

INTERIM REPORT AND UNAUDITED FINANCIAL STATEMENTS  
THREADNEEDLE INVESTMENT FUNDS ICVC  
SEPTEMBER 2021

# THREADNEEDLE INVESTMENT FUNDS ICVC

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

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

## Company Information

### Company

Threadneedle Investment Funds ICVC (the Company)  
Registered Number IC000002

### Registered Office

Cannon Place, 78 Cannon Street, London EC4N 6AG

### Board of Directors of the Company

Board of Directors of the Company Kirstene Baillie (non-executive appointed to the board on 19 August 2021); Rita Bajaj (non-executive appointed to the board on 19 August 2021); and a representative of the Authorised Corporate Director (the "ACD") who together form the Company Board.

### Board of Directors of the ACD

K Cates (non-executive)  
J Griffiths  
A Roughead (non-executive)  
R Vincent  
L Weatherup

## Authorised Corporate Director's Report

The ACD, on behalf of the Directors of the Company, has pleasure in presenting the Interim Report and Unaudited Financial Statements for Threadneedle Investment Funds ICVC for the 6 months to 7 September 2021.

On 20 October 2021, shareholders at an extraordinary general meeting of the UK Select Fund approved a proposal to merge the fund into the UK Fund by way of scheme of arrangement, and the subsequent termination of the UK Select Fund. The scheme of arrangement will be implemented on or around 19 November 2021. Further information is available at [www.columbiathreadneedle.com](http://www.columbiathreadneedle.com). Accordingly, the going concern basis of preparation is no longer appropriate for the UK Select Fund and its financial statements have been prepared on a basis other than going concern as described in note 1(1) to the financial statements on page 11.

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

**L Weatherup**  
Director

**K Baillie**  
Non-Executive Director

**R Bajaj**  
Non-Executive Director

28 October 2021

## Threadneedle UK Fund

### Investment Report

#### Investment Objective and Policy

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

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

The Fund selects companies that are considered to have good prospects for share price growth, from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on the larger companies included in the FTSE All-Share Index.

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

The Fund typically invests in fewer than 80 companies, which may include shares of some companies not within the Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

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

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

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

Over the six months to 7 September 2021, the published share price of the Threadneedle UK Fund has risen from 133.34p to 142.32p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +7.88% as compared to a median return of +13.81% over

the same period. (For information the FTSE All-Share Total Return Index returned +13.34% over the same period).

#### Market Overview and Portfolio Activity

The FTSE All-Share index rallied over the six months under review. Sentiment was boosted by the rollout of vaccines in the UK and globally, and the resulting hopes of an economic recovery. The UK stock market also benefited from several takeover and private-equity bids for UK-listed companies; a large number of these were at premiums to the shares in question. However, global markets were periodically unsettled by fears that rising inflation due to the economic revival and increased US fiscal stimulus could lead key central banks to rein in their accommodative measures.

In the UK, falling COVID-19 caseloads, together with the country's successful vaccination programme, paved the way for lockdown restrictions to be rolled back, with the government removing nearly all social distancing measures in England on 19 July. While COVID-19 caseloads rose in June owing to the spread of the more contagious Delta variant, the high level of inoculations meant that hospitalisations and deaths rose significantly less than in previous 'waves' of the virus. The relaxation of pandemic control measures fuelled improvements in consumer and business sentiment, which led to a strong rebound in the UK's GDP growth over the second quarter. Less positively, the recovering economy has also led to some price and wage pressures. Furthermore, the last two months of the period saw some slowing in economic activity due to supply bottlenecks and labour shortages as a result of swathes of workers being forced to isolate by rising COVID-19 cases.

In terms of activity, we initiated new positions in food and beverage ingredients business Tate & Lyle, credit-scoring firm Experian and speciality chemicals company Synthomer.

Tate & Lyle has a strong position in the speciality ingredient channel. We feel this should be further enhanced by the sale of the firm's primary products unit – a move which should also pave the way for Tate & Lyle to return cash to shareholders.

Experian is enjoying improving momentum in several key areas of the

business. User growth is starting to recover in the US and Brazilian consumer segments, where the company offers various subscription-based software tools. Meanwhile, user engagement times are also increasing and driving higher revenue.

Synthomer is one of the world's leading suppliers of aqueous polymers. Boasting a global presence, the company has expanded organically, as well as through selective acquisitions of neglected divisions from blue-chip multinationals.

Over the review period, we also added to some existing holdings such as Tesco, Informa and Burberry.

We profitably sold Aggreko ahead of its takeover. FDM was another sale; the stock had performed well over the year to date. The residual position in Royal Dutch Shell was also closed; the proceeds were used to fund the purchase of Tate & Lyle.

The outlook for the UK appears more positive. With fading political risks around Brexit and the economy likely to benefit from the rapid rollout of vaccines and buoyant consumer spending, global asset allocators are now less likely to avoid the UK.

Despite the rally this year, UK equities are still deeply discounted relative to global averages. These valuation disparities are not just evident in domestic companies; quality UK-listed firms with global exposure are also materially cheaper than their international peers.

We feel that this discount should start to narrow as the global economy recovers. The UK's underweight to global technology giants should also prove beneficial as some of the extreme valuations here are likely to correct as normal activity resumes.

Meanwhile, we expect UK companies to remain attractive targets for overseas takeover and private-equity bids as firms become more confident about the UK's economic prospects and seek to capitalise on the valuation discount.

Overall, we will continue to focus on company fundamentals and use volatile markets to top up and buy favoured stocks in order to deliver solid, risk-adjusted returns.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains/(losses)	123,612	(136,769)
Revenue	33,073	28,877
Expenses	(6,759)	(6,706)
Interest payable and similar charges	(1)	(1)
Net revenue before taxation	26,313	22,170
Taxation	–	–
Net revenue after taxation	26,313	22,170
<b>Total return before distributions</b>	<b>149,925</b>	<b>(114,599)</b>
Distributions	(26,936)	(22,207)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>122,989</b>	<b>(136,806)</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	1,856,250	1,834,073
<b>Current assets:</b>		
Debtors	21,432	20,054
Cash and bank balances	2,064	1
Cash equivalents**	13,040	10,620
<b>Total assets</b>	<b>1,892,786</b>	<b>1,864,748</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Bank overdrafts	–	(115)
Distribution payable	(10,654)	(5,057)
Other creditors	(4,652)	(23,021)
<b>Total liabilities</b>	<b>(15,306)</b>	<b>(28,193)</b>
<b>Net assets attributable to shareholders</b>	<b>1,877,480</b>	<b>1,836,555</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>1,836,555</b>	<b>1,842,128</b>
Amounts receivable on the issue of shares	167,399	347,422
Amounts payable on the cancellation of shares	(265,764)	(492,808)
	(98,365)	(145,386)
Dilution adjustment	238	258
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	122,989	(136,806)
Retained distribution on accumulation shares	16,062	11,829
Unclaimed distributions	1	1
<b>Closing net assets attributable to shareholders</b>	<b>1,877,480</b>	<b>1,572,024</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Dividend distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.3333	–	1.3333	1.0014
<b>Group 2</b> 08/03/21 to 07/09/21	1.0293	0.3040	1.3333	1.0014
<b>Total distributions in the period</b>			<b>1.3333</b>	<b>1.0014</b>

#### Class 1 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.3017	–	1.3017	0.9648
<b>Group 2</b> 08/03/21 to 07/09/21	0.9383	0.3634	1.3017	0.9648
<b>Total distributions in the period</b>			<b>1.3017</b>	<b>0.9648</b>

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

## Threadneedle UK Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.7405	–	1.7405	1.3272
<b>Group 2</b> 08/03/21 to 07/09/21	0.9701	0.7704	1.7405	1.3272
<b>Total distributions in the period</b>			<b>1.7405</b>	<b>1.3272</b>

#### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.4255	–	1.4255	1.0676
<b>Group 2</b> 08/03/21 to 07/09/21	0.9295	0.4960	1.4255	1.0676
<b>Total distributions in the period</b>			<b>1.4255</b>	<b>1.0676</b>

#### Class L – Gross income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.7885	–	1.7885	0.5544
<b>Group 2</b> 08/03/21 to 07/09/21	1.7633	0.0252	1.7885	0.5544
<b>Total distributions in the period</b>			<b>1.7885</b>	<b>0.5544</b>

#### Class L – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.8471	–	1.8471	0.5544
<b>Group 2</b> 08/03/21 to 07/09/21	1.8471	–	1.8471	0.5544
<b>Total distributions in the period</b>			<b>1.8471</b>	<b>0.5544</b>

#### Class X – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	2.0033	–	2.0033	2.0586
<b>Group 2</b> 08/03/21 to 07/09/21	2.0033	–	2.0033	2.0586
<b>Total distributions in the period</b>			<b>2.0033</b>	<b>2.0586</b>

#### Class X – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	2.4423	–	2.4423	1.8375
<b>Group 2</b> 08/03/21 to 07/09/21	1.2233	1.2190	2.4423	1.8375
<b>Total distributions in the period</b>			<b>2.4423</b>	<b>1.8375</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	2.0675	–	2.0675	1.5977
<b>Group 2</b> 08/03/21 to 07/09/21	1.6977	0.3698	2.0675	1.5977
<b>Total distributions in the period</b>			<b>2.0675</b>	<b>1.5977</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	2.5680	–	2.5680	1.9266
<b>Group 2</b> 08/03/21 to 07/09/21	1.8038	0.7642	2.5680	1.9266
<b>Total distributions in the period</b>			<b>2.5680</b>	<b>1.9266</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	131.73	123.09	133.22	128.43	118.56	125.60
Return before operating charges (p)	11.67	12.00	(4.97)	11.38	11.71	(4.88)
Operating charges (p)	(1.12)	(1.88)	(2.27)	(1.10)	(1.84)	(2.16)
Return after operating charges (p)*	10.55	10.12	(7.24)	10.28	9.87	(7.04)
Distributions (p)	(1.33)	(1.48)	(2.89)	(1.30)	(1.47)	(2.73)
Retained distributions on accumulation shares (p)	–	–	–	1.30	1.47	2.73
Closing net asset value per share (p)	140.95	131.73	123.09	138.71	128.43	118.56
*after direct transaction costs of (p)	0.06	0.14	0.17	0.06	0.14	0.16
<b>Performance</b>						
Return after charges (%)	8.01	8.22	(5.43)	8.00	8.32	(5.61)
<b>Other information</b>						
Closing net asset value (£000)	32,543	120,011	199,706	4,119	3,810	2,325
Closing number of shares	23,088,767	91,102,726	162,248,931	2,969,338	2,966,764	1,961,080
Operating charges (%)**	1.62 <sup>†</sup>	1.63	1.64	1.63 <sup>†</sup>	1.62	1.63
Direct transaction costs (%)***	0.08	0.12	0.13	0.08	0.12	0.13
<b>Prices</b>						
Highest share price (p)	142.55	134.73	148.94	138.98	130.88	142.61
Lowest share price (p)	131.25	88.54	124.08	127.96	85.42	118.81
	Class 2 – Income shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	131.88	123.23	133.43	108.03	99.16	104.44
Return before operating charges (p)	11.71	12.06	(5.01)	9.59	9.87	(4.11)
Operating charges (p)	(0.74)	(1.24)	(1.49)	(0.60)	(1.00)	(1.17)
Return after operating charges (p)*	10.97	10.82	(6.50)	8.99	8.87	(5.28)
Distributions (p)	(1.74)	(2.17)	(3.70)	(1.43)	(1.76)	(2.91)
Retained distributions on accumulation shares (p)	–	–	–	1.43	1.76	2.91
Closing net asset value per share (p)	141.11	131.88	123.23	117.02	108.03	99.16
*after direct transaction costs of (p)	0.06	0.14	0.17	0.05	0.11	0.14
<b>Performance</b>						
Return after charges (%)	8.32	8.78	(4.87)	8.32	8.95	(5.06)
<b>Other information</b>						
Closing net asset value (£000)	228,389	207,585	178,420	322,067	380,098	418,203
Closing number of shares	161,852,876	157,406,373	144,784,248	275,222,094	351,834,651	421,748,534
Operating charges (%)**	1.06 <sup>†</sup>	1.06	1.07	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.08	0.12	0.13	0.08	0.12	0.13
<b>Prices</b>						
Highest share price (p)	143.12	135.12	149.44	117.24	110.00	119.14
Lowest share price (p)	131.43	88.66	124.63	107.67	71.45	99.36

## Threadneedle UK Fund

### Comparative Table Disclosure

(continued)

