (0.00%)</b>					<b>HONG KONG 0.10% (0.00%)</b>				
<b>Government Bonds 0.25% (0.00%)</b>					<b>Life Insurance 0.10% (0.00%)</b>				
CZK	92,950,000	Czech Republic 0.45% 25/10/2023	3,066	0.15		318,600	AlA Group	2,158	0.10
CZK	54,850,000	Czech Republic 2.5% 25/08/2028	2,049	0.10	<b>Total Hong Kong</b>			<b>2,158</b>	<b>0.10</b>
<b>Total Czech Republic</b>			<b>5,115</b>	<b>0.25</b>	<b>HUNGARY 0.10% (0.00%)</b>				
<b>DENMARK 0.23% (0.00%)</b>					<b>Government Bonds 0.10% (0.00%)</b>				
<b>Pharmaceuticals &amp; Biotechnology 0.15% (0.00%)</b>					<b>Government Bonds 0.10% (0.00%)</b>				
	59,456	Novo Nordisk	3,185	0.15	HUF	716,980,000	Hungary Government International Bond 3% 21/08/2030	2,009	0.10
<b>Gas, Water &amp; Multiutilities 0.08% (0.00%)</b>					<b>Total Hungary</b>				
	19,369	Orsted	1,722	0.08	<b>Total Hungary</b>			<b>2,009</b>	<b>0.10</b>
<b>Total Denmark</b>			<b>4,907</b>	<b>0.23</b>	<b>INDIA 0.11% (0.00%)</b>				
<b>FINLAND 0.09% (0.00%)</b>					<b>Banks 0.11% (0.00%)</b>				
<b>Forestry &amp; Paper 0.09% (0.00%)</b>					<b>Banks 0.11% (0.00%)</b>				
	86,495	UPM	1,929	0.09		78,510	HDFC Bank ADR	2,397	0.11
<b>Total Finland</b>			<b>1,929</b>	<b>0.09</b>	<b>Total India</b>			<b>2,397</b>	<b>0.11</b>
<b>INDONESIA 3.30% (0.00%)</b>					<b>INDONESIA 3.30% (0.00%)</b>				
<b>Government Bonds 3.30% (0.00%)</b>					<b>Government Bonds 3.30% (0.00%)</b>				
IDR	620,000,000,000	Indonesia Government International Bond 7% 15/09/2030	33,469	1.61	IDR	620,000,000,000	Indonesia Government International Bond 7% 15/09/2030	33,469	1.61
IDR	490,000,000,000	Indonesia Government International Bond 8.25% 15/05/2029	28,539	1.37	IDR	490,000,000,000	Indonesia Government International Bond 8.25% 15/05/2029	28,539	1.37
IDR	106,247,000,000	Indonesia Government International Bond 8.375% 15/04/2039	6,037	0.29	IDR	106,247,000,000	Indonesia Government International Bond 8.375% 15/04/2039	6,037	0.29
IDR	11,592,000,000	Indonesia Government International Bond 9% 15/03/2029	705	0.03	IDR	11,592,000,000	Indonesia Government International Bond 9% 15/03/2029	705	0.03
<b>Total Indonesia</b>			<b>68,750</b>	<b>3.30</b>	<b>Total Indonesia</b>			<b>68,750</b>	<b>3.30</b>



## Threadneedle Dynamic Real Return Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>ITALY 0.22% (0.00%)</b>					<b>PERU 0.26% (0.00%)</b>				
		<b>Corporate Bonds 0.22% (0.00%)</b>					<b>Government Bonds 0.26% (0.00%)</b>		
EUR	400,000	Leonardo 4.5% 19/01/2021	363	0.02			Peruvian Government International		
GBP	400,000	Romulus Finance 5.441% 20/02/2023	434	0.02	PEN	17,522,000	Bond 8.2% 12/08/2026	5,464	0.26
EUR	2,900,000	Telecom Italia 1.125% 26/03/2022	2,491	0.12			<b>Total Peru</b>	<b>5,464</b>	<b>0.26</b>
EUR	1,474,000	Telecom Italia 4.5% 25/01/2021	1,338	0.06					
		<b>Total Italy</b>	<b>4,626</b>	<b>0.22</b>					
<b>JAPAN 0.32% (0.00%)</b>					<b>POLAND 0.24% (0.00%)</b>				
		<b>Electronic &amp; Electrical Equipment 0.11% (0.00%)</b>					<b>Government Bonds 0.24% (0.00%)</b>		
	7,400	Keyence	2,266	0.11	PLN	22,475,000	Poland Government Bond 2.75% 25/04/2028	4,922	0.24
		<b>Leisure Goods 0.17% (0.00%)</b>					<b>Total Poland</b>	<b>4,922</b>	<b>0.24</b>
	5,000	Nintendo	1,711	0.08					
	36,900	Sony	1,908	0.09					
		<b>Technology Hardware &amp; Equipment 0.04% (0.00%)</b>							
	16,000	Rohm	876	0.04					
		<b>Total Japan</b>	<b>6,761</b>	<b>0.32</b>					
<b>JERSEY 0.23% (0.00%)</b>					<b>REPUBLIC OF IRELAND 0.34% (0.00%)</b>				
		<b>Corporate Bonds 0.23% (0.00%)</b>					<b>Corporate Bonds 0.02% (0.00%)</b>		
GBP	2,800,000	British Land (White) 0% 09/06/2020	2,785	0.13	EUR	450,000	Ardagh Packaging Finance 2.75% 15/03/2024	400	0.02
EUR	2,283,000	LHC Three PIK 4.125% 15/08/2024	2,009	0.10			<b>Construction &amp; Materials 0.20% (0.00%)</b>		
		<b>Total Jersey</b>	<b>4,794</b>	<b>0.23</b>			CRH (Dublin Listing)	2,054	0.10
							Trane Technologies	2,167	0.10
							<b>Health Care Equipment &amp; Services 0.12% (0.00%)</b>		
							Medtronic	2,382	0.12
							<b>Total Republic of Ireland</b>	<b>7,003</b>	<b>0.34</b>
<b>LUXEMBOURG 0.11% (0.00%)</b>					<b>RUSSIA 0.49% (0.00%)</b>				
		<b>Corporate Bonds 0.11% (0.00%)</b>					<b>Government Bonds 0.49% (0.00%)</b>		
EUR	100,000	Altice Financing 2.25% 15/01/2025	84	–	RUB	340,000,000	Russian Federal Bond 7.05% 19/01/2028	4,345	0.21
EUR	3,000,000	Cirsa Finance International 6.25% 20/12/2023	2,035	0.10	RUB	405,000,000	Russian Federal Bond 8.5% 17/09/2031	5,782	0.28
EUR	100,000	Fiat Chrysler Finance Europe 4.75% 15/07/2022	91	0.01			<b>Total Russia</b>	<b>10,127</b>	<b>0.49</b>
		<b>Total Luxembourg</b>	<b>2,210</b>	<b>0.11</b>					
<b>MALAYSIA 0.33% (0.00%)</b>					<b>SOUTH AFRICA 0.47% (0.00%)</b>				
		<b>Corporate Bonds 0.04% (0.00%)</b>					<b>Corporate Bonds 0.08% (0.00%)</b>		
USD	1,350,000	Press Metal (Labuan) 4.8% 30/10/2022	911	0.04	ZAR	48,000,000	Eskom Holdings 7.5% 15/09/2033	1,607	0.08
		<b>Government Bonds 0.29% (0.00%)</b>			ZAR	152,456,375	South Africa Government Bond 8% 31/01/2030	6,698	0.32
MYR	29,000,000	Malaysian Government Bond 4.392% 15/04/2026	5,973	0.29	ZAR	27,000,000	South Africa Government Bond 10.5% 21/12/2026	1,462	0.07
		<b>Total Malaysia</b>	<b>6,884</b>	<b>0.33</b>			<b>Total South Africa</b>	<b>9,767</b>	<b>0.47</b>
<b>MEXICO 0.44% (0.00%)</b>					<b>SOUTH KOREA 0.16% (0.00%)</b>				
		<b>Government Bonds 0.44% (0.00%)</b>					<b>Technology Hardware &amp; Equipment 0.16% (0.00%)</b>		
MXN	219,000,000	Mexican Bonos 8.5% 18/11/2038	9,118	0.44			Samsung Electronics	3,430	0.16
		<b>Total Mexico</b>	<b>9,118</b>	<b>0.44</b>			<b>Total South Korea</b>	<b>3,430</b>	<b>0.16</b>
<b>NETHERLANDS 0.25% (0.00%)</b>					<b>SPAIN 0.17% (0.00%)</b>				
		<b>Corporate Bonds 0.19% (0.00%)</b>					<b>Corporate Bonds 0.17% (0.00%)</b>		
USD	1,300,000	Greenko Dutch 4.875% 24/07/2022	1,044	0.05	EUR	4,000,000	Telefonica Participacoes 0% 09/03/2021	3,545	0.17
GBP	821,000	InterGen 7.5% 30/06/2021	808	0.04			<b>Total Spain</b>	<b>3,545</b>	<b>0.17</b>
EUR	316,000	PPF Telecom Group 3.5% 20/05/2024	286	0.01					
EUR	275,000	Q-Park Holding 1.5% 01/03/2025	218	0.01					
EUR	1,881,000	United Group 4.875% GTD 01/07/2024	1,657	0.08					
		<b>Chemicals 0.06% (0.00%)</b>							
	23,907	LyondellBasell Industries	1,182	0.06					
		<b>Total Netherlands</b>	<b>5,195</b>	<b>0.25</b>					
<b>NETHERLANDS 0.25% (0.00%)</b>					<b>SWEDEN 0.11% (0.00%)</b>				
		<b>Corporate Bonds 0.11% (0.00%)</b>					<b>Corporate Bonds 0.11% (0.00%)</b>		
EUR	2,500,000	Ericsson 0.875% 01/03/2021	2,227	0.11			<b>Total Sweden</b>	<b>2,227</b>	<b>0.11</b>