	Class L – Gross income shares <sup>5</sup>		Class L – Gross accumulation shares <sup>5</sup>			
	07/09/2021	07/03/2021 <sup>1</sup>	07/09/2021	07/03/2021 <sup>1</sup>		
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	116.15	100.00	117.76	100.00		
Return before operating charges (p)	10.33	18.13	10.46	18.19		
Operating charges (p)	(0.41)	(0.47)	(0.37)	(0.43)		
Return after operating charges (p)*	9.92	17.66	10.09	17.76		
Distributions (p)	(1.79)	(1.51)	(1.85)	(1.52)		
Retained distributions on accumulation shares (p)	–	–	1.85	1.52		
Closing net asset value per share (p)	124.28	116.15	127.85	117.76		
*after direct transaction costs of (p)	0.05	0.14	0.05	0.13		
<b>Performance</b>						
Return after charges (%)	8.54	17.66	8.57	17.76		
<b>Other information</b>						
Closing net asset value (£000)	291,979	566	1	1		
Closing number of shares	234,930,471	487,109	1,001	1,001		
Operating charges (%)**	0.66 <sup>†</sup>	0.67 <sup>†</sup>	0.59 <sup>†</sup>	0.65 <sup>†</sup>		
Direct transaction costs (%)***	0.08	0.12	0.08	0.12		
<b>Prices</b>						
Highest share price (p)	126.31	119.15	128.09	119.82		
Lowest share price (p)	115.78	92.21	117.38	92.72		
	Class X – Income shares			Class X – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	107.00	100.19	108.55	131.66	119.64	124.76
Return before operating charges (p)	9.51	10.11	(4.13)	11.72	12.09	(5.04)
Operating charges (p)	(0.01)	(0.05)	(0.07)	(0.04)	(0.07)	(0.08)
Return after operating charges (p)*	9.50	10.06	(4.20)	11.68	12.02	(5.12)
Distributions (p)	(2.00)	(3.25)	(4.16)	(2.44)	(3.28)	(4.81)
Retained distributions on accumulation shares (p)	–	–	–	2.44	3.28	4.81
Closing net asset value per share (p)	114.50	107.00	100.19	143.34	131.66	119.64
*after direct transaction costs of (p)	0.05	0.11	0.14	0.06	0.14	0.17
<b>Performance</b>						
Return after charges (%)	8.88	10.04	(3.87)	8.87	10.05	(4.10)
<b>Other information</b>						
Closing net asset value (£000)	3	3	62,315	573,575	452,702	353,973
Closing number of shares	3,000	3,000	62,196,718	400,154,954	343,830,475	295,852,892
Operating charges (%)**	0.02 <sup>†</sup>	0.06	0.06	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	0.08	0.12	0.13	0.08	0.12	0.13
<b>Prices</b>						
Highest share price (p)	116.72	109.65	121.95	143.60	133.84	143.48
Lowest share price (p)	106.69	72.10	101.91	131.28	86.24	119.90

## Threadneedle UK Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	144.94	135.42	146.65	178.30	163.28	171.60
Return before operating charges (p)	12.87	13.27	(5.54)	15.83	16.32	(6.82)
Operating charges (p)	(0.63)	(1.07)	(1.27)	(0.78)	(1.30)	(1.50)
Return after operating charges (p)*	12.24	12.20	(6.81)	15.05	15.02	(8.32)
Distributions (p)	(2.07)	(2.68)	(4.42)	(2.57)	(3.24)	(5.20)
Retained distributions on accumulation shares (p)	–	–	–	2.57	3.24	5.20
Closing net asset value per share (p)	155.11	144.94	135.42	193.35	178.30	163.28
*after direct transaction costs of (p)	0.06	0.15	0.19	0.08	0.19	0.22
<b>Performance</b>						
Return after charges (%)	8.44	9.01	(4.64)	8.44	9.20	(4.85)
<b>Other information</b>						
Closing net asset value (£000)	249,624	441,965	414,949	175,180	229,814	212,237
Closing number of shares	160,938,147	304,928,999	306,418,216	90,602,723	128,894,060	129,986,862
Operating charges (%)**	0.82 <sup>†</sup>	0.83	0.83	0.83 <sup>†</sup>	0.83	0.83
Direct transaction costs (%)***	0.08	0.12	0.13	0.08	0.12	0.13
<b>Prices</b>						
Highest share price (p)	157.47	148.60	164.36	193.71	181.46	196.11
Lowest share price (p)	144.46	97.43	137.13	177.71	117.66	163.63

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

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

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

<sup>†</sup>Commenced 27 July 2020.

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

## Threadneedle UK Fund

### Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

##### (b) Notes

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

#### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	91,102,726
Shares issued	333,839
Shares redeemed	(3,519,367)
Net conversions	(64,828,431)
Closing shares	<u>23,088,767</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	2,966,764
Shares issued	145,223
Shares redeemed	(81,857)
Net conversions	(60,792)
Closing shares	<u>2,969,338</u>
<b>Class 2 – Income shares</b>	
Opening shares	157,406,373
Shares issued	8,772,857
Shares redeemed	(4,268,101)
Net conversions	(58,253)
Closing shares	<u>161,852,876</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	351,834,651
Shares issued	46,821,759
Shares redeemed	(29,918,673)
Net conversions	(93,515,643)
Closing shares	<u>275,222,094</u>
<b>Class L – Gross income shares</b>	
Opening shares	487,109
Shares issued	4,069,479
Shares redeemed	(27,449,181)
Net conversions	257,823,064
Closing shares	<u>234,930,471</u>
<b>Class L – Gross accumulation shares</b>	
Opening shares	1,001
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>1,001</u>
<b>Class X – Income shares</b>	
Opening shares	3,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>3,000</u>
<b>Class X – Accumulation shares</b>	
Opening shares	343,830,475
Shares issued	45,835,413
Shares redeemed	(65,953,631)
Net conversions	76,442,697
Closing shares	<u>400,154,954</u>

2021

##### Class Z – Income shares

Opening shares	304,928,999
Shares issued	13,757,514
Shares redeemed	(9,919,369)
Net conversions	(147,828,997)
Closing shares	<u>160,938,147</u>

##### Class Z – Accumulation shares

Opening shares	128,894,060
Shares issued	14,925,835
Shares redeemed	(53,284,419)
Net conversions	67,247
Closing shares	<u>90,602,723</u>

## Threadneedle UK Select Fund

### Investment Report

#### Investment Objective and Policy

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

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

The Fund selects companies in which the fund manager has a high conviction that the current share price does not reflect the prospects for that business. These companies may be of any size, from any industry or economic sector, with significant sector and share weightings taken at the fund manager's discretion.

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

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

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

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

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

Over the six months to 7 September 2021, the published share price of the Threadneedle UK Select Fund has risen from 119.70p to 130.67p. Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested

income, is +9.05% as compared to a median return of +13.81% over the same period. (For information the FTSE All-Share Total Return Index returned +13.34% over the same period).

#### Market Overview and Portfolio Activity

The FTSE All-Share index rallied over the six months under review. Sentiment was boosted by the rollout of vaccines in the UK and globally, and the resulting hopes of an economic recovery. The UK stock market also benefited from several takeover and private-equity bids for UK-listed companies; a large number of these were at premiums to the shares in question. However, global markets were periodically unsettled by fears that rising inflation due to the economic revival and increased US fiscal stimulus could lead key central banks to rein in their accommodative measures.

In the UK, falling COVID-19 caseloads, together with the country's successful vaccination programme, paved the way for lockdown restrictions to be rolled back, with the government removing nearly all social distancing measures in England on 19 July. While COVID-19 caseloads rose in June owing to the spread of the more contagious Delta variant, the high level of inoculations meant that hospitalisations and deaths rose significantly less than in previous 'waves' of the virus. The relaxation of pandemic control measures fuelled improvements in consumer and business sentiment, which led to a strong rebound in the UK's GDP growth over the second quarter. Less positively, the recovering economy has also led to some price and wage pressures. Furthermore, the last two months of the period saw some slowing in economic activity due to supply bottlenecks and labour shortages as a result of swathes of workers being forced to isolate by rising COVID-19 cases.

In terms of activity, we initiated a holding in Associated British Foods. The company has a diverse range of subsidiaries backed by an impressive management team focused on long-term value creation.

Over the review period, we also topped up several positions, including Melrose Industries, Informa and Restaurant Group.

Melrose recently spun off its Nortek Air Management division at a profit and returned cash to shareholders. The company also plans to use the proceeds to repair its balance sheet. Meanwhile, the performance of the ventilation division has been encouraging. Following its conservative

strategy during the crisis last year, Melrose is now again focusing on expansion, which should be a positive catalyst for the shares.

In our view, Informa is well positioned to benefit from the return of corporate events and exhibitions as well as increased demand for scholarly research as lockdowns are eased. Meanwhile, Informa is increasing its digital presence. Restaurant Group raised funds over the last year to enhance liquidity and also support its medium-term growth plans. While rising input and labour costs are a concern for the industry, we feel that Restaurant Group's cost efficiencies should enable it to withstand pressures, without passing on significant price increases to consumers. Meanwhile, the company is less leveraged than many of its rivals and we therefore believe that it should be in a stronger position to benefit from the return to normality, which should support business expansion in the UK and Europe.

We sold AstraZeneca and reduced the holdings in WPP, Whitbread and Intermediate Capital, among others.

The outlook for the UK appears more positive. With fading political risks around Brexit and the economy likely to benefit from the rapid rollout of vaccines and buoyant consumer spending, global asset allocators are now less likely to avoid the UK.

Despite the rally this year, UK equities are still deeply discounted relative to global averages. These valuation disparities are not just evident in domestic companies; quality UK-listed firms with global exposure are also materially cheaper than their international peers.

We feel that this discount should start to narrow as the global economy recovers. The UK's underweight to global technology giants should also prove beneficial as some of the extreme valuations here are likely to correct as normal activity resumes.

Meanwhile, we expect UK companies to remain attractive targets for overseas takeover and private-equity bids as firms become more confident about the UK's economic prospects and seek to capitalise on the valuation discount.

Overall, we will continue to focus on company fundamentals and use volatile markets to top up and buy favoured stocks in order to deliver solid, risk-adjusted returns.

#### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains/(losses)	23,510	(24,811)
Revenue	5,428	6,413
Expenses	(753)	(790)
Net revenue before taxation	4,675	5,623
Taxation	–	–
Net revenue after taxation	4,675	5,623
<b>Total return before distributions</b>	<b>28,185</b>	<b>(19,188)</b>
Distributions	(4,701)	(5,624)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>23,484</b>	<b>(24,812)</b>

#### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	–	286,992
<b>Current assets:</b>		
Investments	248,897	–
Debtors	3,563	8,990
Cash and bank balances	1,094	11,240
Cash equivalents**	4	4,004
<b>Total assets</b>	<b>253,558</b>	<b>311,226</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(1,429)	(773)
Other creditors	(639)	(19,929)
<b>Total liabilities</b>	<b>(2,068)</b>	<b>(20,702)</b>
<b>Net assets attributable to shareholders</b>	<b>251,490</b>	<b>290,524</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>290,524</b>	<b>290,117</b>
Amounts receivable on the issue of shares	1,943	49,047
Amounts payable on the cancellation of shares	(67,402)	(40,918)
	(65,459)	8,129
Dilution adjustment	12	63
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	23,484	(24,812)
Retained distribution on accumulation shares	2,928	3,920
Unclaimed distributions	1	1
<b>Closing net assets attributable to shareholders</b>	<b>251,490</b>	<b>277,418</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

#### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Dividend distribution in pence per share

##### Class 1 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/09/21	1,5415	–	1,5415	1,5404
<b>Group 2</b>				
08/03/21 to 07/09/21	1,0134	0,5281	1,5415	1,5404
<b>Total distributions in the period</b>			<b>1,5415</b>	<b>1,5404</b>

##### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/09/21	1,9385	–	1,9385	1,8525
<b>Group 2</b>				
08/03/21 to 07/09/21	1,2866	0,6519	1,9385	1,8525
<b>Total distributions in the period</b>			<b>1,9385</b>	<b>1,8525</b>

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

## Threadneedle UK Select Fund

### DISTRIBUTION TABLE

(continued)

#### Class D – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	3.6891	–	3.6891	3.4323
<b>Group 2</b> 08/03/21 to 07/09/21	2.0807	1.6084	3.6891	3.4323
<b>Total distributions in the period</b>			<b>3.6891</b>	<b>3.4323</b>

#### Class L – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	5.3026	–	5.3026	4.8264
<b>Group 2</b> 08/03/21 to 07/09/21	4.2967	1.0059	5.3026	4.8264
<b>Total distributions in the period</b>			<b>5.3026</b>	<b>4.8264</b>

#### Class X – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	2.6580	–	2.6580	2.3664
<b>Group 2</b> 08/03/21 to 07/09/21	2.6580	–	2.6580	2.3664
<b>Total distributions in the period</b>			<b>2.6580</b>	<b>2.3664</b>

#### Class X2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	8.9720	–	8.9720	7.9867
<b>Group 2</b> 08/03/21 to 07/09/21	8.9720	–	8.9720	7.9867
<b>Total distributions in the period</b>			<b>8.9720</b>	<b>7.9867</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	2.4634	–	2.4634	2.3366
<b>Group 2</b> 08/03/21 to 07/09/21	1.4750	0.9884	2.4634	2.3366
<b>Total distributions in the period</b>			<b>2.4634</b>	<b>2.3366</b>

#### Class Z – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.6241	–	1.6241	1.5166
<b>Group 2</b> 08/03/21 to 07/09/21	0.9325	0.6916	1.6241	1.5166
<b>Total distributions in the period</b>			<b>1.6241</b>	<b>1.5166</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Select Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 2 – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	118.14	113.36	121.34	118.54	113.74	121.79
Return before operating charges (p)	12.84	8.69	(3.16)	12.94	8.75	(3.23)
Operating charges (p)	(1.02)	(1.75)	(2.06)	(0.67)	(1.15)	(1.34)
Return after operating charges (p)*	11.82	6.94	(5.22)	12.27	7.60	(4.57)
Distributions (p)	(1.54)	(2.16)	(2.76)	(1.94)	(2.80)	(3.48)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	128.42	118.14	113.36	128.87	118.54	113.74
*after direct transaction costs of (p)	0.04	0.37	0.54	0.04	0.38	0.54
<b>Performance</b>						
Return after charges (%)	10.01	6.12	(4.30)	10.35	6.68	(3.75)
<b>Other information</b>						
Closing net asset value (£000)	5,976	15,829	30,039	48,928	56,893	56,633
Closing number of shares	4,653,606	13,398,829	26,499,588	37,968,164	47,993,725	49,792,638
Operating charges (%)**	1.62 <sup>†</sup>	1.63	1.64	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.06	0.35	0.43	0.06	0.35	0.43
<b>Prices</b>						
Highest share price (p)	130.90	121.20	132.43	131.75	121.83	133.18
Lowest share price (p)	118.31	87.64	113.97	118.75	87.94	114.70
	Class D – Accumulation shares			Class L – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	226.63	211.98	220.61	281.21	262.37	271.79
Return before operating charges (p)	24.70	16.83	(6.16)	31.34	20.39	(7.68)
Operating charges (p)	(1.30)	(2.18)	(2.47)	(0.92)	(1.55)	(1.74)
Return after operating charges (p)*	23.40	14.65	(8.63)	30.42	18.84	(9.42)
Distributions (p)	(3.69)	(5.21)	(6.30)	(5.30)	(7.65)	(9.11)
Retained distributions on accumulation shares (p)	3.69	5.21	6.30	5.30	7.65	9.11
Closing net asset value per share (p)	250.03	226.63	211.98	311.63	281.21	262.37
*after direct transaction costs of (p)	0.08	0.71	1.00	0.10	0.88	1.22
<b>Performance</b>						
Return after charges (%)	10.33	6.91	(3.91)	10.82	7.18	(3.47)
<b>Other information</b>						
Closing net asset value (£000)	27,457	28,182	39,542	1,904	1,827	1,953
Closing number of shares	10,981,727	12,435,183	18,653,427	610,881	648,381	744,580
Operating charges (%)**	1.07 <sup>†</sup>	1.07	1.06	0.61 <sup>†</sup>	0.61	0.61
Direct transaction costs (%)***	0.06	0.35	0.43	0.06	0.35	0.43
<b>Prices</b>						
Highest share price (p)	251.86	231.08	245.58	313.92	287.13	303.77
Lowest share price (p)	227.02	163.90	211.51	282.36	202.89	261.77

## Threadneedle UK Select Fund

### Comparative Table Disclosure

(continued)

	Class X – Accumulation shares			Class X2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	121.83	112.81	116.23	411.21	380.77	392.30
Return before operating charges (p)	13.31	9.09	(3.35)	44.91	30.66	(11.28)
Operating charges (p)	(0.04)	(0.07)	(0.07)	(0.13)	(0.22)	(0.25)
Return after operating charges (p)*	13.27	9.02	(3.42)	44.78	30.44	(11.53)
Distributions (p)	(2.66)	(3.90)	(4.57)	(8.97)	(13.15)	(15.43)
Retained distributions on accumulation shares (p)	2.66	3.90	4.57	8.97	13.15	15.43
Closing net asset value per share (p)	135.10	121.83	112.81	455.99	411.21	380.77
*after direct transaction costs of (p)	0.04	0.38	0.53	0.14	1.29	1.76
<b>Performance</b>						
Return after charges (%)	10.89	8.00	(2.94)	10.89	7.99	(2.94)
<b>Other information</b>						
Closing net asset value (£000)	52,701	71,723	64,831	67,369	82,831	86,328
Closing number of shares	39,009,951	58,871,785	57,468,858	14,774,163	20,143,131	22,671,760
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	0.06	0.35	0.43	0.06	0.35	0.43
<b>Prices</b>						
Highest share price (p)	136.08	124.02	130.52	459.32	418.60	440.53
Lowest share price (p)	122.10	87.25	112.55	412.12	294.51	379.88
	Class Z – Income shares			Class Z – Gross accumulation shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020 <sup>†</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	142.14	136.37	146.03	93.76	87.51	100.00
Return before operating charges (p)	15.51	10.52	(3.88)	10.22	7.01	(12.36)
Operating charges (p)	(0.67)	(1.16)	(1.34)	(0.44)	(0.76)	(0.13)
Return after operating charges (p)*	14.84	9.36	(5.22)	9.78	6.25	(12.49)
Distributions (p)	(2.46)	(3.59)	(4.44)	(1.62)	(2.34)	(0.49)
Retained distributions on accumulation shares (p)	–	–	–	1.62	2.34	0.49
Closing net asset value per share (p)	154.52	142.14	136.37	103.54	93.76	87.51
*after direct transaction costs of (p)	0.05	0.46	0.65	0.03	0.30	0.42
<b>Performance</b>						
Return after charges (%)	10.44	6.86	(3.57)	10.43	7.14	(12.49)
<b>Other information</b>						
Closing net asset value (£000)	38,980	26,718	10,790	8,175	6,521	1
Closing number of shares	25,226,638	18,796,708	7,912,435	7,896,184	6,955,331	1,000
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.88	0.88 <sup>†</sup>	0.88	0.81 <sup>†</sup>
Direct transaction costs (%)***	0.06	0.35	0.43	0.06	0.35	0.43
<b>Prices</b>						
Highest share price (p)	158.12	146.16	159.79	104.29	95.57	101.34
Lowest share price (p)	142.40	105.45	137.65	93.93	67.67	87.31

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

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

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

<sup>†</sup>Commenced 7 January 2020.

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

## Threadneedle UK Select Fund

### Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

The Authorised Corporate Director intends to terminate the Threadneedle UK Select Fund. Following the termination, which will take place on 19th November 2021, the fund will be closed, the going concern basis of preparation is no longer appropriate for the fund and its financial statements have been prepared on a basis other than going concern and any additional costs in respect of the termination of this Fund will be borne by the ACD. No adjustments were necessary in the Fund's financial statements to reduce assets to their realizable values or to provide for liabilities arising from the termination. Fixed assets and long term liabilities have been reclassified as current assets and liabilities. The comparative financial information was prepared on a going concern basis.

##### (b) Notes

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

#### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	13,398,829
Shares issued	43,707
Shares redeemed	(414,980)
Net conversions	(8,373,950)
Closing shares	4,653,606
<b>Class 2 – Income shares</b>	
Opening shares	47,993,725
Shares issued	414,148
Shares redeemed	(10,439,709)
Net conversions	–
Closing shares	37,968,164
<b>Class D – Accumulation shares</b>	
Opening shares	12,435,183
Shares issued	322,975
Shares redeemed	(1,377,241)
Net conversions	(399,190)
Closing shares	10,981,727
<b>Class L – Accumulation shares</b>	
Opening shares	648,381
Shares issued	1,262
Shares redeemed	(38,762)
Net conversions	–
Closing shares	610,881
<b>Class X – Accumulation shares</b>	
Opening shares	58,871,785
Shares issued	–
Shares redeemed	(19,861,834)
Net conversions	–
Closing shares	39,009,951
<b>Class X2 – Accumulation shares</b>	
Opening shares	20,143,131
Shares issued	–
Shares redeemed	(5,368,968)
Net conversions	–
Closing shares	14,774,163

2021

##### Class Z – Income shares

Opening shares	18,796,708
Shares issued	345,107
Shares redeemed	(857,912)
Net conversions	6,942,735
Closing shares	25,226,638

##### Class Z – Gross accumulation shares

Opening shares	6,955,331
Shares issued	68,267
Shares redeemed	(91,736)
Net conversions	964,322
Closing shares	7,896,184

## Threadneedle UK Smaller Companies Fund

### Investment Report

#### Investment Objective and Policy

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

The Fund is actively managed, and invests at least 90% of its assets in the shares of companies listed on the London Stock Exchange; predominantly smaller companies traded on the Alternative Investment Market (AIM) or included within the Numis Smaller Companies Index ex Investment Companies, that are UK domiciled, or have significant UK business operations. The Fund selects companies considered to have good prospects for share price growth, from any industry or economic sector, with smaller companies providing potential exposure to niche growth areas that often cannot be accessed by large companies.

The Fund typically invests in shares of fewer than 70 companies. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

The Fund may also hold money market instruments, deposits, cash and near cash. The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

The Numis Smaller Companies Index ex Investment Companies is a widely used benchmark for monitoring the performance of UK smaller companies. It consists of companies that make up the smallest 10% of the UK main listed market by value (excluding investment companies). It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

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

Over the six months to 7 September 2021, the published share price of the Threadneedle UK Smaller Companies Fund has risen from 431.34p to 527.92p. Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +19.75% as compared to a median return of +21.89% over the same period. (For information the Numis Smaller Companies Index ex Investment Companies returned +17.87% over the same period).

### Market Overview and Portfolio Activity

UK small caps performed well over the review period. Sentiment was boosted by the rollout of vaccines in the UK and globally, and the resulting hopes of an economic recovery. Optimism about the UK economy also lifted the pound, which was an additional tailwind for small cap stocks. In addition, the UK stock market benefited from several takeover and private-equity bids for UK-listed companies. However, global markets were periodically unsettled by fears that rising inflation due to the economic revival and increased US fiscal stimulus could lead key central banks to rein in their accommodative measures.

In the UK, falling COVID-19 caseloads and the rapid vaccine rollout paved the way for lockdown restrictions to be rolled back. This fuelled improvements in consumer and business sentiment, and a strong rebound in the UK's GDP over the second quarter. While COVID-19 caseloads rose in June owing to the spread of the more contagious Delta variant, the high level of inoculations meant that hospitalisations and deaths rose significantly less than in previous 'waves' of the virus. However, this also led to swathes of workers being forced to isolate, which triggered supply-chain and staffing shortages, resulting in a slowdown in economic activity over July and August.

The recovering economy has also led to price and wage pressures, which led to Bank of England policymakers signalling that they could move to taper the asset purchase programme.

In terms of activity, we initiated several new positions over the period, in some cases by participating in initial public offerings (IPOs). Examples included Victorian Plumbing Group, Kitwave, Microlise and ActiveOps.

Victorian Plumbing is a major player in the UK online bathroom market and is set to grow strongly as the industry expands post COVID-19 and as the move to online accelerates. The online bathroom market is growing because consumers have far greater choices relative to in-store purchases. Victorian Plumbing has a track record of excellent customer service, which, together with the firm's significant brand value, should pave the way for significant gains in market share.

Kitwave is a wholesale food distributor specialising in the delivery of impulse-buy frozen and chilled products to around 38,000 clients – mainly convenience-sector stores – in the UK. The company generates a high return on capital and we expect management to deliver an extensive and highly accretive pipeline of acquisition opportunities with the proceeds raised.

Microlise is a high-quality transport software business. The firm has a dominant position in the UK, where it helps its customers ranging from Tesco to Carlsberg to optimise their distribution networks. Microlise has invested heavily in new

products and has substantial potential for growth in the UK and overseas.

ActiveOps develops workforce management and employee productivity software for enterprises, primarily within financial services. With its SaaS-based products, the company has delivered strong recurring revenue growth and the stock was floated at an attractive multiple.

Other new holdings included Trident Royalties and Reach. We also topped up some existing positions, such as PPHE Hotel Group, Inspects and Hotel Chocolat.

We have long followed PPHE, which we have owned for two years in other portfolios. The company is an owner-operator of hotels with a very strong balance sheet. PPHE has an attractive portfolio of assets, primarily in London and key European locations. The shares have been depressed due to COVID-19 but revenues are not reliant on the resumption of international travel due to high levels of domestic bookings.

Hotel Chocolat raised funds to increase the capacity of its production of hot chocolate. The company has been very resilient during lockdown, growing its online customer base dramatically and penetrating markets in the US and Japan. We feel Hotel Chocolat should benefit from significant growth over the next few years.

We profitably sold Gamesys, Genus and Galliford Try; all three stocks have performed well over the year to date.

Prospects for an economic recovery in the UK have improved significantly following the country's rapid rollout of COVID-19 vaccinations. Meanwhile, the Brexit deal should remove a large part of the uncertainty that has weighed on UK equities in recent years.

We expect a rapid recovery in UK GDP, though this may slow at the end of the year as the furlough scheme is wound up. However, UK consumers have amassed a significant amount of savings, which we expect to help support the housing market and the retail and leisure sectors over the next year. Meanwhile, while the reopening economy has led to some inflationary pressures, we believe that these will be transitory and will subside as we move into 2022.

We are very positive on the outlook for UK small caps. We feel that the asset class still offers good value relative to European and US equities, and we expect the factors driving superior equity returns from the small-cap space when compared with the wider market to continue over the short, medium and long term.