## Threadneedle Dynamic Real Return Fund

### Portfolio Statement

(continued)

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value	
<b>SWITZERLAND 0.09% (0.00%)</b>					<b>Household Goods &amp; Home Construction 0.12% (0.00%)</b>					
<b>Electronic &amp; Electrical Equipment 0.09% (0.00%)</b>					35,400	Reckitt Benckiser Group	2,503	0.12		
30,865		TE Connectivity	1,933	0.09	<b>Personal Goods 0.09% (0.00%)</b>					
<b>Total Switzerland</b>				<b>1,933</b>	<b>0.09</b>	47,516	Unilever	1,934	0.09	
<b>TAIWAN 0.07% (0.00%)</b>					<b>Media 0.11% (0.00%)</b>					
<b>Technology Hardware &amp; Equipment 0.07% (0.00%)</b>					120,461	RELX (UK Listing)	2,244	0.11		
193,000		Taiwan Semiconductor Manufacturing	1,542	0.07	<b>Nonlife Insurance 0.08% (0.00%)</b>					
<b>Total Taiwan</b>				<b>1,542</b>	<b>0.07</b>	10,223	AON	1,622	0.08	
<b>THAILAND 0.45% (0.00%)</b>					<b>Total United Kingdom</b>					
<b>Government Bonds 0.45% (0.00%)</b>					<b>404,678 19.43</b>					
THB	316,418,000	Thailand Government Bond 2.875% 17/12/2028	9,321	0.45	<b>UNITED STATES OF AMERICA 10.16% (7.02%)</b>					
<b>Total Thailand</b>				<b>9,321</b>	<b>0.45</b>	<b>Corporate Bonds 0.45% (0.00%)</b>				
<b>TURKEY 0.10% (0.00%)</b>					USD	131,000	Adient US 9% 15/04/2025	114	0.01	
<b>Government Bonds 0.10% (0.00%)</b>					EUR	3,650,000	Cemex Finance 4.625% 15/06/2024	3,079	0.15	
TRY	18,724,193	Turkey Government Bond 11% 24/02/2027	2,141	0.10	EUR	681,000	Equinix 2.875% 15/03/2024	618	0.03	
<b>Total Turkey</b>				<b>2,141</b>	<b>0.10</b>	EUR	2,000,000	Kraft Heinz Foods 2% 30/06/2023	1,790	0.09
<b>UNITED KINGDOM 19.43% (24.05%)</b>					EUR	113,000	Netflix 3% 15/06/2025	103	–	
<b>Corporate Bonds 1.39% (0.00%)</b>					EUR	4,000,000	Quintiles IMS 3.5% 15/10/2024	3,606	0.17	
EUR	294,000	Algeco Scotsman 6.5% 15/02/2023	229	0.01	<b>Government Bonds 4.85% (7.02%)</b>					
GBP	2,800,000	Anglian Water Services Financing Index-Linked 4.125% 28/07/2020	4,726	0.23	USD	61,600,000	United States Treasury Note/Bond 0.125% 15/04/2022	53,674	2.58	
GBP	1,450,000	Arqiva Broadcast Finance 6.75% 30/09/2023	1,489	0.07	USD	14,950,000	United States Treasury Note/Bond 2.125% 15/02/2040	21,240	1.02	
GBP	3,050,000	Co-operative Group 5.125% 17/05/2024	3,159	0.15	USD	18,200,000	United States Treasury Note/Bond 2.125% 15/02/2041	25,987	1.25	
GBP	1,836,000	Drax Finco 4.25% 01/05/2022	1,801	0.09	<b>Chemicals 0.10% (0.00%)</b>					
GBP	2,000,000	FCE Bank 2.727% 03/06/2022	1,853	0.09	13,063	ECOLAB	2,147	0.10		
EUR	1,000,000*	FCE Bank FRN 26/08/2020	874	0.04	<b>Electronic &amp; Electrical Equipment 0.08% (0.00%)</b>					
GBP	1,530,000	GKN Holdings 5.375% 19/09/2022	1,587	0.08	23,588	Amphenol	1,746	0.08		
EUR	532,000	International Game Technology 4.75% 15/02/2023	453	0.02	<b>Industrial Transportation 0.08% (0.00%)</b>					
GBP	100,000	Marks & Spencer 1% 08/12/2023	95	–	12,620	Union Pacific	1,694	0.08		
GBP	375,000	Marks & Spencer 6.125% 06/12/2021	386	0.02	<b>Support Services 0.19% (0.00%)</b>					
EUR	3,060,000	OTE 3.5% 09/07/2020	2,740	0.13	22,005	Fidelity National Information Services	2,466	0.12		
GBP	166,000	TalkTalk Telecom Group 3.875% 20/02/2025	163	0.01	20,729	TransUnion	1,380	0.07		
GBP	800,000	Travis Perkins 4.375% 15/09/2021	765	0.04	<b>Leisure Goods 0.23% (0.00%)</b>					
GBP	4,400,000	Virgin Media Secured Finance 6% 15/01/2025	4,699	0.22	47,462	Activision Blizzard	2,822	0.13		
GBP	3,000,000	*Vodafone Group Variable 0% 26/11/2020	2,968	0.14	21,175	Electronic Arts	2,039	0.10		
GBP	1,000,000	William Hill 4.875% 07/09/2023	962	0.05	<b>Personal Goods 0.07% (0.00%)</b>					
<b>Government Bonds 17.49% (24.05%)</b>					9,870	Estee Lauder Companies Class A	1,440	0.07		
GBP	177,000,000	United Kingdom Gilt 1.5% 22/01/2021	178,712	8.58	<b>Health Care Equipment &amp; Services 0.75% (0.00%)</b>					
GBP	185,000,000	United Kingdom Gilt 2% 22/07/2020	185,544	8.91	32,312	Baxter International	2,297	0.11		
<b>Support Services 0.08% (0.00%)</b>					55,440	Boston Scientific	1,583	0.08		
26,759		Ferguson	1,649	0.08	68,860	Centene	3,710	0.18		
<b>Beverages 0.07% (0.00%)</b>					6,508	Cooper Cos	1,537	0.07		
54,552		Diageo	1,521	0.07	15,468	Danaher Corporation	2,001	0.10		
					12,991	Stryker	1,972	0.09		
					10,668	UnitedHealth Group	2,512	0.12		