High-quality businesses are likely to emerge from the crisis even stronger, and this underappreciated area of the UK market could perform well as the domestic and global economies recover.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains	55,533	13,840
Revenue	1,732	550
Expenses	(1,095)	(857)
Net revenue/(expense) before taxation	637	(307)
Taxation	–	–
Net revenue/(expense) after taxation	637	(307)
<b>Total return before distributions</b>	<b>56,170</b>	<b>13,533</b>
Distributions	(695)	(69)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>55,475</b>	<b>13,464</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	269,364	256,425
<b>Current assets:</b>		
Debtors	2,076	5,436
Cash and bank balances	1,286	1
Cash equivalents**	9	4,009
<b>Total assets</b>	<b>272,735</b>	<b>265,871</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Bank overdrafts	–	(1,952)
Distribution payable	(221)	–
Other creditors	(3,072)	(4,673)
<b>Total liabilities</b>	<b>(3,293)</b>	<b>(6,625)</b>
<b>Net assets attributable to shareholders</b>	<b>269,442</b>	<b>259,246</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>259,246</b>	<b>171,543</b>
Amounts receivable on the issue of shares	22,183	52,499
Amounts payable on the cancellation of shares	(68,236)	(24,150)
	(46,053)	28,349
Dilution adjustment	310	433
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	55,475	13,464
Retained distribution on accumulation shares	464	88
<b>Closing net assets attributable to shareholders</b>	<b>269,442</b>	<b>213,877</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Dividend distribution in pence per share

#### Class 1 – Income shares

There is no distribution for the accounting period 8 March 2021 to 7 September 2021, as expenses exceed revenue (2020: Nil).

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.6088	–	0.6088	–
<b>Group 2</b> 08/03/21 to 07/09/21	0.4291	0.1797	0.6088	–
<b>Total distributions in the period</b>			<b>0.6088</b>	<b>–</b>

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

## Threadneedle UK Smaller Companies Fund

### DISTRIBUTION TABLE

(continued)

#### Class X – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.3200	–	1.3200	0.4140
<b>Group 2</b> 08/03/21 to 07/09/21	1.3200	–	1.3200	0.4140
<b>Total distributions in the period</b>			<b>1.3200</b>	<b>0.4140</b>

#### Class X – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.9367	–	0.9367	0.2708
<b>Group 2</b> 08/03/21 to 07/09/21	0.5654	0.3713	0.9367	0.2708
<b>Total distributions in the period</b>			<b>0.9367</b>	<b>0.2708</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.7086	–	0.7086	–
<b>Group 2</b> 08/03/21 to 07/09/21	0.3762	0.3324	0.7086	–
<b>Total distributions in the period</b>			<b>0.7086</b>	<b>–</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.6108	–	0.6108	–
<b>Group 2</b> 08/03/21 to 07/09/21	0.4383	0.1725	0.6108	–
<b>Total distributions in the period</b>			<b>0.6108</b>	<b>–</b>

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

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.3420	–	0.3420	–
<b>Group 2</b> 08/03/21 to 07/09/21	0.3420	–	0.3420	–
<b>Total distributions in the period</b>			<b>0.3420</b>	<b>–</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Smaller Companies Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 2 – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	425.37	340.42	306.06	436.08	347.03	311.38
Return before operating charges (p)	101.80	90.59	40.06	104.54	92.89	40.79
Operating charges (p)	(3.76)	(5.64)	(5.70)	(2.62)	(3.84)	(3.69)
Return after operating charges (p)*	98.04	84.95	34.36	101.92	89.05	37.10
Distributions (p)	–	–	–	(0.61)	–	(1.45)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	523.41	425.37	340.42	537.39	436.08	347.03
*after direct transaction costs of (p)	0.20	0.65	0.60	0.21	0.67	0.62
<b>Performance</b>						
Return after charges (%)	23.05	24.95	11.23	23.37	25.66	11.91
<b>Other information</b>						
Closing net asset value (£000)	24,874	30,635	40,599	79,445	64,186	59,979
Closing number of shares	4,752,410	7,201,939	11,925,950	14,783,496	14,718,810	17,283,611
Operating charges (%)**	1.57 <sup>†</sup>	1.63	1.68	1.06 <sup>†</sup>	1.07	1.07
Direct transaction costs (%)***	0.08	0.18	0.18	0.08	0.18	0.18
<b>Prices</b>						
Highest share price (p)	527.92	438.93	397.35	542.62	449.95	405.63
Lowest share price (p)	428.44	231.73	302.93	439.24	236.25	308.22
	Class X – Income shares			Class X – Gross accumulation shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020 <sup>†</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	185.86	147.26	132.16	131.81	103.86	100.00
Return before operating charges (p)	44.66	39.69	17.27	31.67	28.03	3.92
Operating charges (p)	(0.06)	(0.05)	(0.03)	(0.04)	(0.08)	(0.06)
Return after operating charges (p)*	44.60	39.64	17.24	31.63	27.95	3.86
Distributions (p)	(1.32)	(1.04)	(2.14)	(0.94)	(0.70)	(1.17)
Retained distributions on accumulation shares (p)	–	–	–	0.94	0.70	1.17
Closing net asset value per share (p)	229.14	185.86	147.26	163.44	131.81	103.86
*after direct transaction costs of (p)	0.09	0.29	0.26	0.06	0.21	0.19
<b>Performance</b>						
Return after charges (%)	24.00	26.92	13.04	24.00	26.91	3.86
<b>Other information</b>						
Closing net asset value (£000)	7	6	4	72,222	55,982	33,927
Closing number of shares	3,000	3,000	3,000	44,189,353	42,470,722	32,667,508
Operating charges (%)**	0.06 <sup>†</sup>	0.03	0.02	0.06 <sup>†</sup>	0.07	0.07 <sup>†</sup>
Direct transaction costs (%)***	0.08	0.18	0.18	0.08	0.18	0.18
<b>Prices</b>						
Highest share price (p)	232.43	192.39	172.98	164.85	135.99	121.13
Lowest share price (p)	187.21	100.29	130.83	132.77	70.73	94.64

## Threadneedle UK Smaller Companies Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	295.56	234.80	210.69	254.59	202.26	180.40
Return before operating charges (p)	70.87	62.96	27.58	61.03	54.22	23.70
Operating charges (p)	(1.47)	(2.20)	(2.08)	(1.25)	(1.89)	(1.84)
Return after operating charges (p)*	69.40	60.76	25.50	59.78	52.33	21.86
Distributions (p)	(0.71)	–	(1.39)	(0.61)	–	(1.19)
Retained distributions on accumulation shares (p)	–	–	–	0.61	–	1.19
Closing net asset value per share (p)	364.25	295.56	234.80	314.37	254.59	202.26
*after direct transaction costs of (p)	0.14	0.46	0.42	0.12	0.40	0.37
<b>Performance</b>						
Return after charges (%)	23.48	25.88	12.10	23.48	25.87	12.12
<b>Other information</b>						
Closing net asset value (£000)	67,171	51,755	21,991	25,721	56,681	15,042
Closing number of shares	18,440,858	17,510,580	9,365,943	8,181,729	22,263,517	7,436,943
Operating charges (%)**	0.88 <sup>†</sup>	0.89	0.89	0.88 <sup>†</sup>	0.89	0.89
Direct transaction costs (%)***	0.08	0.18	0.18	0.08	0.18	0.18
<b>Prices</b>						
Highest share price (p)	368.10	304.96	274.69	317.08	262.69	235.98
Lowest share price (p)	297.71	159.86	208.56	256.44	137.72	178.57
<b>Class Z CHF Hedged – Gross accumulation shares<sup>§</sup></b>						
	07/09/2021	07/03/2021	07/03/2020			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	122.89	102.68	85.64			
Return before operating charges (p)	31.37	21.08	17.83			
Operating charges (p)	(0.57)	(0.87)	(0.79)			
Return after operating charges (p)*	30.80	20.21	17.04			
Distributions (p)	(0.34)	–	(0.65)			
Retained distributions on accumulation shares (p)	0.34	–	0.65			
Closing net asset value per share (p)	153.69	122.89	102.68			
*after direct transaction costs of (p)	0.06	0.20	0.18			
<b>Performance</b>						
Return after charges (%)	25.06	19.68	19.90			
<b>Other information</b>						
Closing net asset value (£000)	2	1	1			
Closing number of shares	1,000	1,000	1,000			
Operating charges (%)**	0.81 <sup>†</sup>	0.80	0.80			
Direct transaction costs (%)***	0.08	0.18	0.18			
<b>Prices</b>						
Highest share price (p)	155.02	129.99	115.10			
Lowest share price (p)	122.84	75.57	85.14			

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

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

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

<sup>†</sup>Commenced 9 May 2019.

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

# Threadneedle UK Smaller Companies Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	7,201,939
Shares issued	844,528
Shares redeemed	(859,105)
Net conversions	(2,434,952)
Closing shares	4,752,410
<b>Class 2 – Income shares</b>	
Opening shares	14,718,810
Shares issued	1,088,283
Shares redeemed	(1,022,296)
Net conversions	(1,301)
Closing shares	14,783,496
<b>Class X – Income shares</b>	
Opening shares	3,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	3,000
<b>Class X – Gross accumulation shares</b>	
Opening shares	42,470,722
Shares issued	2,039,776
Shares redeemed	(321,145)
Net conversions	–
Closing shares	44,189,353
<b>Class Z – Income shares</b>	
Opening shares	17,510,580
Shares issued	1,140,681
Shares redeemed	(3,708,507)
Net conversions	3,498,104
Closing shares	18,440,858
<b>Class Z – Accumulation shares</b>	
Opening shares	22,263,517
Shares issued	2,235,562
Shares redeemed	(16,317,350)
Net conversions	–
Closing shares	8,181,729
<b>Class Z CHF Hedged – Gross accumulation shares</b>	
Opening shares	1,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	1,000

## Threadneedle UK Growth & Income Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide a return over the long term, through the combination of capital growth and income. It looks to outperform the FTSE All-Share Index over rolling 3-year periods, after the deduction of charges.

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

The Fund selects companies considered to offer good total return opportunities (the combination of share price growth and dividend income), from any industry or economic sector. Whilst there is no restriction on size, investment focuses on the largest 150 companies included in the FTSE All-Share Index.

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

The Fund is relatively concentrated, and typically invests in fewer than 55 companies, which may include shares of some companies not within the Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

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

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

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

Over the six months to 7 September 2021, the published share price of the Threadneedle UK Growth & Income Fund has risen from 87.99p to 98.70p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +14.84% as compared to a median return of +13.81% over the same period. (For information the FTSE All-Share Total Return Index returned +13.34% over the same period).

#### Market Overview and Portfolio Activity

The FTSE All-Share index rallied over the six months under review. Sentiment was boosted by the rollout of vaccines in the UK and globally, and the resulting hopes of an economic recovery. The UK stock market also benefited from several takeover and private-equity bids for UK-listed companies; a large number of these were at premiums to the shares in question. However, global markets were periodically unsettled by fears that rising inflation due to the economic revival and increased US fiscal stimulus could lead key central banks to rein in their accommodative measures.

In the UK, falling COVID-19 caseloads, together with the country's successful vaccination programme, paved the way for lockdown restrictions to be rolled back, with the government removing nearly all social distancing measures in England on 19 July. While COVID-19 caseloads rose in June owing to the spread of the more contagious Delta variant, the high level of inoculations meant that hospitalisations and deaths rose significantly less than in previous 'waves' of the virus. The relaxation of pandemic control measures fuelled improvements in consumer and business sentiment, which led to a strong rebound in the UK's GDP growth over the second quarter. Less positively, the recovering economy has also led to some price and wage pressures. Furthermore, the last two months of the period saw some slowing in economic

activity due to supply bottlenecks and labour shortages as a result of swathes of workers being forced to isolate by rising COVID-19 cases.

We topped up Centrica, one of our longstanding contrarian holdings. While the company has been impacted by fewer household installations and reduced electricity demand from businesses as a result of the pandemic, we feel the outlook is positive. Centrica has reduced debt through the sale of its US business and is also looking to dispose of its North Sea oil production division and the 20% share in EDF. The management team recently renegotiated contracts with a large section of the workforce, which should help reduce labour costs.

We also added to Restaurant Group via a placing. The company raised funds to enhance liquidity in the short term and also to support its medium-term growth plan. Restaurant Group is less leveraged than many of its rivals, so should emerge stronger from the crisis in our view. Royal Dutch Shell was sold.

Despite the rally this year, UK equities remain deeply discounted relative to global averages, partly due to the earlier uncertainty around Brexit and COVID-19. But the outlook is now more positive due to the country's successful vaccination programme.

Additionally, the UK market offers global exposure alongside attractive governance factors. As such, mergers and acquisitions have taken off, and we expect this trend to continue. Meanwhile, valuations within the market remain polarised. In our view, there are many favourable opportunities in stocks which cannot be clearly delineated as either COVID-19 winners or clear reopening beneficiaries, and we believe it is important to maintain optionality within the portfolio.

Our focus remains on company fundamentals to target strong, risk-adjusted returns.

#### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains/(losses)	29,520	(22,579)
Revenue	3,491	3,375
Expenses	(1,001)	(1,217)
Net revenue before taxation	2,490	2,158
Taxation	—	—
Net revenue after taxation	2,490	2,158
<b>Total return before distributions</b>	<b>32,010</b>	<b>(20,421)</b>
Distributions	(3,357)	(3,231)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>28,653</b>	<b>(23,652)</b>

#### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	232,160	225,218
<b>Current assets:</b>		
Debtors	1,141	3,701
Cash and bank balances	1,324	12,360
Cash equivalents**	1,565	12,015
Total assets	236,190	253,294
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(2,658)	(2,093)
Other creditors	(945)	(24,558)
Total liabilities	(3,603)	(26,651)
<b>Net assets attributable to shareholders</b>	<b>232,587</b>	<b>226,643</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>226,643</b>	<b>251,996</b>
Amounts receivable on the issue of shares	5,293	58,162
Amounts payable on the cancellation of shares	(28,546)	(31,650)
	(23,253)	26,512
Dilution adjustment	—	120
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	28,653	(23,652)
Retained distribution on accumulation shares	537	722
Unclaimed distributions	7	5
<b>Closing net assets attributable to shareholders</b>	<b>232,587</b>	<b>255,703</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

#### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Dividend distribution in pence per share

##### Class 1 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.3336	—	1.3336	0.9453
<b>Group 2</b> 08/03/21 to 07/09/21	0.6740	0.6596	1.3336	0.9453
<b>Total distributions in the period</b>			<b>1.3336</b>	<b>0.9453</b>

##### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.5431	—	1.5431	1.0921
<b>Group 2</b> 08/03/21 to 07/09/21	0.8805	0.6626	1.5431	1.0921
<b>Total distributions in the period</b>			<b>1.5431</b>	<b>1.0921</b>

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

## Threadneedle UK Growth & Income Fund

### DISTRIBUTION TABLE

(continued)

#### Class X – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.6785	–	1.6785	1.1489
<b>Group 2</b> 08/03/21 to 07/09/21	1.6785	–	1.6785	1.1489
<b>Total distributions in the period</b>			<b>1.6785</b>	<b>1.1489</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	2.2132	–	2.2132	1.5575
<b>Group 2</b> 08/03/21 to 07/09/21	1.2976	0.9156	2.2132	1.5575
<b>Total distributions in the period</b>			<b>2.2132</b>	<b>1.5575</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.6010	–	1.6010	1.1008
<b>Group 2</b> 08/03/21 to 07/09/21	1.1002	0.5008	1.6010	1.1008
<b>Total distributions in the period</b>			<b>1.6010</b>	<b>1.1008</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Growth & Income Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 2 – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	86.31	84.48	88.12	97.15	94.62	98.20
Return before operating charges (p)	13.07	4.97	1.16	14.75	5.63	1.27
Operating charges (p)	(0.75)	(1.26)	(1.51)	(0.56)	(0.92)	(1.10)
Return after operating charges (p)*	12.32	3.71	(0.35)	14.19	4.71	0.17
Distributions (p)	(1.33)	(1.88)	(3.29)	(1.54)	(2.18)	(3.75)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	97.30	86.31	84.48	109.80	97.15	94.62
*after direct transaction costs of (p)	0.01	0.04	0.02	0.01	0.04	0.02
<b>Performance</b>						
Return after charges (%)	14.27	4.39	(0.40)	14.61	4.98	0.17
<b>Other information</b>						
Closing net asset value (£000)	8,060	30,639	67,296	22,548	21,173	47,252
Closing number of shares	8,283,037	35,500,137	79,659,876	20,535,345	21,794,850	49,940,994
Operating charges (%)**	1.62 <sup>†</sup>	1.63	1.64	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.01	0.05	0.02	0.01	0.05	0.02
<b>Prices</b>						
Highest share price (p)	98.75	88.03	100.01	111.47	99.09	111.94
Lowest share price (p)	86.54	61.50	86.04	97.41	68.90	96.40
	Class X – Gross accumulation shares <sup>§</sup>			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020 <sup>†</sup>	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	105.43	99.27	100.00	142.98	138.92	143.81
Return before operating charges (p)	16.04	6.22	(0.68)	21.72	8.31	1.82
Operating charges (p)	(0.03)	(0.06)	(0.05)	(0.69)	(1.14)	(1.33)
Return after operating charges (p)*	16.01	6.16	(0.73)	21.03	7.17	0.49
Distributions (p)	(1.68)	(2.31)	(3.03)	(2.21)	(3.11)	(5.38)
Retained distributions on accumulation shares (p)	1.68	2.31	3.03	–	–	–
Closing net asset value per share (p)	121.44	105.43	99.27	161.80	142.98	138.92
*after direct transaction costs of (p)	0.01	0.05	0.02	0.01	0.07	0.03
<b>Performance</b>						
Return after charges (%)	15.19	6.21	(0.73)	14.71	5.16	0.34
<b>Other information</b>						
Closing net asset value (£000)	37,010	32,129	31,359	163,079	140,656	105,918
Closing number of shares	30,475,853	30,475,853	31,588,518	100,789,706	98,377,404	76,246,045
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06 <sup>†</sup>	0.88 <sup>†</sup>	0.88	0.88
Direct transaction costs (%)***	0.01	0.05	0.02	0.01	0.05	0.02
<b>Prices</b>						
Highest share price (p)	121.58	106.32	115.28	164.20	145.77	164.22
Lowest share price (p)	105.71	72.39	96.88	143.36	101.16	141.48

## Threadneedle UK Growth & Income Fund

### Comparative Table Disclosure

(continued)

	Class Z – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	103.42	98.19	98.00
Return before operating charges (p)	15.71	6.04	1.13
Operating charges (p)	(0.49)	(0.81)	(0.94)
Return after operating charges (p)*	15.22	5.23	0.19
Distributions (p)	(1.60)	(2.21)	(3.70)
Retained distributions on accumulation shares (p)	1.60	2.21	3.70
Closing net asset value per share (p)	118.64	103.42	98.19
*after direct transaction costs of (p)	0.01	0.05	0.02
<b>Performance</b>			
Return after charges (%)	14.72	5.33	0.19
<b>Other information</b>			
Closing net asset value (£000)	1,890	2,046	171
Closing number of shares	1,593,032	1,978,383	173,896
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.88
Direct transaction costs (%)***	0.01	0.05	0.02
<b>Prices</b>			
Highest share price (p)	118.78	104.32	114.21
Lowest share price (p)	103.70	71.57	96.42

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

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

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

<sup>†</sup>Commenced 9 May 2019.

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

## Threadneedle UK Growth & Income Fund

### Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

##### (b) Notes

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

#### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	35,500,137
Shares issued	404,867
Shares redeemed	(1,383,760)
Net conversions	(26,238,207)
Closing shares	<u>8,283,037</u>
<b>Class 2 – Income shares</b>	
Opening shares	21,794,850
Shares issued	631,538
Shares redeemed	(1,891,043)
Net conversions	–
Closing shares	<u>20,535,345</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	30,475,853
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>30,475,853</u>
<b>Class Z – Income shares</b>	
Opening shares	98,377,404
Shares issued	2,826,930
Shares redeemed	(16,213,177)
Net conversions	15,798,549
Closing shares	<u>100,789,706</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	1,978,383
Shares issued	18,691
Shares redeemed	(404,042)
Net conversions	–
Closing shares	<u>1,593,032</u>

## Threadneedle UK Equity Income Fund

### Investment Report

#### Investment Objective and Policy

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

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

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

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

The Fund typically invests in fewer than 60 companies, which may include shares of some companies not within the Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

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

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

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

Over the six months to 7 September 2021, the published share price of the Threadneedle UK Equity Income Fund has risen from 90.92p to 101.95p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, +15.31% as compared to a median return of +14.17% over the same period. (For information the FTSE All-Share Total Return Index returned +13.34% over the same period).

#### Market Overview and Portfolio Activity

The FTSE All-Share index rallied over the six months under review. Sentiment was boosted by the rollout of vaccines in the UK and globally, and the resulting hopes of an economic recovery. The UK stock market also benefited from several takeover and private-equity bids for UK-listed companies; a large number of these were at premiums to the shares in question. However, global markets were periodically unsettled by fears that rising inflation due to the economic revival and increased US fiscal stimulus could lead key central banks to rein in their accommodative measures.

In the UK, falling COVID-19 caseloads, together with the country's successful vaccination programme, paved the way for lockdown restrictions to be rolled back, with the government removing nearly all social distancing measures in England on 19 July. While COVID-19 caseloads rose in June owing to the spread of the more contagious Delta variant, the high level of inoculations meant that hospitalisations and deaths rose significantly less than in previous 'waves' of the virus. The relaxation of pandemic control measures fuelled improvements in consumer and business sentiment, which led to a strong rebound in the UK's GDP growth over the second quarter. Less positively, the recovering economy has also led to some price and wage pressures. Furthermore, the last two months of the period saw some slowing in economic activity due to supply bottlenecks and labour shortages as a result of swathes of workers being forced to isolate by rising COVID-19 cases.

The fund received shares of Electra Private Equity in exchange for a part-holding in Sherborne Investors as a result of a corporate action undertaken by the former.

We topped up several positions over the review period, such as Direct Line, Hays and Tate & Lyle.

Following a period of underperformance associated with Brexit and COVID-19, Direct Line is trading at an attractive valuation with a favourable dividend yield. With a range of well-established brands, the

company also boasts scale and diversification advantages – factors which bode well for profitability. Furthermore, we feel that scale advantages will also bring brand strength, diverse distribution relationships and an opportunity to cut costs, which the firm should continue to exploit.

Shares of recruitment business Hays have lagged UK peers over the year to date, which provided an attractive valuation point to increase the fund's exposure. As a result of management's confidence in the recovery, the business has increased investment this year, which will lead to higher medium-term earnings. However, this has prevented Hays from issuing a short-term earnings upgrade, unlike its peers.

Tate & Lyle has a strong position in the speciality ingredient channel. We feel this should be further enhanced by the sale of the firm's primary products unit – a move which should also pave the way for Tate & Lyle to return cash to shareholders.

We also added to our holding in WM Morrison before the company received a series of takeover bids. Royal Dutch Shell was sold.

Despite the rally this year, UK equities remain deeply discounted relative to global averages, partly due to the earlier uncertainty around Brexit and COVID-19. But the outlook is now more positive due to the country's successful vaccination programme.

Additionally, the UK market offers global exposure alongside attractive governance factors. As such, mergers and acquisitions have taken off, and we expect this trend to continue. Meanwhile, valuations within the market remain polarised. In our view, there are many favourable opportunities in stocks which cannot be clearly delineated as either COVID-19 winners or clear reopening beneficiaries, and we believe it is important to maintain optionality within the portfolio.

Conditions have stabilised following the swift and sharp contraction in dividend payments last year, with many companies resuming dividends and more likely to follow. Looking ahead, we expect more prudent policies and better cover. For now, however, balance sheets and liquidity are paramount.

Our focus remains on company fundamentals to target strong, risk-adjusted returns.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains/(losses)	471,903	(305,534)
Revenue	71,147	60,051
Expenses	(16,086)	(14,883)
Net revenue before taxation	55,061	45,168
Taxation	–	–
Net revenue after taxation	55,061	45,168
<b>Total return before distributions</b>	<b>526,964</b>	<b>(260,366)</b>
Distributions	(69,827)	(58,826)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>457,137</b>	<b>(319,192)</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	3,978,694	3,479,396
<b>Current assets:</b>		
Debtors	22,666	38,904
Cash and bank balances	5,734	–
Cash equivalents**	53,008	39,512
<b>Total assets</b>	<b>4,060,102</b>	<b>3,557,812</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Bank overdrafts	–	(4,843)
Distribution payable	(18,799)	(12,498)
Other creditors	(15,127)	(68,216)
<b>Total liabilities</b>	<b>(33,926)</b>	<b>(85,557)</b>
<b>Net assets attributable to shareholders</b>	<b>4,026,176</b>	<b>3,472,255</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>3,472,255</b>	<b>3,846,344</b>
Amounts receivable on the issue of shares	216,826	166,913
Amounts payable on the cancellation of shares	(148,648)	(271,183)
	68,178	(104,270)
Dilution adjustment	–	1
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	457,137	(319,192)
Retained distribution on accumulation shares	28,604	24,097
Unclaimed distributions	2	1
<b>Closing net assets attributable to shareholders</b>	<b>4,026,176</b>	<b>3,446,981</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Dividend distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	0.9693	–	0.9693	0.6292
08/06/21 to 07/09/21	0.8050	–	0.8050	0.6860
<b>Group 2</b>				
08/03/21 to 07/06/21	0.5251	0.4442	0.9693	0.6292
08/06/21 to 07/09/21	0.3914	0.4136	0.8050	0.6860
<b>Total distributions in the period</b>			<b>1.7743</b>	<b>1.3152</b>

#### Class 1 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	1.5206	–	1.5206	0.9590
08/06/21 to 07/09/21	1.2754	–	1.2754	1.0527
<b>Group 2</b>				
08/03/21 to 07/06/21	0.7698	0.7508	1.5206	0.9590
08/06/21 to 07/09/21	0.7625	0.5129	1.2754	1.0527
<b>Total distributions in the period</b>			<b>2.7960</b>	<b>2.0117</b>

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

## Threadneedle UK Equity Income Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	1.1082	–	1.1082	0.7175
08/06/21 to 07/09/21	0.9240	–	0.9240	0.7833
<b>Group 2</b>				
08/03/21 to 07/06/21	0.7880	0.3202	1.1082	0.7175
08/06/21 to 07/09/21	0.6024	0.3216	0.9240	0.7833
<b>Total distributions in the period</b>			<b>2.0322</b>	<b>1.5008</b>

#### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	1.4153	–	1.4153	0.8897
08/06/21 to 07/09/21	1.1918	–	1.1918	0.9782
<b>Group 2</b>				
08/03/21 to 07/06/21	1.1649	0.2504	1.4153	0.8897
08/06/21 to 07/09/21	0.9700	0.2218	1.1918	0.9782
<b>Total distributions in the period</b>			<b>2.6071</b>	<b>1.8679</b>

#### Class D – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	1.9364	–	1.9364	1.2482
08/06/21 to 07/09/21	1.6077	–	1.6077	1.3622
<b>Group 2</b>				
08/03/21 to 07/06/21	1.2192	0.7172	1.9364	1.2482
08/06/21 to 07/09/21	0.8365	0.7712	1.6077	1.3622
<b>Total distributions in the period</b>			<b>3.5441</b>	<b>2.6104</b>

#### Class L – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	1.8987	–	1.8987	1.2240
08/06/21 to 07/09/21	1.5852	–	1.5852	1.3376
<b>Group 2</b>				
08/03/21 to 07/06/21	1.0910	0.8077	1.8987	1.2240
08/06/21 to 07/09/21	0.8459	0.7393	1.5852	1.3376
<b>Total distributions in the period</b>			<b>3.4839</b>	<b>2.5616</b>

#### Class L – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	3.4098	–	3.4098	2.1343
08/06/21 to 07/09/21	2.8752	–	2.8752	2.3493
<b>Group 2</b>				
08/03/21 to 07/06/21	2.0978	1.3120	3.4098	2.1343
08/06/21 to 07/09/21	1.6386	1.2366	2.8752	2.3493
<b>Total distributions in the period</b>			<b>6.2850</b>	<b>4.4836</b>

#### Class X – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	1.2603	–	1.2603	0.8083
08/06/21 to 07/09/21	1.0537	–	1.0537	0.8843
<b>Group 2</b>				
08/03/21 to 07/06/21	1.2603	–	1.2603	0.8083
08/06/21 to 07/09/21	1.0537	–	1.0537	0.8843
<b>Total distributions in the period</b>			<b>2.3140</b>	<b>1.6926</b>

#### Class X – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	3.6383	–	3.6383	2.2643
08/06/21 to 07/09/21	3.0711	–	3.0711	2.4956
<b>Group 2</b>				
08/03/21 to 07/06/21	3.2033	0.4350	3.6383	2.2643
08/06/21 to 07/09/21	2.0589	1.0122	3.0711	2.4956
<b>Total distributions in the period</b>			<b>6.7094</b>	<b>4.7599</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	1.4856	–	1.4856	0.9583
08/06/21 to 07/09/21	1.2377	–	1.2377	1.0467
<b>Group 2</b>				
08/03/21 to 07/06/21	0.5367	0.9489	1.4856	0.9583
08/06/21 to 07/09/21	0.9213	0.3164	1.2377	1.0467
<b>Total distributions in the period</b>			<b>2.7233</b>	<b>2.0050</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	2.0650	–	2.0650	1.2939
08/06/21 to 07/09/21	1.7376	–	1.7376	1.4231
<b>Group 2</b>				
08/03/21 to 07/06/21	1.1480	0.9170	2.0650	1.2939
08/06/21 to 07/09/21	1.0256	0.7120	1.7376	1.4231
<b>Total distributions in the period</b>			<b>3.8026</b>	<b>2.7170</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Equity Income Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	89.73	86.50	92.03	140.75	131.80	134.39
Return before operating charges (p)	13.90	7.04	(0.12)	21.90	10.96	(0.37)
Operating charges (p)	(0.77)	(1.30)	(1.50)	(1.22)	(2.01)	(2.22)
Return after operating charges (p)*	13.13	5.74	(1.62)	20.68	8.95	(2.59)
Distributions (p)	(1.77)	(2.51)	(3.91)	(2.80)	(3.86)	(5.80)
Retained distributions on accumulation shares (p)	–	–	–	2.80	3.86	5.80
Closing net asset value per share (p)	101.09	89.73	86.50	161.43	140.75	131.80
*after direct transaction costs of (p)	0.02	0.03	0.03	0.03	0.04	0.05
<b>Performance</b>						
Return after charges (%)	14.63	6.64	(1.76)	14.69	6.79	(1.93)
<b>Other information</b>						
Closing net asset value (£000)	190,085	198,994	255,538	166,580	155,526	161,973
Closing number of shares	188,038,651	221,780,184	295,425,783	103,190,181	110,496,196	122,897,028
Operating charges (%)**	1.59 <sup>†</sup>	1.59	1.59	1.59 <sup>†</sup>	1.59	1.59
Direct transaction costs (%)***	0.04	0.04	0.03	0.04	0.04	0.03
<b>Prices</b>						
Highest share price (p)	102.06	91.77	100.40	161.70	143.12	151.70
Lowest share price (p)	90.00	64.86	87.33	141.18	98.97	130.24
	Class 2 – Income shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	101.38	97.25	102.96	129.46	120.56	122.27
Return before operating charges (p)	15.74	7.97	(0.17)	20.16	10.11	(0.37)
Operating charges (p)	(0.58)	(0.97)	(1.11)	(0.74)	(1.21)	(1.34)
Return after operating charges (p)*	15.16	7.00	(1.28)	19.42	8.90	(1.71)
Distributions (p)	(2.03)	(2.87)	(4.43)	(2.61)	(3.59)	(5.35)
Retained distributions on accumulation shares (p)	–	–	–	2.61	3.59	5.35
Closing net asset value per share (p)	114.51	101.38	97.25	148.88	129.46	120.56
*after direct transaction costs of (p)	0.02	0.03	0.04	0.03	0.04	0.05
<b>Performance</b>						
Return after charges (%)	14.95	7.20	(1.24)	15.00	7.38	(1.40)
<b>Other information</b>						
Closing net asset value (£000)	162,786	141,808	153,282	15,179	13,689	15,791
Closing number of shares	142,163,930	139,880,464	157,608,914	10,195,069	10,573,838	13,097,881
Operating charges (%)**	1.05 <sup>†</sup>	1.05	1.05	1.05 <sup>†</sup>	1.05	1.05
Direct transaction costs (%)***	0.04	0.04	0.03	0.04	0.04	0.03
<b>Prices</b>						
Highest share price (p)	115.62	103.60	112.78	149.13	131.52	138.63
Lowest share price (p)	101.68	72.94	98.20	129.85	90.56	118.65

## Threadneedle UK Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class D – Income shares			Class L – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	180.47	173.03	183.00	173.60	165.79	174.72
Return before operating charges (p)	28.01	14.09	(0.31)	26.98	13.66	(0.31)
Operating charges (p)	(1.00)	(1.68)	(1.92)	(0.57)	(0.95)	(1.08)
Return after operating charges (p)*	27.01	12.41	(2.23)	26.41	12.71	(1.39)
Distributions (p)	(3.54)	(4.97)	(7.74)	(3.48)	(4.90)	(7.54)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	203.94	180.47	173.03	196.53	173.60	165.79
*after direct transaction costs of (p)	0.04	0.06	0.07	0.04	0.05	0.06
<b>Performance</b>						
Return after charges (%)	14.97	7.17	(1.22)	15.21	7.67	(0.80)
<b>Other information</b>						
Closing net asset value (£000)	1,286	1,502	1,131	674,287	498,719	501,268
Closing number of shares	630,362	832,005	653,324	343,096,288	287,275,107	302,346,792
Operating charges (%)**	1.02 <sup>†</sup>	1.02	1.02	0.60 <sup>†</sup>	0.60	0.60
Direct transaction costs (%)***	0.04	0.04	0.03	0.04	0.04	0.03
<b>Prices</b>						
Highest share price (p)	205.89	184.41	200.60	198.44	177.29	192.08
Lowest share price (p)	181.02	129.77	174.67	174.13	124.37	167.39
	Class L – Accumulation shares			Class X – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	311.75	289.03	291.80	115.15	109.47	114.73
Return before operating charges (p)	48.62	24.39	(0.93)	17.91	8.97	(0.24)
Operating charges (p)	(1.02)	(1.67)	(1.84)	(0.03)	(0.05)	(0.06)
Return after operating charges (p)*	47.60	22.72	(2.77)	17.88	8.92	(0.30)
Distributions (p)	(6.29)	(8.63)	(12.78)	(2.31)	(3.24)	(4.96)
Retained distributions on accumulation shares (p)	6.29	8.63	12.78	–	–	–
Closing net asset value per share (p)	359.35	311.75	289.03	130.72	115.15	109.47
*after direct transaction costs of (p)	0.07	0.10	0.11	0.02	0.04	0.04
<b>Performance</b>						
Return after charges (%)	15.27	7.86	(0.95)	15.53	8.15	(0.26)
<b>Other information</b>						
Closing net asset value (£000)	349,652	262,984	394,113	15,974	14,902	6,902
Closing number of shares	97,301,665	84,356,791	136,359,046	12,220,099	12,940,648	6,304,941
Operating charges (%)**	0.60 <sup>†</sup>	0.60	0.60	0.05 <sup>†</sup>	0.05	0.05
Direct transaction costs (%)***	0.04	0.04	0.03	0.04	0.04	0.03
<b>Prices</b>						
Highest share price (p)	359.94	316.48	332.04	131.99	117.49	126.69
Lowest share price (p)	312.70	217.13	283.46	115.50	82.14	110.51

## Threadneedle UK Equity Income Fund

### Comparative Table Disclosure

(continued)

	Class X – Accumulation shares			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	332.28	306.37	307.62	136.70	130.82	138.14
Return before operating charges (p)	51.89	26.06	(1.09)	21.23	10.73	(0.24)
Operating charges (p)	(0.09)	(0.15)	(0.16)	(0.61)	(1.02)	(1.16)
Return after operating charges (p)*	51.80	25.91	(1.25)	20.62	9.71	(1.40)
Distributions (p)	(6.71)	(9.18)	(13.51)	(2.72)	(3.83)	(5.92)
Retained distributions on accumulation shares (p)	6.71	9.18	13.51	–	–	–
Closing net asset value per share (p)	384.08	332.28	306.37	154.60	136.70	130.82
*after direct transaction costs of (p)	0.07	0.10	0.11	0.03	0.04	0.05
<b>Performance</b>						
Return after charges (%)	15.59	8.46	(0.41)	15.08	7.42	(1.01)
<b>Other information</b>						
Closing net asset value (£000)	72,728	33,052	29,029	1,298,271	1,243,133	1,372,924
Closing number of shares	18,935,843	9,947,080	9,474,838	839,757,988	909,369,374	1,049,501,400
Operating charges (%)**	0.05 <sup>†</sup>	0.05	0.05	0.82 <sup>†</sup>	0.82	0.82
Direct transaction costs (%)***	0.04	0.04	0.03	0.04	0.04	0.03
<b>Prices</b>						
Highest share price (p)	384.70	337.03	351.60	156.09	139.65	151.62
Lowest share price (p)	333.30	230.22	299.23	137.12	98.12	132.07
<b>Class Z – Accumulation shares</b>						
	07/09/2021	07/03/2021	07/03/2020			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	190.02	176.57	178.67			
Return before operating charges (p)	29.61	14.84	(0.56)			
Operating charges (p)	(0.85)	(1.39)	(1.54)			
Return after operating charges (p)*	28.76	13.45	(2.10)			
Distributions (p)	(3.80)	(5.23)	(7.77)			
Retained distributions on accumulation shares (p)	3.80	5.23	7.77			
Closing net asset value per share (p)	218.78	190.02	176.57			
*after direct transaction costs of (p)	0.04	0.06	0.07			
<b>Performance</b>						
Return after charges (%)	15.14	7.62	(1.18)			
<b>Other information</b>						
Closing net asset value (£000)	1,079,348	907,946	954,393			
Closing number of shares	493,339,576	477,812,537	540,524,493			
Operating charges (%)**	0.82 <sup>†</sup>	0.82	0.82			
Direct transaction costs (%)***	0.04	0.04	0.03			
<b>Prices</b>						
Highest share price (p)	219.14	192.97	202.94			
Lowest share price (p)	190.60	132.63	173.47			

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

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

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

## Threadneedle UK Equity Income Fund

### Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

##### (b) Notes

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

#### 2 RECONCILIATION OF SHARES

	2021	2021
<b>Class 1 – Income shares</b>		
Opening shares	221,780,184	
Shares issued	4,076,326	
Shares redeemed	(9,410,423)	
Net conversions	(28,407,436)	
Closing shares	188,038,651	
<b>Class 1 – Accumulation shares</b>		
Opening shares	110,496,196	
Shares issued	1,487,491	
Shares redeemed	(7,875,380)	
Net conversions	(918,126)	
Closing shares	103,190,181	
<b>Class 2 – Income shares</b>		
Opening shares	139,880,464	
Shares issued	8,790,998	
Shares redeemed	(6,418,132)	
Net conversions	(89,400)	
Closing shares	142,163,930	
<b>Class 2 – Accumulation shares</b>		
Opening shares	10,573,838	
Shares issued	1,750,356	
Shares redeemed	(2,129,125)	
Net conversions	–	
Closing shares	10,195,069	
<b>Class D – Income shares</b>		
Opening shares	832,005	
Shares issued	21,681	
Shares redeemed	(172,636)	
Net conversions	(50,688)	
Closing shares	630,362	
<b>Class L – Income shares</b>		
Opening shares	287,275,107	
Shares issued	5,572,930	
Shares redeemed	(11,685,986)	
Net conversions	61,934,237	
Closing shares	343,096,288	
<b>Class L – Accumulation shares</b>		
Opening shares	84,356,791	
Shares issued	8,007,560	
Shares redeemed	(2,007,309)	
Net conversions	6,944,623	
Closing shares	97,301,665	
<b>Class X – Income shares</b>		
Opening shares	12,940,648	
Shares issued	–	
Shares redeemed	(720,549)	
Net conversions	–	
Closing shares	12,220,099	
<b>Class X – Accumulation shares</b>		
Opening shares	9,947,080	
Shares issued	9,140,356	
Shares redeemed	(151,593)	
Net conversions	–	
Closing shares	18,935,843	
<b>Class Z – Income shares</b>		
Opening shares	909,369,374	
Shares issued	49,383,984	
Shares redeemed	(48,225,635)	
Net conversions	(70,769,735)	
Closing shares	839,757,988	
<b>Class Z – Accumulation shares</b>		
Opening shares	477,812,537	
Shares issued	27,046,787	
Shares redeemed	(8,484,967)	
Net conversions	(3,034,781)	
Closing shares	493,339,576	

## Threadneedle UK Monthly Income Fund

### Investment Report

#### Investment Objective and Policy

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

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

The Fund focuses on selecting companies that exhibit strong potential for paying attractive and sustainable dividend income. These companies may be chosen from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on the larger companies included in the FTSE All-Share Index.