## Threadneedle Dynamic Real Return Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value	
	<b>Pharmaceuticals &amp; Biotechnology 0.26% (0.00%)</b>			50,549,582	Threadneedle Asia Fund	88,568	4.25	
9,955	Illumina	2,852	0.14	36,564,443	Threadneedle European Fund	52,507	2.52	
11,134	Vertex Pharmaceuticals	2,599	0.12	33,172,580	Threadneedle European Select Fund	52,273	2.51	
	<b>General Retailers 0.49% (0.00%)</b>			95,261,905	Threadneedle Japan Fund	159,116	7.64	
3,725	Amazon.com	7,479	0.36		<b>Overseas bond 2.78% (0.96%)</b>			
52,973	Service Corporate International	1,674	0.08	2,003,746	Threadneedle (Lux) – European High Yield Bond	18,830	0.90	
34,484	Uber Technologies	970	0.05	32,363,517	Threadneedle High Yield Bond Fund	39,192	1.88	
	<b>Media 0.25% (0.00%)</b>				<b>Commodity 3.34% (4.95%)</b>			
109,442	Comcast Corporation	3,498	0.17	16,194	Source Physical Markets Gold P-ETC	2,236	0.11	
17,836	Walt Disney	1,725	0.08	6,980,462	Threadneedle (Lux) – Enhanced Commodities	67,253	3.23	
	<b>Mobile Telecommunications 0.08% (0.00%)</b>				<b>Liquidity Funds 5.59% (9.15%)<sup>1</sup></b>			
21,976	T-Mobile US	1,702	0.08	93,416,283	BlackRock Institutional Cash Series Sterling Liquidity Platinum	93,416	4.48	
	<b>Electricity 0.09% (0.00%)</b>			23,131,722	Insight Liquidity Funds – ILF GBP Liquidity Class 3	23,132	1.11	
10,226	FPL Group	1,920	0.09		<b>Total collective investment schemes</b>	<b>1,199,262</b>	<b>57.57</b>	
	<b>Banks 0.13% (0.00%)</b>				<b>DERIVATIVES 0.48% (-0.54%)</b>			
35,783	JPMorgan Chase	2,646	0.13		<b>Futures and Options 0.57% (-0.07%)</b>			
	<b>Real Estate Investment Trusts 0.13% (0.00%)</b>			GBP	166	UBS FTSE 100 Future Expiring June 2020	(332)	(0.02)
5,319	Equinix	2,812	0.13	KRW	1,055	UBS KOSPI 200 Index Future Expiring June 2020	(617)	(0.03)
	<b>Financial Services 0.58% (0.00%)</b>			USD	1,388	UBS MSCI Taiwan Index Future Expiring May 2020	1,538	0.08
10,066	CME Group	1,472	0.07	USD	1,142	UBS S&P 500 Index E-mini Future Expiring June 2020	11,293	0.54
17,221	MasterCard Class A	4,161	0.20		<b>Forward Foreign Exchange Contracts -0.09% (-0.47%)</b>			
8,440	S&P Global	2,154	0.10		Sell USD 5,597,533			
27,409	Visa 'A' Shares	4,288	0.21		Buy BRL 32,574,281 Citigroup	206	0.01	
	<b>Software &amp; Computer Services 1.14% (0.00%)</b>				Sell USD 805,987			
7,632	Adobe Systems	2,394	0.11		Buy BRL 4,674,324 Citigroup	27	–	
7,361	Alphabet Class A	8,500	0.41		Sell USD 374,217			
22,820	Facebook	4,333	0.21		Buy CLP 309,290,462 Citigroup	9	–	
56,840	Microsoft	8,555	0.41		Sell USD 2,256,294			
	<b>Technology Hardware &amp; Equipment 0.21% (0.00%)</b>				Buy CNY 16,057,865 Citigroup	(15)	–	
8,681	Lam Research	1,857	0.09		Sell USD 507,185			
8,452	Nvidia	2,435	0.12		Buy COP 1,979,846,021 Citigroup	12	–	
	<b>Total United States of America</b>	<b>211,583</b>	<b>10.16</b>		Sell USD 369,966			
	<b>COLLECTIVE INVESTMENT SCHEMES 57.57% (59.19%)</b>				Buy CZK 9,305,123 UBS	2	–	
	<b>UK equity 2.67% (3.33%)</b>				Sell USD 475,991			
62,193,717	Threadneedle UK Fund	55,508	2.67		Buy DKK 3,228,191 Barclays	(3)	–	
	<b>UK bond 21.25% (17.56%)</b>				Sell USD 3,108,877			
319,923,887	Threadneedle Sterling Short-Dated Corporate Bond Fund	320,244	15.37		Buy EUR 2,867,356 Citigroup	18	–	
109,456,136	Threadneedle UK Corporate Bond Fund	122,503	5.88		Sell USD 2,107			
	<b>Real estate 2.68% (3.23%)</b>				Buy GBP 1,721 Barclays <sup>2</sup>	–	–	
77,823,376	Threadneedle UK Property Authorised Investment Fund	55,901	2.68		Sell USD 137,320			
	<b>Overseas equity 19.26% (20.01%)</b>				Buy GBP 113,242 Barclays	1	–	
2,436,803	Threadneedle (Lux) – Asia Contrarian Equity	23,479	1.13		Sell EUR 127,768			
5,505,893	Threadneedle American Fund	25,104	1.21		Buy GBP 114,358 Barclays <sup>2</sup>	–	–	
					Sell EUR 189,813			
					Buy GBP 169,536 Citigroup <sup>2</sup>	–	–	
					Sell EUR 314,850			
					Buy GBP 281,805 Barclays <sup>2</sup>	–	–	
					Sell USD 398			
					Buy GBP 324 Citigroup <sup>2</sup>	–	–	

## Threadneedle Dynamic Real Return Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value		Value £000	% of Investment
	Sell EUR 40,000,000			<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>		
	Buy GBP 35,146,952 Barclays	(688)	(0.03)			
	Sell EUR 50,134,139					
	Buy GBP 44,690,414 Barclays	(192)	(0.01)	Fixed interest	682,161	33.20
	Sell USD 743,418			Floating rate notes	3,842	0.19
	Buy GBP 602,714 Citigroup	(7)	–	Derivatives	9,955	0.49
	Sell EUR 982,710			Equity	159,303	7.75
	Buy GBP 881,251 UBS	1	–	Collective investment schemes	1,199,262	58.37
	Sell USD 114,000,000			<b>Total value of investments<sup>3</sup></b>	<b>2,054,523</b>	<b>100.00</b>
	Buy GBP 92,430,914 Barclays	(1,097)	(0.05)			
	Sell USD 1,952,316			<b>ANALYSIS OF UNDERLYING EXPOSURE</b>		
	Buy HUF 631,287,762 Barclays	14	–	<b>FUTURES AND OPTIONS</b>		
	Sell USD 4,533,419					
	Buy IDR 69,164,556,029 Citigroup	30	–			
	Sell USD 321,920					
	Buy MYR 1,397,132 Barclays	(2)	–	UBS FTSE 100 Future Expiring June 2020	9,877	
	Sell USD 380,110			UBS KOSPI 200 Index Future Expiring June 2020	45,290	
	Buy MYR 1,650,816 Barclays	(2)	–	UBS MSCI Taiwan Index Future Expiring May 2020	46,582	
	Sell USD 4,272,097			UBS S&P 500 Index E-mini Future Expiring June 2020	137,068	
	Buy PLN 17,973,991 Citigroup	52	–	<b>Total net exposure</b>	<b>238,817</b>	
	Sell USD 920,639					
	Buy RUB 68,611,144 Citigroup	22	–			
	Sell USD 579,377					
	Buy THB 18,644,363 UBS	4	–			
	Sell USD 890,184					
	Buy TRY 6,513,175 Citigroup	39	–			
	Sell IDR 17,757,239,950					
	Buy USD 1,168,478 Citigroup	(4)	–			
	Sell CZK 32,467,806					
	Buy USD 1,289,715 UBS	(8)	–			
	Sell MXN 38,966,547					
	Buy USD 1,602,134 UBS	(63)	–			
	Sell PEN 7,984,285					
	Buy USD 2,337,662 Citigroup	2	–			
	Sell ZAR 43,093,523					
	Buy USD 2,340,405 Barclays	(70)	–			
	Sell MXN 7,816,283					
	Buy USD 324,010 Citigroup	(10)	–			
	Sell ZAR 106,320,558					
	Buy USD 5,748,612 UBS	(195)	(0.01)			
	Sell COP 1,995,449,306					
	Buy USD 508,188 Citigroup	(15)	–			
	Sell GBP 605,509					
	Buy USD 746,039 UBS	7	–			
	Sell THB 30,196,275					
	Buy USD 940,870 UBS	(5)	–			
	Sell USD 1,987,747					
	Buy ZAR 35,383,604 Citigroup	3	–			
	<b>Total Derivatives</b>	<b>9,955</b>	<b>0.48</b>			
	<b>Total value of investments<sup>3</sup></b>	<b>2,054,523</b>	<b>98.63</b>			
	<b>Net other assets (10.28%)</b>	<b>28,494</b>	<b>1.37</b>			
	<b>Net assets</b>	<b>2,083,017</b>	<b>100.00</b>			

May 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.

## Threadneedle Global Multi Asset Income Fund

### Portfolio Statement

as at 25 May 2020

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>GUERNSEY 0.36% (1.63%)</b>					<b>Real Estate Investment Trusts 0.36% (1.63%)</b>				
	428,511	UK Commercial Property REIT	232	0.36	GBP	256,864	Threadneedle Emerging Market Bond Fund	302	0.47
<b>Total Guernsey</b>			<b>232</b>	<b>0.36</b>	GBP	2,831,327	Threadneedle Emerging Market Local Fund	2,431	3.80
<b>INDONESIA 2.09% (0.00%)</b>					<b>Not rated 2.09% (0.00%)</b>				
IDR	14,000,000,000	Indonesia Government International Bond 7% 15/09/2030	756	1.18	GBP	3,411,289	Threadneedle High Yield Bond Fund	3,252	5.08
IDR	10,000,000,000	Indonesia Government International Bond 8.25% 15/05/2029	582	0.91	<b>Total Collective Investment Schemes</b>				
<b>Total Indonesia</b>			<b>1,338</b>	<b>2.09</b>				<b>58,808</b>	<b>91.92</b>
<b>MEXICO 1.38% (0.00%)</b>					<b>DERIVATIVES -0.06% (-0.20%)</b>				
<b>BBB 1.38% (0.00%)</b>					<b>Forward Foreign Exchange Contracts -0.06% (-0.20%)</b>				
USD	1,000,000	United Mexican States 5.75% 12/10/2110	882	1.38	Sell USD 3,940,000				
<b>Total Mexico</b>			<b>882</b>	<b>1.38</b>	Buy GBP 3,194,154 Barclays				
<b>UNITED KINGDOM 0.00% (5.23%)</b>					<b>Total Derivatives</b>				
<b>Aa2u 0.00% (5.23%)</b>								<b>(38)</b>	<b>(0.06)</b>
<b>Total United Kingdom</b>			<b>-</b>	<b>-</b>	<b>Total value of investments</b>				
<b>UNITED STATES OF AMERICA 3.06% (5.67%)</b>								<b>63,181</b>	<b>98.75</b>
<b>Aaa 3.06% (5.67%)</b>					<b>Net other assets (2.09%)</b>				
USD	500,000	United States Treasury Note/Bond 0.125% 15/04/2022	436	0.68	<b>Net assets</b>				
USD	600,000	United States Treasury Note/Bond 2.125% 15/02/2040	852	1.33				<b>800</b>	<b>1.25</b>
USD	470,000	United States Treasury Note/Bond 2.125% 15/02/2041	671	1.05	<b>Total value of investments</b>				
<b>Total United States of America</b>			<b>1,959</b>	<b>3.06</b>				<b>63,181</b>	<b>100.00</b>
<b>COLLECTIVE INVESTMENT SCHEMES 91.92% (85.58%)</b>					<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>				
<b>UK equity 4.45% (6.70%)</b>								<b>Value</b>	<b>% of</b>
GBP	2,877,399	Threadneedle UK Equity Income Fund	2,847	4.45	Fixed interest			<b>£000</b>	<b>Investment</b>
<b>UK bond 15.13% (16.76%)</b>					Derivatives				
GBP	13,495	Threadneedle Sterling Bond Fund	18	0.03	Equity				
GBP	5,803,765	Threadneedle Sterling Short-Dated Corporate Bond Fund	5,810	9.08	Collective investment schemes				
GBP	3,439,223	Threadneedle UK Corporate Bond Fund	3,849	6.02	<b>Total value of investments</b>			<b>63,181</b>	<b>100.00</b>
<b>Real estate 11.13% (10.07%)</b>									
GBP	9,914,393	Threadneedle UK Property Authorised Investment Fund	7,122	11.13					
<b>Overseas equity 36.94% (33.61%)</b>									
USD	621,011	Threadneedle (Lux) – Asian Equity Income	5,237	8.19					
GBP	2,087,962	Threadneedle (Lux) – Pan European Equity Dividend	2,270	3.55					
GBP	4,772,357	Threadneedle Global Equity Income Fund	5,750	8.99					
GBP	562,017	Threadneedle Japan Fund	1,005	1.57					
GBP	3,642,321	Threadneedle US Equity Income Fund	9,368	14.64					
<b>Overseas bond 24.27% (18.44%)</b>									
USD	411,372	Threadneedle (Lux) – Global Emerging Market Short-Term Bonds	3,142	4.91					
GBP	68,137	Threadneedle (Lux) European Short-Term High Yield Bond	6,405	10.01					

May 2019 comparatives in brackets.

## Threadneedle UK Social Bond Fund

### Portfolio Statement

as at 25 May 2020

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 80.79% (79.72%)</b>					<b>Aa3 1.76% (1.21%)</b>				
		<b>AAA 8.16% (9.75%)</b>			GBP	405,000	Cardiff University 3% 07/12/2055	577	0.28
EUR	2,905,000	African Development Bank 0.25% 21/11/2024	2,657	1.30	GBP	900,000	De Montfort University 5.375% 30/06/2042	1,409	0.69
USD	300,000	African Development Bank 0.75% 03/04/2023	249	0.12	GBP	505,000	University of Leeds 3.125% 19/12/2050	709	0.35
EUR	176,000	Council of Europe 0% 09/04/2027	160	0.08	GBP	300,000	University of Manchester 4.25% 04/07/2053	532	0.26
EUR	1,305,000	European Investment Bank 0% 15/05/2028	1,200	0.59	GBP	300,000	University of Southampton 2.25% 11/04/2057	364	0.18
EUR	700,000	European Investment Bank 0.375% 15/05/2026	656	0.32	<b>A+ 7.48% (8.04%)</b>				
USD	105,000	Inter-American Development Bank 0.5% 24/05/2023	87	0.04	GBP	100,000	Accent Capital 2.625% 18/07/2049	115	0.06
USD	100,000	Inter-American Development Bank 0.875% 03/04/2025	83	0.04	GBP	100,000	Aster Treasury 4.5% 18/12/2043	146	0.07
GBP	900,000	International Bank for Reconstruction and Development 0.5% 24/07/2023	905	0.44	GBP	415,000	Bromford Housing Group 3.125% 03/05/2048	517	0.25
USD	750,000	International Bank for Reconstruction and Development 0.625% 22/04/2025	618	0.30	GBP	250,000	Cambridgeshire Housing Capital 4.25% 15/09/2045	339	0.17
USD	200,000	International Bank for Reconstruction and Development 0.875% 14/05/2030	164	0.08	EUR	806,000	Connect Plus M25 2.607% 31/03/2039	855	0.42
USD	1,350,000	International Finance Corporation 0.5% 20/03/2023	1,111	0.55	EUR	650,000	Corporacion Andina de Fomento 0.625% 20/11/2026	567	0.28
GBP	1,675,000	International Finance Corporation 1.25% 15/12/2023	1,732	0.85	USD	300,000	Corporacion Andina de Fomento 2.375% 12/05/2023	248	0.12
GBP	1,550,000	Meadowhall Finance 4.986% 12/01/2032	1,282	0.63	GBP	100,000	Futures Treasury 3.375% 08/02/2044	130	0.06
EUR	1,700,000	Wellcome Trust 1.125% 21/01/2027	1,564	0.77	GBP	393,000	Incommunities 3.25% 21/03/2049	502	0.25
GBP	4,025,000	Wellcome Trust Finance 4.75% 28/05/2021	4,183	2.05	GBP	5,000,000	Lloyds Bank 2.5% 01/06/2022	5,131	2.52
		<b>Aaa 2.14% (2.01%)</b>			GBP	5,425,000	Transport for London 2.125% 24/04/2025	5,733	2.81
GBP	950,000	Inter-American Development Bank 0.5% 15/09/2026	953	0.47	GBP	700,000	Wheatley Group Capital 4.375% 28/11/2044	954	0.47
USD	3,600,000	Inter-American Development Bank 3% 26/09/2022	3,137	1.54	<b>A 8.21% (5.62%)</b>				
EUR	300,000	International Bank for Reconstruction and Development 0.01% 24/04/2028	271	0.13	GBP	713,000	BBC Pacific Quay Finance 5.5653% 25/07/2034	790	0.39
		<b>AA 5.59% (5.68%)</b>			GBP	500,000	Catalyst Housing 3.125% 31/10/2047	604	0.30
GBP	100,000	Affordable Housing 2.893% 11/08/2043	129	0.06	GBP	800,000	Clarion Funding 1.875% 22/01/2035	795	0.39
GBP	900,000	Affordable Housing 3.8% 20/05/2042	1,308	0.64	GBP	1,350,000	Clarion Funding 2.625% 18/01/2029	1,450	0.71
GBP	1,700,000	Community Finance 1 5.017% 31/07/2034	2,357	1.16	GBP	1,103,000	GlaxoSmithkline Capital 1.25% 12/10/2028	1,097	0.54
USD	400,000	Inter-American Investment Corporation 0.75% 04/05/2022	328	0.16	GBP	450,000	GlaxoSmithkline Capital 1.625% 12/05/2035	450	0.22
GBP	4,550,000	LCR Finance 4.5% 07/12/2028	6,053	2.97	GBP	100,000	Karbon Homes 3.375% 15/11/2047	130	0.06
GBP	200,000	Network Rail Infrastructure Finance 4.375% 09/12/2030	278	0.14	GBP	200,000	Legal & General Finance 5.875% 11/12/2031	283	0.14
GBP	700,000	Network Rail Infrastructure Finance Index-Linked 3% 07/09/2023	759	0.37	GBP	320,000	Motability Operations 2.375% 03/07/2039	348	0.17
GBP	163,000	Octagon Healthcare Funding 5.333% 31/12/2035	176	0.09	GBP	1,564,000	Motability Operations 3.75% 16/07/2026	1,790	0.88
		<b>Aa2 0.60% (0.71%)</b>			GBP	2,224,000	Motability Operations Group 4.375% 08/02/2027	2,656	1.30
GBP	1,200,000	PRS Finance 1.75% 24/11/2026 55AN	1,228	0.60	GBP	1,300,000	Motability Operations Group 5.375% 28/06/2022	1,412	0.69
		<b>AA- 1.49% (3.94%)</b>			GBP	888,000	Nationwide Building Society 1% 24/01/2023	877	0.43
EUR	3,385,000	National Australia Bank 0.35% 07/09/2022	3,031	1.49	GBP	400,000	Northern Powergrid Yorkshire 2.5% 01/04/2025	422	0.21
					GBP	370,000	Penarian Housing 3.212% 07/06/2052	428	0.21
					USD	1,000,000	Prudential 3.125% 14/04/2030	849	0.42
					GBP	875,000	THFC Funding No 1 5.125% 21/12/2037	1,250	0.61
					GBP	400,000	THFC Funding No 2 6.35% 08/07/2039	670	0.33
					GBP	400,000	UNITE USAF II 3.921% 30/06/2025	432	0.21