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

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

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

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

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

Over the six months to 7 September 2021, the published share price of the Threadneedle UK Monthly Income Fund has risen from 65.72p to 72.32p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +14.29% as compared to a median return of +14.17% over the same period. (For information the FTSE All-Share Total Return Index returned +13.34% over the same period).

#### Market Overview and Portfolio Activity

The beginning of the period marked almost the exact anniversary of the arrival of COVID-19 in the UK. Once again, it was the trajectory of the pandemic and, to a lesser extent, the related expectations about US monetary policy, which defined the six months of the review period.

The domestic backdrop was one of a progressive easing of restrictions; the UK government pressed ahead with its so-called Freedom Day on 19 July, effectively bringing to an end the third nationwide lockdown. Successive lockdowns have prompted a sharp rise in savings, especially among higher socioeconomic groups. However, the revival of consumption following the relaxation of restrictions has been more muted than widely expected as consumer behaviour has remained cautious, despite the UK having one of the fastest vaccination rollout programmes of any major global economy. As the period concluded, infection and hospitalisation rates were again rising, though the high vaccination rate meant that deaths were significantly lower than in previous 'waves' of the virus.

Despite the more muted economic recovery, there were mounting concerns about whether the inevitable, but inherently transitory, rise in inflation would develop into a more sustained phenomenon. This brought forward expectations for the withdrawal of monetary stimulus and subsequent rise in interest rates. However, US 10-year government bond yields actually peaked in March at around 1.75% but curiously fell away over the summer, despite the ongoing uncertainty about the duration of inflationary pressures.

The lack of a clear reason why bond yields had fallen served to unsettle investors over the remainder of the period. As a consequence, equity markets traded with a lack of clear conviction. Nonetheless, the UK

market, as measured by the FTSE All Share index, rose by 9.3% over the review period.

The fund retained the broadly balanced strategic stance it had progressively adopted in the second and third quarters of 2020. Given how the initial 'risk on' tone quickly changed to a more cautious one, this was an appropriate stance. It also enabled the fund to focus on stock-specific opportunities rather than being distracted by sentiment around the swing of the macro pendulum.

During the period, the fund initiated new holdings in Supermarket Income Real Estate Investment Trust, Tate & Lyle and Smiths Group. The former is an interesting – and moderately rated – play on a new, emerging subsector of the property market. Tate & Lyle and Smiths Group are historic conglomerates; both presented attractive entry levels following poorly received attempts to restructure by disposing of significant divisions. The small position in Compass was exited. Together with two share splits, this saw the total number of fund holdings increase from 66 to 70 during the period. At the stock level, the biggest change was a significant reduction in the size of the position in BHP at the time of its dividend payment. At a sector level, the fund retains significant overweight positions in industrials, life assurance and property, while remaining underweight in banks, oil and gas and, increasingly, mining companies.

With the outlook for dividends significantly improving, it is pleasing to be able to return to the fund's traditional policy of aiming to pay 11 equal monthly dividend payments. These will increase by approximately 21% to 0.18 ppu for the I class shares and by 15% to 0.30 ppu for the Z class versus the average for the first 11 months of the fund's previous financial year. These rates of increase for the year will be more closely aligned with each other once the likely modest reduction in the fund's final payment is taken into account.

At period end, the historic yield on an ex-dividend basis was 3.4% for the I class units and 3.3% for the Z class units.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains/(losses)	41,492	(44,626)
Revenue	9,211	7,703
Expenses	(2,115)	(2,255)
Net revenue before taxation	7,096	5,448
Taxation	–	–
Net revenue after taxation	7,096	5,448
<b>Total return before distributions</b>	<b>48,588</b>	<b>(39,178)</b>
Distributions	(5,802)	(5,006)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>42,786</b>	<b>(44,184)</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	389,052	364,472
<b>Current assets:</b>		
Debtors	4,353	2,865
Cash and bank balances	424	3,391
Cash equivalents**	5,912	2,012
<b>Total assets</b>	<b>399,741</b>	<b>372,740</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(929)	(3,458)
Other creditors	(1,251)	(3,375)
<b>Total liabilities</b>	<b>(2,180)</b>	<b>(6,833)</b>
<b>Net assets attributable to shareholders</b>	<b>397,561</b>	<b>365,907</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>365,907</b>	<b>385,583</b>
Amounts receivable on the issue of shares	4,361	106,550
Amounts payable on the cancellation of shares	(15,538)	(114,604)
	(11,177)	(8,054)
Dilution adjustment	(4)	(11)
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	42,786	(44,184)
Unclaimed distributions	49	36
<b>Closing net assets attributable to shareholders</b>	<b>397,561</b>	<b>333,370</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Dividend distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.1800	–	0.1800	0.1200
08/04/21 to 07/05/21	0.1800	–	0.1800	0.1200
08/05/21 to 07/06/21	0.1800	–	0.1800	0.1200
08/06/21 to 07/07/21	0.1800	–	0.1800	0.1600
08/07/21 to 07/08/21	0.1800	–	0.1800	0.1600
08/08/21 to 07/09/21	0.1800	–	0.1800	0.1600
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0063	0.1737	0.1800	0.1200
08/04/21 to 07/05/21	–	0.1800	0.1800	0.1200
08/05/21 to 07/06/21	–	0.1800	0.1800	0.1200
08/06/21 to 07/07/21	–	0.1800	0.1800	0.1600
08/07/21 to 07/08/21	–	0.1800	0.1800	0.1600
08/08/21 to 07/09/21	–	0.1800	0.1800	0.1600
<b>Total distributions in the period</b>			<b>1.0800</b>	<b>0.8400</b>

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

## Threadneedle UK Monthly Income Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.2600	–	0.2600	0.1800
08/04/21 to 07/05/21	0.2600	–	0.2600	0.1800
08/05/21 to 07/06/21	0.2600	–	0.2600	0.1800
08/06/21 to 07/07/21	0.2600	–	0.2600	0.2400
08/07/21 to 07/08/21	0.2600	–	0.2600	0.2400
08/08/21 to 07/09/21	0.2600	–	0.2600	0.2400
<b>Group 2</b>				
08/03/21 to 07/04/21	0.2600	–	0.2600	0.1800
08/04/21 to 07/05/21	0.2600	–	0.2600	0.1800
08/05/21 to 07/06/21	0.2600	–	0.2600	0.1800
08/06/21 to 07/07/21	0.2600	–	0.2600	0.2400
08/07/21 to 07/08/21	0.2600	–	0.2600	0.2400
08/08/21 to 07/09/21	0.2600	–	0.2600	0.2400
<b>Total distributions in the period</b>			<b>1.5600</b>	<b>1.2600</b>

#### Class X – Gross income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.2600	–	0.2600	0.1750
08/04/21 to 07/05/21	0.2600	–	0.2600	0.1750
08/05/21 to 07/06/21	0.2600	–	0.2600	0.1750
08/06/21 to 07/07/21	0.2600	–	0.2600	0.2350
08/07/21 to 07/08/21	0.2600	–	0.2600	0.2350
08/08/21 to 07/09/21	0.2600	–	0.2600	0.2350
<b>Group 2</b>				
08/03/21 to 07/04/21	0.2600	–	0.2600	0.1750
08/04/21 to 07/05/21	0.2600	–	0.2600	0.1750
08/05/21 to 07/06/21	0.2600	–	0.2600	0.1750
08/06/21 to 07/07/21	0.2600	–	0.2600	0.2350
08/07/21 to 07/08/21	0.2600	–	0.2600	0.2350
08/08/21 to 07/09/21	0.2600	–	0.2600	0.2350
<b>Total distributions in the period</b>			<b>1.5600</b>	<b>1.2300</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.3000	–	0.3000	0.2100
08/04/21 to 07/05/21	0.3000	–	0.3000	0.2100
08/05/21 to 07/06/21	0.3000	–	0.3000	0.2100
08/06/21 to 07/07/21	0.3000	–	0.3000	0.2800
08/07/21 to 07/08/21	0.3000	–	0.3000	0.2800
08/08/21 to 07/09/21	0.3000	–	0.3000	0.2800
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0479	0.2521	0.3000	0.2100
08/04/21 to 07/05/21	–	0.3000	0.3000	0.2100
08/05/21 to 07/06/21	–	0.3000	0.3000	0.2100
08/06/21 to 07/07/21	–	0.3000	0.3000	0.2800
08/07/21 to 07/08/21	–	0.3000	0.3000	0.2800
08/08/21 to 07/09/21	–	0.3000	0.3000	0.2800
<b>Total distributions in the period</b>			<b>1.8000</b>	<b>1.4700</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Monthly Income Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 2 – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	64.61	64.34	69.50	96.05	95.23	102.34
Return before operating charges (p)	9.05	3.45	(0.49)	13.47	5.14	(0.74)
Operating charges (p)	(0.52)	(0.94)	(1.16)	(0.54)	(0.93)	(1.11)
Return after operating charges (p)*	8.53	2.51	(1.65)	12.93	4.21	(1.85)
Distributions (p)	(1.08)	(2.24)	(3.51)	(1.56)	(3.39)	(5.26)
Closing net asset value per share (p)	72.06	64.61	64.34	107.42	96.05	95.23
*after direct transaction costs of (p)	0.02	0.07	0.12	0.02	0.10	0.18
<b>Performance</b>						
Return after charges (%)	13.20	3.90	(2.37)	13.46	4.42	(1.81)
<b>Other information</b>						
Closing net asset value (£000)	23,847	175,411	322,344	40	36	81
Closing number of shares	33,095,746	271,490,142	500,965,659	37,157	37,157	84,409
Operating charges (%)**	1.52 <sup>†</sup>	1.58	1.63	1.05 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.05	0.11	0.17	0.05	0.11	0.17
<b>Prices</b>						
Highest share price (p)	72.52	66.45	75.60	108.11	98.75	111.74
Lowest share price (p)	64.95	48.93	65.06	96.56	72.43	96.28
	Class X – Gross income shares <sup>‡</sup>			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020 <sup>†</sup>	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	95.10	93.39	100.00	115.27	114.02	122.23
Return before operating charges (p)	13.35	5.08	(2.60)	16.19	6.17	(0.90)
Operating charges (p)	(0.03)	(0.05)	–	(0.55)	(0.94)	(1.11)
Return after operating charges (p)*	13.32	5.03	(2.60)	15.64	5.23	(2.01)
Distributions (p)	(1.56)	(3.32)	(4.01)	(1.80)	(3.98)	(6.20)
Closing net asset value per share (p)	106.86	95.10	93.39	129.11	115.27	114.02
*after direct transaction costs of (p)	0.02	0.10	0.17	0.03	0.12	0.21
<b>Performance</b>						
Return after charges (%)	14.01	5.39	(2.60)	13.57	4.59	(1.64)
<b>Other information</b>						
Closing net asset value (£000)	7,938	7,896	1	365,736	182,564	63,157
Closing number of shares	7,428,215	8,303,653	1,000	283,283,546	158,379,335	55,392,407
Operating charges (%)**	0.06 <sup>†</sup>	0.06	– <sup>†</sup>	0.88 <sup>†</sup>	0.88	0.88
Direct transaction costs (%)***	0.05	0.11	0.17	0.05	0.11	0.17
<b>Prices</b>						
Highest share price (p)	107.54	97.60	109.53	129.92	118.46	133.84
Lowest share price (p)	95.60	71.05	94.53	115.88	86.73	115.34

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

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

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

<sup>†</sup>Commenced 9 May 2019.