## Threadneedle UK Social Bond Fund

### Portfolio Statement

(continued)

	Value £000	% of Net Asset Value		Value £000	% of Net Asset Value
<b>FIXED INTEREST 80.79% (79.72%) (continued)</b>			<b>BBB+ 8.19% (9.72%)</b>		
			EUR	775,000	Cadent Finance 0.75% 11/03/2032 660 0.32
			GBP	2,000,000	Electricity North West 8.875% 25/03/2026 2,784 1.37
GBP	1,900,000	Coventry Building Society 1.875% 24/10/2023 1,915 0.94	GBP	125,000	ENW Finance 6.125% 21/07/2021 132 0.07
GBP	1,500,000	Coventry Building Society 5.875% 28/09/2022 1,650 0.81	EUR	600,000	Iberdrola Finanzas 1.25% 28/10/2026 563 0.28
GBP	900,000	Optivo Finance 2.857% 07/10/2035 1,005 0.49	GBP	2,210,000	NIE Finance 6.375% 02/06/2026 2,821 1.38
GBP	100,000	Optivo Finance 3.283% 22/03/2048 120 0.06	GBP	1,014,000	Northern Gas Networks Finance 4.875% 30/06/2027 1,233 0.61
			EUR	200,000	Orange 1.375% 16/01/2030 189 0.09
			GBP	700,000	Orange 3.25% 15/01/2032 797 0.39
GBP	4,251,000	Anglian Water Services Financing 1.625% 10/08/2025 4,274 2.10	EUR	100,000	Orsted 1.5% 26/11/2029 97 0.05
GBP	741,000	Anglian Water Services Financing 2.75% 26/10/2029 801 0.39	GBP	900,000	Orsted 2.125% 17/05/2027 941 0.46
EUR	350,000	CK Hutchison Group 1.125% 17/10/2028 304 0.15	GBP	475,000	Orsted 2.5% 16/05/2033 520 0.26
GBP	1,600,000	Dwr Cymru Financing 1.375% 31/03/2033 1,575 0.77	GBP	500,000	RL Finance Bonds 6.125% 13/11/2028 575 0.28
GBP	2,000,000	Dwr Cymru Financing 6.907% 31/03/2021 2,093 1.03	GBP	271,000	Scottish Hydro Electric 2.25% 27/09/2035 283 0.14
EUR	800,000	ESB Finance 1.125% 11/06/2030 722 0.35	GBP	1,022,000	Severn Trent Utilities Finance 6.125% 26/02/2024 1,195 0.59
EUR	100,000	ESB Finance DAC 1.125% 11/06/2030 90 0.04	GBP	821,000	Southern Water Services 2.375% 28/05/2028 819 0.40
GBP	100,000	Guinness Partnership 2% 22/04/2055 103 0.05	GBP	250,000	Thames Water Utilities Cayman Finance 1.875% 24/01/2024 251 0.12
GBP	100,000	Guinness Partnership 4% 24/10/2044 140 0.07	GBP	900,000	Thames Water Utilities Finance 2.375% 22/04/2040 903 0.44
GBP	671,000	Home Group 3.125% 27/03/2043 776 0.38	GBP	1,840,000	Western Power Distribution 3.625% 06/11/2023 1,922 0.94
GBP	100,000	London & Quadrant 2.625% 05/05/2026 105 0.05			<b>Baa1 4.10% (6.07%)</b>
GBP	100,000	London & Quadrant 2.625% 28/02/2028 105 0.05	GBP	3,700,000	Bazalgette Finance 2.375% 29/11/2027 3,917 1.92
GBP	200,000	London Power Networks 5.125% 31/03/2023 221 0.11	GBP	1,600,000	Bupa Finance 5% 25/04/2023 1,692 0.83
GBP	800,000	National Grid Electricity Transmission 2% 17/04/2040 822 0.40	GBP	1,194,000	Bupa Finance 5% 08/12/2026 1,298 0.64
GBP	570,000	Places For People Homes 2.875% 17/08/2026 594 0.29	GBP	1,400,000	Manchester Airport Group Funding 4.125% 02/04/2024 1,449 0.71
GBP	135,000	Wales & West Utilities Finance 1.875% 28/05/2041 136 0.07			<b>BBB 7.56% (5.30%)</b>
GBP	100,000	Wales & West Utilities Finance 5% 07/03/2028 127 0.06	GBP	2,750,000	Annington Funding 2.646% 12/07/2025 2,814 1.38
GBP	394,000	Western Power Distribution South Wales 9.25% 09/11/2020 408 0.20	GBP	100,000	Annington Funding 3.184% 12/07/2029 103 0.05
GBP	100,000	Western Power Distribution West Midlands 3.875% 17/10/2024 109 0.05	EUR	2,060,000	Becton Dickinson 1.401% 24/05/2023 1,849 0.91
GBP	1,154,000	Yorkshire Water Finance 1.75% 26/11/2026 1,150 0.57	GBP	1,000,000	Becton Dickinson 3.02% 24/05/2025 1,038 0.51
GBP	100,000	Yorkshire Water Finance 2.75% 18/04/2041 114 0.06	EUR	340,000	Becton Dickinson Euro Finance 1.208% 04/06/2026 296 0.15
			GBP	700,000	British Telecommunications 3.125% 21/11/2031 757 0.37
			GBP	2,700,000	British Telecommunications 5.75% 07/12/2028 3,474 1.70
			GBP	500,000	CPUK Finance 7.239% 28/02/2024 556 0.27
			GBP	300,000	CPUK Finance Variable 3.588% 28/08/2025 295 0.15
			GBP	2,200,000	Dwr Cymru Financing 1.625% 31/03/2026 2,186 1.07
			GBP	490,000	Housing Association Funding 8.25% 07/06/2027 204 0.10
			GBP	1,400,000	Liberty Living 2.625% 28/11/2024 1,404 0.69
			GBP	420,000	Unite Group 3.5% 15/10/2028 431 0.21
GBP	700,000	Bupa Finance 3.375% 17/06/2021 713 0.35			
GBP	100,000	Libra Longhurst Group 3.25% 15/05/2043 116 0.06			
GBP	400,000	Paragon Treasury 3.625% 21/01/2047 497 0.24			
GBP	500,000	Peabody Capital 5.25% 17/03/2043 768 0.38			
GBP	249,000	WHG Treasury 4.25% 06/10/2045 344 0.17			
EUR	500,000	Yorkshire Building Society 0.875% 20/03/2023 442 0.22			
EUR	400,000	Yorkshire Building Society 1.25% 17/03/2022 358 0.18			
GBP	2,000,000	Yorkshire Building Society 3.5% 21/04/2026 2,185 1.07			

## Threadneedle UK Social Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 80.79% (79.72%) (continued)</b>					<b>AA- 0.00% (0.27%)</b>				
		<b>Baa2 4.52% (4.07%)</b>					<b>Aa3 0.24% (0.00%)</b>		
GBP	2,000,000	ABP Finance 6.25% 14/12/2026	2,331	1.14	GBP	500,000*	UK Municipal Bonds Agency FRN 12/03/2025	498	0.24
GBP	1,925,000	Birmingham Airport Finance 6.25% 22/02/2021	1,988	0.98			<b>A 0.00% (2.44%)</b>		
GBP	1,900,000	National Express Group 2.5% 11/11/2023	1,853	0.91			<b>A- 2.50% (0.00%)</b>		
GBP	2,000,000	WM Morrison Supermarkets 4.625% 08/12/2023	2,207	1.08	USD	5,800,000*	HSBC Holdings 3.033% 22/11/2023	4,933	2.42
GBP	700,000	WM Morrison Supermarkets 4.75% 04/07/2029	836	0.41	GBP	130,000*	Quadrant Housing Finance 7.93% 10/02/2033	169	0.08
		<b>BBB- 0.20% (0.85%)</b>					<b>A3 1.00% (1.46%)</b>		
GBP	200,000	Grainger 3.375% 24/04/2028	208	0.10	GBP	2,100,000*	Bupa Finance 6.125% 29/12/2049	2,037	1.00
GBP	200,000	Tesco Corporate Treasury Services 2.75% 27/04/2030	206	0.10			<b>BBB+ 2.61% (2.34%)</b>		
		<b>Baa3 0.12% (0.13%)</b>			GBP	1,014,000*	Legal & General Group 10% 23/07/2041	1,104	0.54
GBP	350,000	Highbury Finance 7.017% 20/03/2023	243	0.12	GBP	1,350,000*	Legal & General Group Variable 27/10/2045	1,466	0.72
		<b>BB+ 0.09% (0.00%)</b>			GBP	300,000*	Legal & General Group Variable 14/11/2048	323	0.16
GBP	100,000	Marks & Spencer 1% 08/12/2023	95	0.05	GBP	298,000*	Legal & General Group Variable 01/11/2050	299	0.15
GBP	100,000	Marks & Spencer 3.25% 10/07/2027	90	0.04	USD	600,000*	Nationwide Building Society 3.96% 18/07/2030	542	0.27
		<b>BB 0.79% (0.91%)</b>			GBP	200,000*	Royal London Finance Bonds 6.125% 30/11/2043	220	0.11
GBP	1,100,000	Co-operative Group 5.125% 17/05/2024	1,139	0.56	GBP	1,400,000*	Royal London Finance No 4 Variable 07/10/2049	1,344	0.66
GBP	460,000	Peterborough Progress Health 5.581% 02/10/2042	462	0.23			<b>BBB 6.16% (4.32%)</b>		
		<b>BB- 0.30% (0.00%)</b>			EUR	3,750,000*	Barclays 0.625% 14/11/2023	3,277	1.61
EUR	700,000	Getlink 3.625% 01/10/2023	612	0.30	EUR	3,400,000*	Nationwide Building Society 2% 25/07/2029	2,965	1.45
		<b>B 0.00% (0.28%)</b>			GBP	870,000*	NGG Finance 5.625% 18/06/2073	941	0.46
GBP	400,000	Pinnacle Bidco 6.375% 15/02/2025	297	0.15	EUR	600,000*	NGG Finance Variable 05/09/2082	518	0.25
		<b>B- 0.15% (0.00%)</b>			USD	505,000*	Royal Bank of Scotland Group Variable 22/05/2024	417	0.20
		<b>Liquidity Funds 2.07% (0.68%)<sup>1</sup></b>			EUR	4,400,000*	Royal Bank of Scotland Group Variable 15/11/2025	3,741	1.84
GBP	4,223,228	BlackRock Institutional Cash Series Sterling Liquidity Platinum	4,223	2.07	GBP	690,000*	Yorkshire Water Services Bradford Finance 3.75% 22/03/2046	710	0.35
		<b>Not Rated 5.06% (7.15%)</b>					<b>Baa2 0.84% (0.38%)</b>		
GBP	1,140,000	A2D Funding 4.75% 18/10/2022	1,213	0.60	GBP	1,200,000*	Yorkshire Building Society 18/04/2025	1,224	0.60
GBP	420,000	A2Dominion Housing Group 3.5% 15/11/2028	458	0.23	GBP	500,000*	Yorkshire Building Society 3.375% 13/09/2028	498	0.24
GBP	1,400,000	First Hydro Finance 9% 31/07/2021	1,514	0.74			<b>BBB- 1.31% (1.24%)</b>		
GBP	100,000	John Lewis 6.125% 21/01/2025	97	0.05	EUR	1,400,000*	Iberdrola International Perpetual 2.625% 26/03/2067	1,283	0.63
GBP	100,000	Pension Insurance 4.625% 07/05/2031	102	0.05			<b>BBB- 1.31% (1.24%)</b>		
GBP	436,000	PRS Finance 1.5% 24/08/2034	453	0.22	EUR	300,000*	Iberdrola International Variable 12/02/2168	282	0.14
GBP	400,000	PRS Finance 2% 23/01/2029	437	0.22	EUR	1,114,000*	SSE 3.875% 29/12/2049	1,102	0.54
GBP	730,000	Retail Charity Bond 3.9% 23/11/2027	709	0.35			<b>BB+ 0.94% (1.91%)</b>		
GBP	2,267,800	Retail Charity Bond 4% 31/10/2027	2,096	1.03	GBP	1,500,000*	Nationwide Building Society Variable 20/12/2167	1,474	0.72
GBP	1,000,000	Retail Charity Bond 4.375% 29/07/2021	960	0.47	EUR	500,000*	Orsted 1.75% 09/12/3019	439	0.22
GBP	2,068,600	Retail Charity Bond 5% 12/04/2026	2,248	1.10			<b>Not rated 0.00% (1.02%)</b>		
		<b>Total Fixed Interest</b>	<b>164,627</b>	<b>80.79</b>			<b>Total Floating Rate Notes</b>	<b>35,335</b>	<b>17.34</b>
<b>FLOATING RATE NOTES 17.34% (16.72%)</b>									
		<b>AA 1.74% (1.34%)</b>							
USD	2,100,000*	Inter-American Investment Corporation FRN 12/10/2021	1,723	0.85					
USD	2,200,000*	International Finance Facility for Immunisation FRN 16/11/2020	1,806	0.89					



## Threadneedle UK Social Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Value £000
<b>DERIVATIVES -0.62% (-0.51%)</b>					<b>ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS</b>	
<b>Interest Rate Swaps -0.17% (-0.06%)</b>						
GBP	460,000	Barclays Interest Rate Swap Receive GBP Libor Pay 0.718% 01/10/2049	(43)	(0.02)		
GBP	2,300,000	Citigroup Interest Rate Swap Receive GBP Libor Pay 0.855% 11/09/2049	(310)	(0.15)	UBS EURO-Bobl Future Expiring June 2020	(3,273)
					UBS EURO Bond Future Expiring June 2020	(1,085)
					UBS Long Gilt Future Expiring June 2020	(9,565)
					UBS US 5 Year Note Future Expiring June 2020	(516)
					UBS US 10 Year Note Future Expiring June 2020	(1,143)
					<b>Total net exposure</b>	<b>(15,582)</b>
EUR	(27)	<b>Futures and Options -0.06% (-0.06%)</b> UBS EURO-Bobl Future Expiring June 2020	15	0.01		
EUR	(7)	UBS EURO Bond Future Expiring June 2020	(11)	(0.01)		
GBP	(69)	UBS Long Gilt Future Expiring June 2020	(102)	(0.05)		
USD	(5)	UBS US 5 Year Note Future Expiring June 2020	(5)	–		
USD	(10)	UBS US 10 Year Note Future Expiring June 2020	(11)	(0.01)		
<b>Forward Foreign Exchange Contracts -0.39% (-0.39%)</b>						
		Sell GBP 10,770				
		Buy EUR 12,337 J.P. Morgan <sup>2</sup>	–	–		
		Sell GBP 161,052				
		Buy EUR 181,838 HSBC	2	–		
		Sell GBP 479,974				
		Buy EUR 537,150 HSBC	1	–		
		Sell USD 19,059,780				
		Buy GBP 15,426,208 Barclays	(214)	(0.10)		
		Sell USD 198,860				
		Buy GBP 162,050 HSBC	(1)	–		
		Sell EUR 32,940,564				
		Buy GBP 28,904,446 Barclays	(582)	(0.29)		
		Sell USD 505,000				
		Buy GBP 411,904 UBS	(2)	–		
		Sell USD 97,831				
		Buy GBP 79,734 HSBC	(1)	–		
		<b>Total Derivatives</b>	<b>(1,264)</b>	<b>(0.62)</b>		
<b>Total value of investments<sup>3</sup></b>			<b>198,698</b>	<b>97.51</b>		
<b>Net other assets (4.07%)</b>			<b>5,084</b>	<b>2.49</b>		
<b>Net assets</b>			<b>203,782</b>	<b>100.00</b>		

May 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	164,627	82.85
Floating rate notes	35,335	17.79
Derivatives	(1,264)	(0.64)
<b>Total value of investments<sup>3</sup></b>	<b>198,698</b>	<b>100.00</b>

## Performance Summary for the twelve months ended 31 May 2020

Fund Name	Sector	Index	Class 2 Net Return %	Sector Median Net Return %	Index Total Return %
<b>Dynamic Real Return Fund</b>	IA Targeted Absolute Return	UK CPI+4% Actual	2.07	0.27	4.31
<b>Global Multi-Asset Income Fund</b>	IA Mixed Investment 20-60% Shares	Bloomberg Barclays Global Aggregate (GBP Hedged) (40%), MSCI World (40%), MSCI UK Monthly Property Index (20%)	1.13	-0.05	5.81
<b>UK Social Bond Fund</b>	–	ICE BofA 1-10 Year Sterling Non-Gilt	2.99	–	3.15

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. All data shown in GBP.

## Risk and Reward Profiles

for the accounting period 26 May 2019 to 25 May 2020

Fund	Share Class	SRRI*
<b>Dynamic Real Return Fund</b>	Class 2 – Income shares	5
	Class 2 – Accumulation shares	5
	Class S – Accumulation shares	5
	Class X – Accumulation shares	5
	Class Z – Income shares	5
	Class Z – Accumulation shares	5
<b>Global Multi Asset Income Fund</b>	Class 2 – Income shares	4
	Class E – Income shares	4
	Class 2 – Accumulation shares	4
	Class Z – Income shares	4
	Class Z – Accumulation shares	4
<b>UK Social Bond Fund</b>	Class 2 – Income shares	3
	Class 2 – Accumulation shares	3
	Class 2 – Gross income shares	3
	Class 2 – 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
	Class Z EUR Hedged – Gross accumulation shares	3

\*As at 25 May 2020 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](http://columbiathreadneedle.com)) according to the currency of your investment in the fund.

Historical data may not be a reliable indication of the future risk profile of the funds.

The SRRI category shown is not guaranteed to remain unchanged and that the categorisation of the funds may shift over time. The NURS-KII contains the current SRRI.

The lowest category does not mean a risk-free investment.

No form of capital protection or capital guarantee applies to any of the classes.

## Important Information

Threadneedle Opportunity 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 that 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 NURS-KII and the latest annual and Interim Reports & Financial Statements. 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, Client Services, PO Box 10033, Chelmsford CM99 2AL.

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 non-UCITS retail scheme (NURS) (as defined in the FCA rules).

Other funds may be launched in the future.

### Non-UCITS retail scheme Key Investor Information document (NURS-KII) – Subscription requirements

The NURS-KII is a pre-contractual document and investors have to confirm that they have read the latest NURS-KII before making a subscription. Threadneedle has the right to reject a subscription if the investor does not confirm that they have read the latest NURS-KII at the time of application. Investors can obtain the latest NURS-KII from [columbiathreadneedle.com](http://columbiathreadneedle.com).

### Changes to the management of the ACD

- Appointment of R Vincent on 12 August 2019;
- Appointment of J Griffiths on 24 September 2019.
- Resignation of P Stone on 15 June 2020.

### Changes to the Prospectus

During the period from 26 May 2019 to 25 May 2020 the main changes to the Prospectus of the Company were as follows:

- Change of investment objective and policy for Threadneedle Dynamic Real Return Fund, effective from 1 August 2019;
- Change of investment objective and policy for Threadneedle UK Social Bond Fund, effective from 7 August 2019;
- Disclosure of a comparator index for Threadneedle Global Multi Asset Income Fund;
- Update of Bank of America ICE BofAML benchmark to reflect BAML re-branding;
- Ability for the Threadneedle Dynamic Real Return Fund to invest up to 5% of its net asset value in mainland China through the China-Hong Kong Stock Connect Programme including additional risk disclosures;
- Ability for the Threadneedle Dynamic Real Return Fund to invest up to 1% of its net asset value directly in mainland Chinese bonds in the China Interbank Bond Market via Bond Connect including additional risk disclosures;
- Footnote to notify investors of the Threadneedle Dynamic Real Return Fund of a reduction in the registrar's fee to 0.03% p.a. effective 1 September 2020;
- Updated Brexit risk warning and inclusion of COVID-19 risk warning;
- Update to the directors of the ACD and funds managed by the ACD;
- Updates to reflect the change of name of the fund administrator from DST Financial Services Europe Ltd to SS&C Financial Services Europe Ltd;
- General updates including information on taxation, eligible markets performance and dilution adjustments.

### Brexit

On 31 January 2020, the UK formally exited the European Union ('EU') on the terms of the Withdrawal Agreement, the deal agreed at a political level between the UK and the EU, and entered into an implementation period until 31 December 2020, during which negotiations on the future relationship between the UK and the EU will take place. The full scope of the changes and the consequences on the legal framework is currently not known.

### COVID 19

COVID-19 (also referred to as "coronavirus") was identified in December 2019 as the cause of an outbreak of respiratory illness first detected in Wuhan, China, that has since spread globally, impacting economies, financial markets and businesses around the world. Countries are taking exhaustive steps to minimize public interaction to contain the spread of the virus. With the ongoing spread of coronavirus, the ACD is coordinating our response regionally and globally to ensure we continue to deliver for clients, support employees and maintain business continuity. The overall impact the virus will have on the Company is currently uncertain.

### Value Assessment Report

As required by the FCA we have carried out an annual Value Assessment Report and this report is available on our website as follows:

<https://www.columbiathreadneedle.co.uk/en/value-assessment-report?it=Private>

<https://www.columbiathreadneedle.co.uk/en/value-assessment-report?it=Intermediary>

<https://www.columbiathreadneedle.co.uk/en/value-assessment-report?it=Institutional>

## Important Information

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### Characteristics of Shares

The Company is structured as an umbrella company and currently consists of 3 different sub-funds. Several classes of share may be issued in respect of each fund, distinguished by their criteria for subscription and fee structure.

Share Class	Minimum Investment	Eligibility
Class 1	GBP 2,000 EUR 2,500 USD 3,000	Retail and non-retail investors
Class 2	GBP 5 million EUR 7.5 million USD 7.5 million	Non-retail investors
Class E	GBP 100 million	Available to certain eligible distributors and other entities at the discretion of the ACD and subject to such entities meeting any criteria imposed by the ACD prior to investing
Class S	GBP 100 million	Available to certain defined contribution pension schemes and other entities at the discretion of the ACD, subject to such entities meeting any criteria imposed by the ACD prior to investing
Class X	GBP 3 million EUR 5 million USD 5 million	Available only to Eligible Shareholders
Class Z	GBP 1 million EUR 1 million USD 1.5 million	Available at the ACD's discretion to eligible distributors*

\*The minimum investment may be considerably lower through a nominee or platform that have entered into separate fee arrangements with their clients.

### 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.

### Income Equalisation

Since each Fund operates equalisation, the first allocation made after the acquisition of shares may 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.

### 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.

The annual accounting period for the Company ends on 25 May and the interim reporting period ends on 25 November.

### 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.

### 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.

### Remuneration Disclosures

This disclosure is made in respect of the remuneration policy of Threadneedle Asset Management Holdings S. à r.l. ("TAM Sàrl" or "the Group"), as it applies to Threadneedle Investment Services Limited ("the Manager") in respect of the Alternative Investment Fund Managers Directive ("AIFMD") and the FCA's associated SYSC 19B requirements. The Remuneration Policy applies to all of TAM Sàrl's subsidiary entities, including those authorised as Alternative Investment Fund Managers ("AIFMs") under AIFMD, and was last approved by the Remuneration Committee in June 2019.

#### 1. The Remuneration Committee

The Remuneration Committee of TAM Sàrl (the "Committee") is a sub-committee of the TAM Sàrl Board with the responsibility to establish the philosophy and objectives that will govern the Group's compensation and

## Important Information

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benefit programmes; review and approve compensation and benefit plans, policies, and practices; and oversee and approve the Group's remuneration. It has been determined to be independent of the day-to-day executive management of the Group, its members being directors of the Group who are nominated by Ameriprise Financial, Inc., the Group's parent company.

Current Committee members are Mr Walter Berman, Mr John Junek\* and Mr Ted Truscott. Meetings are normally held in January, March, June, September and December. The Group's Head of Reward and Benefits acts as Secretary to the Committee. The Committee may invite the attendance of any Group employee or functional expert from the parent company as deemed appropriate, to allow it to fulfil its responsibilities including ensuring remuneration is consistent with effective risk management and does not encourage excessive risk taking.

### 2. Determining Incentive Remuneration Pools

The Management Company made its annual Total Incentive Award decisions from separate pools covering the Property business, Distribution unit, Investments business and Support functions, ultimately aggregated for governance and oversight at the EMEA regional level. Those pools are determined at the final discretion of the Committee with reference to four un-weighted factors being a 'Top-Down' assessment of market practice, legal and regulatory requirements and any other internal or external contextual factors; a 'Bottom-Up' calculation based on business performance against Plan and Target Incentive level for the firm (see 'Pay for Performance' below); the overall financial and strategic performance of the Group; and the financial and strategic performance of Ameriprise Financial as the Group's parent company and shareholder. The Committee also receives ongoing reports through the year from the Risk function regarding risk assessments and any themes or areas of note related to risk control or risk-related behavioural concerns.

The Committee takes all of these factors into account in order to make a balanced decision on the Total Incentive pool for the year in question.

### 3. Determining Individual Total Incentive Awards

Individual reward decisions are wholly discretionary, although strongly informed by the annual performance appraisal and by known market remuneration levels for equivalent jobs as well as by the pool funding available. Risk and Compliance provide a critical input to final performance rating setting, ensuring that any risk and relevant behavioural concerns are reflected in performance appraisals and subsequently in remuneration recommendations. The Heads of Risk and Compliance also report directly to the final Committee of the award process to ensure that the Committee receives a direct report on which to base its final risk adjustment decisions.

Base salaries are maintained at a market-competitive level in order to ensure that, if required, it is possible to award zero incentive.

#### Pay for Performance

The bottom-up element of the incentive pool determination process measures team and wider business performance against key business targets for each area of the Group, including longer-term investment performance for the Investments and Real Estate divisions and a mix of gross and net sales for Distribution. Investment performance is assessed against each fund's benchmarks and its risk profile. All such assessments' impacts on the bottom-up calculation are capped so as not to incentivise managers to take excessive risk in order to deliver higher incentive pools. While the Group and parent company financial and strategic results are

important factors in pool determination, the model is set up to ensure that delivery of the business' core goals, including delivering investment performance to its customers, is an explicit and significant driver in pool determination for those divisions.

Individual discretionary awards from the available funding, in context of market-competitive reward levels for the job in question, are driven strongly by each individual's ratings against Goals (objectives) and the Group's Values, each of which is separately rated on a 5-point scale to ensure the Values assessment is given due prominence. Goals focus on the key deliverables for the role that year, in particular on the delivery of investment performance for Investments employees and for the Real Estate division: all employees are also managed against a mandatory Risk Management Goal. Investment performance, where relevant to the role, is assessed against each fund's benchmark and its risk profile.

Ratings are consistency-checked across the business with the input of the Heads of Risk and Compliance to ensure balance and due reflection of risk management. For Sales, Real Estate and Investments incentives there is no pre-determined grid or formula driving awards, which are discretionary in order to be able to account for and reflect all relevant factors.

#### Delivery of Total Incentives

Threadneedle believes that deferred awards for higher earners and risk-takers are a matter of good practice and an important part of aligning key staff's interests with the long-term interests of customers and shareholders. To that end, Total Incentive awards for all employees in the Group may be delivered partly in deferred awards through the Ameriprise Financial Long-Term Incentive Award ("LTIA") programme and, for Code Staff and those in the Investments division, through a fund deferral programme.

Staff qualifying as Code Staff/ Identified employees and those of a comparable level of seniority are subject to a higher rate of deferral. 50% of the overall incentive award is delivered in fund-linked units subject to a holding period after delivery. The fund linked units are designed to reflect the performance of a cross section of products and asset classes within the region.

### 4. Identified Staff

The Management Company defines its Identified Staff in line with the definitions provided by SYSC 19B and associated guidance. Those Identified Staff are the senior management, risk takers, control functions and other employees whose total remuneration takes them in to the same bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Management Company or of the funds it manages. In practice, that includes the named Fund Managers of the Management Company's funds.

### 5. Remuneration Payment Disclosure

The AIFM's performance periods for remuneration operate on a calendar year basis.

Total Remuneration paid by the Manager to 16 AIFM Remuneration Code Staff Senior Managers in respect of its AIFM activities in the 2019 performance year was £0.27m, of which £0.10m was fixed and £0.17m was variable. Total Remuneration paid to other members of AIFM Remuneration Code Staff whose actions had a material impact on the risk profile of the AIFM in respect of AIFM activities was £1.61m, of which £0.65m was fixed and £0.96m was variable.

## Important Information

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### 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	Investment in Funds	Currency	No Capital Guarantee	Issuer	Liquidity	Inflation	Interest Rate	Valuation	Investment in Derivatives	Derivatives for EPM/Hedging	Volatility	Property Valuation	China-Hong Kong Stock Connect	China Interbank Bond Market – Bond Connect
<b>Dynamic Real Return Fund</b>	X	X	X	X	X			X	X	X		X		X	X
<b>Global Multi Asset Income Fund</b>	X	X	X		X		X	X	X	X		X	X		
<b>UK Social Bond Fund</b>	X				X	X	X	X			X				

#### Description of the Key Risks:

**Investment Risk:** The value of investments can fall as well as rise and investors might not get back the sum originally invested.

**Investment in Funds Risk:** The Investment Policy allows the fund to invest principally in units of other collective investment schemes. Investors should consider the investment policy and asset composition in the underlying funds when assessing their portfolio exposure.

**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.

**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.

**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.

**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.

**Investment in Derivatives Risk:** The Investment Policy of the fund allows it to invest materially in derivatives.

**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.

**Property Valuation Risk:** The value of a property is a matter of a valuer's opinion and the true value may not be recognised until the property is sold.

**China-Hong Kong Stock Connect:** The Fund may invest through the China-Hong Kong Stock Connect programmes which have significant operational constraints including quota limits and are subject to regulatory change and increased counterparty risk.

**China Interbank Bond Market – Bond Connect:** The Fund may invest in the China Interbank Bond Market (CIBM) via Bond Connect which is subject to regulatory, volatility and liquidity risk, as well as risks associated with settlement, default of counterparties and market suspension. Furthermore, the Fund may incur significant trading, taxation and realisation costs.

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) and Alternative Investment Fund Manager

Threadneedle Investment Services Limited  
Cannon Place  
78 Cannon Street  
London EC4N 6AG

### Registrar

Threadneedle Investment Services Limited  
Delegated to:  
SS&C 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 LLP  
One Wood Street  
London EC2V 7WS

### Independent Auditor

PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street  
Edinburgh EH3 8EX

### Authorised Corporate Director Client Services Details

#### UK Investors

**Address:** Threadneedle Investment Services Limited  
PO Box 10033  
Chelmsford  
Essex CM99 2AL

**Telephone** (dealing & customer enquiries): 0800 953 0134\*\*

**Fax** (dealing): 0845 113 0274

**Email** (enquiries): [questions@service.columbiathreadneedle.co.uk](mailto:questions@service.columbiathreadneedle.co.uk)

\*Name changed from DST Financial Services Europe Limited to SS&C Financial Services Europe Limited on the 31 March 2020.

\*\*Calls will be recorded.



To find out more visit [columbiathreadneedle.com](https://columbiathreadneedle.com)



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