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

# Threadneedle UK Monthly Income Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	271,490,142
Shares issued	3,090,022
Shares redeemed	(7,391,572)
Net conversions	(234,092,846)
Closing shares	<u>33,095,746</u>
<b>Class 2 – Income shares</b>	
Opening shares	37,157
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>37,157</u>
<b>Class X – Gross income shares</b>	
Opening shares	8,303,653
Shares issued	–
Shares redeemed	(875,438)
Net conversions	–
Closing shares	<u>7,428,215</u>
<b>Class Z – Income shares</b>	
Opening shares	158,379,335
Shares issued	1,830,507
Shares redeemed	(7,763,026)
Net conversions	130,836,730
Closing shares	<u>283,283,546</u>

## Threadneedle Monthly Extra Income Fund

### Investment Report

#### Investment Objective and Policy

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

The Fund is actively managed, and invests in a combination of company shares and bonds; typically, between 70-80% in UK company shares and 20%-30% in bonds. The Fund considers UK companies to mean companies listed on the London Stock Exchange; predominantly those domiciled in the UK, or which have significant UK business operations.

The Fund selects companies that exhibit above average income generation potential, as well as those considered to offer opportunities more by way of share price or dividend growth. These companies may be chosen from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on the larger companies included in the FTSE All-Share Index. The bonds selected are usually investment grade corporate bonds, but may also include government bonds. These bonds are denominated in sterling (or hedged back to sterling, if a different currency). The FTSE All-Share Index is regarded as an appropriate performance measure of the UK stock market, with over 600 companies currently included. The income yield of this index provides a suitable target benchmark against which the level of income generated by the Fund will be measured and evaluated over time.

The Fund may also invest in money market instruments, deposits, cash and near cash and other collective investment schemes (including funds managed by Columbia Threadneedle companies) when deemed appropriate. The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

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

Over the six months to 7 September 2021, the published share price of the Threadneedle Monthly Extra Income Fund has risen from 78.46p to 86.18p. Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is

+12.81%. For information the 80% FTSE All Share + 20% ICE BofA Sterling Corporate & Collateralized gave a total return of +11.25% for the same period.

#### Market Overview and Portfolio Activity

The FTSE All-Share index rallied over the six months under review. Sentiment was boosted by the rollout of vaccines in the UK and globally, and the resulting hopes of an economic recovery. The UK stock market also benefited from several takeover and private-equity bids for UK-listed companies; a large number of these were at premiums to the shares in question. However, global markets were periodically unsettled by fears that rising inflation due to the economic revival and increased US fiscal stimulus could lead key central banks to rein in their accommodative measures.

Sterling investment-grade (IG) corporate bonds delivered modest positive returns over the six-month period in review. This was driven both by a slight fall in UK government bond (or 'gilt') yields (which move inversely to price) and by a similarly small narrowing in credit spreads (the yield premiums offered by corporate bonds over "risk-free" government bonds of the same maturity). Not only were credit spreads little changed overall, they also traded in a very tight range. On the one hand, credit markets were supported by strong economic growth as vaccine rollouts allowed much of the world to escape from lockdown, and by corporate results that continued to beat forecasts. On the other, sentiment was kept in check by worries about the rapidly spreading Delta variant of the coronavirus and related signs of cooling economic momentum. With spreads historically tight, valuation concerns were also a factor.

In terms of the UK economy, the relaxation of pandemic control measures fuelled improvements in consumer and business sentiment, which led to a strong rebound in the UK's GDP growth over the second quarter. Less positively, the recovering economy has also led to some price and wage pressures. Furthermore, the last two months of the period saw some slowing in economic activity due to supply bottlenecks and labour shortages as a result of swathes of workers being forced to isolate by rising COVID-19 cases. Within equities, we initiated a position in the Supermarket Income real-estate investment trust (REIT), which focuses on investments in supermarket properties and carries an attractive dividend yield. We feel its investment in Sainsbury's via a joint venture is likely to prove

beneficial, and that the growing adoption of the omni-channel model by supermarkets should also be successful for the REIT.

Over the review period, we also added to some existing holdings, such as Direct Line. The stock is trading at an attractive valuation with a favourable dividend yield. With a range of well-established brands, the company also boasts scale and diversification advantages – factors which bode well for profitability. Furthermore, we feel the scale advantages will also bring brand strength, diverse distribution relationships and an opportunity to cut costs, which the firm should continue to exploit.

The fund received shares of Electra Private Equity in exchange for the majority of the holding in Sherborne Investors as a result of a corporate action undertaken by the former.

Royal Dutch Shell was sold. The stock has performed well since November amid the 'reflation trade'.

The fixed-income segment retains a modest overweight in credit risk, which remains tilted to defensive sectors, such as regulated utilities and industrials, which we think will weather the crisis well.

We were active in the primary market, taking part in a range of new issues over the period. These included deals from financials Goldman Sachs, HSBC, JPMorgan, Virgin Money and ANZ Bank. In other sectors, we added a position in auto-parts supplier Mahle.

In the secondary market, we topped up Bank of America, E.On and Thames Water, among others. Sales included Becton Dickinson and First Hydro. We reduced positions in Bunzl.

Despite the rally this year, UK equities remain deeply discounted relative to global averages, partly due to the earlier uncertainty around Brexit and COVID-19. But the outlook is now more positive due to the country's successful vaccination programme.

Additionally, the UK market offers global exposure alongside attractive governance factors. As such, mergers and acquisitions have taken off, and we expect this trend to continue. Meanwhile, valuations within the market remain polarised. In our view, there are many favourable opportunities in stocks which cannot be clearly delineated as either COVID-19 winners or clear reopening beneficiaries, and we believe it is important to maintain optionality within the portfolio.

#### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains/(losses)	21,662	(18,578)
Revenue	4,332	4,081
Expenses	(835)	(879)
Interest payable and similar charges	–	(1)
Net revenue before taxation	3,497	3,201
Taxation	–	–
Net revenue after taxation	3,497	3,201
<b>Total return before distributions</b>	<b>25,159</b>	<b>(15,377)</b>
Distributions	(3,329)	(3,406)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>21,830</b>	<b>(18,783)</b>

#### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	214,086	224,541
<b>Current assets:</b>		
Debtors	1,702	1,937
Cash and bank balances	620	2,264
<b>Total assets</b>	<b>216,408</b>	<b>228,742</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(8)	(21)
<b>Creditors:</b>		
Distribution payable	(480)	(981)
Other creditors	(871)	(2,521)
<b>Total liabilities</b>	<b>(1,359)</b>	<b>(3,523)</b>
<b>Net assets attributable to shareholders</b>	<b>215,049</b>	<b>225,219</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>225,219</b>	<b>274,662</b>
Amounts receivable on the issue of shares	1,549	46,641
Amounts payable on the cancellation of shares	(33,741)	(77,043)
	(32,192)	(30,402)
Dilution adjustment	16	223
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	21,830	(18,783)
Retained distribution on accumulation shares	176	218
<b>Closing net assets attributable to shareholders</b>	<b>215,049</b>	<b>225,918</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

#### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Dividend distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.2075	–	0.2075	0.1800
08/04/21 to 07/05/21	0.2075	–	0.2075	0.1800
08/05/21 to 07/06/21	0.2075	–	0.2075	0.1800
08/06/21 to 07/07/21	0.2075	–	0.2075	0.1800
08/07/21 to 07/08/21	0.2075	–	0.2075	0.1700
08/08/21 to 07/09/21	0.2075	–	0.2075	0.1800
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0227	0.1848	0.2075	0.1800
08/04/21 to 07/05/21	–	0.2075	0.2075	0.1800
08/05/21 to 07/06/21	–	0.2075	0.2075	0.1800
08/06/21 to 07/07/21	–	0.2075	0.2075	0.1800
08/07/21 to 07/08/21	–	0.2075	0.2075	0.1700
08/08/21 to 07/09/21	–	0.2075	0.2075	0.1800
<b>Total distributions in the period</b>			<b>1.2450</b>	<b>1.0700</b>

# Threadneedle Monthly Extra Income Fund

## DISTRIBUTION TABLE

(continued)

### Class 1 EUR Hedged – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.4248	–	0.4248	0.4255
08/04/21 to 07/05/21	0.5131	–	0.5131	0.1594
08/05/21 to 07/06/21	0.3120	–	0.3120	0.3235
08/06/21 to 07/07/21	0.2946	–	0.2946	0.2263
08/07/21 to 07/08/21	0.1636	–	0.1636	0.2358
08/08/21 to 07/09/21	0.5736	–	0.5736	0.5148
<b>Group 2</b>				
08/03/21 to 07/04/21	0.4248	–	0.4248	0.4255
08/04/21 to 07/05/21	0.5131	–	0.5131	0.1594
08/05/21 to 07/06/21	0.3120	–	0.3120	0.3235
08/06/21 to 07/07/21	0.2946	–	0.2946	0.2263
08/07/21 to 07/08/21	0.1636	–	0.1636	0.2358
08/08/21 to 07/09/21	0.5736	–	0.5736	0.5148
<b>Total distributions in the period</b>			<b>2.2817</b>	<b>1.8853</b>

### Class 1 EUR Hedged – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.3687	–	0.3687	0.3586
08/04/21 to 07/05/21	0.4465	–	0.4465	0.1354
08/05/21 to 07/06/21	0.2737	–	0.2737	0.2741
08/06/21 to 07/07/21	0.2588	–	0.2588	0.1917
08/07/21 to 07/08/21	0.1451	–	0.1451	0.2001
08/08/21 to 07/09/21	0.5054	–	0.5054	0.4381
<b>Group 2</b>				
08/03/21 to 07/04/21	0.3687	–	0.3687	0.3586
08/04/21 to 07/05/21	0.4465	–	0.4465	0.1354
08/05/21 to 07/06/21	0.2737	–	0.2737	0.2741
08/06/21 to 07/07/21	0.2588	–	0.2588	0.1917
08/07/21 to 07/08/21	0.1451	–	0.1451	0.2001
08/08/21 to 07/09/21	0.5054	–	0.5054	0.4381
<b>Total distributions in the period</b>			<b>1.9982</b>	<b>1.5980</b>

### Class X – Gross income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.2650	–	0.2650	0.2300
08/04/21 to 07/05/21	0.2650	–	0.2650	0.2300
08/05/21 to 07/06/21	0.2650	–	0.2650	0.2300
08/06/21 to 07/07/21	0.2650	–	0.2650	0.2300
08/07/21 to 07/08/21	0.2650	–	0.2650	0.2150
08/08/21 to 07/09/21	0.2650	–	0.2650	0.2300
<b>Group 2</b>				
08/03/21 to 07/04/21	0.2650	–	0.2650	0.2300
08/04/21 to 07/05/21	0.2650	–	0.2650	0.2300
08/05/21 to 07/06/21	0.2650	–	0.2650	0.2300
08/06/21 to 07/07/21	0.2650	–	0.2650	0.2300
08/07/21 to 07/08/21	0.2650	–	0.2650	0.2150
08/08/21 to 07/09/21	0.2650	–	0.2650	0.2300
<b>Total distributions in the period</b>			<b>1.5900</b>	<b>1.3650</b>

### Class X – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.2650	–	0.2650	0.2300
08/04/21 to 07/05/21	0.2650	–	0.2650	0.2300
08/05/21 to 07/06/21	0.2650	–	0.2650	0.2300
08/06/21 to 07/07/21	0.2650	–	0.2650	0.2300
08/07/21 to 07/08/21	0.2650	–	0.2650	0.2300
08/08/21 to 07/09/21	0.2650	–	0.2650	0.2300
<b>Group 2</b>				
08/03/21 to 07/04/21	0.2650	–	0.2650	0.2300
08/04/21 to 07/05/21	0.2650	–	0.2650	0.2300
08/05/21 to 07/06/21	0.2650	–	0.2650	0.2300
08/06/21 to 07/07/21	0.2650	–	0.2650	0.2300
08/07/21 to 07/08/21	0.2650	–	0.2650	0.2300
08/08/21 to 07/09/21	0.2650	–	0.2650	0.2300
<b>Total distributions in the period</b>			<b>1.5900</b>	<b>1.3800</b>

### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.3575	–	0.3575	0.3100
08/04/21 to 07/05/21	0.3575	–	0.3575	0.3100
08/05/21 to 07/06/21	0.3575	–	0.3575	0.3100
08/06/21 to 07/07/21	0.3575	–	0.3575	0.3100
08/07/21 to 07/08/21	0.3575	–	0.3575	0.3100
08/08/21 to 07/09/21	0.3575	–	0.3575	0.3100
<b>Group 2</b>				
08/03/21 to 07/04/21	0.1510	0.2065	0.3575	0.3100
08/04/21 to 07/05/21	–	0.3575	0.3575	0.3100
08/05/21 to 07/06/21	–	0.3575	0.3575	0.3100
08/06/21 to 07/07/21	–	0.3575	0.3575	0.3100
08/07/21 to 07/08/21	–	0.3575	0.3575	0.3100
08/08/21 to 07/09/21	–	0.3575	0.3575	0.3100
<b>Total distributions in the period</b>			<b>2.1450</b>	<b>1.8600</b>

### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.3175	–	0.3175	0.2750
08/04/21 to 07/05/21	0.3175	–	0.3175	0.2750
08/05/21 to 07/06/21	0.3175	–	0.3175	0.2750
08/06/21 to 07/07/21	0.3175	–	0.3175	0.2750
08/07/21 to 07/08/21	0.3175	–	0.3175	0.2750
08/08/21 to 07/09/21	0.3175	–	0.3175	0.2750
<b>Group 2</b>				
08/03/21 to 07/04/21	0.1784	0.1391	0.3175	0.2750
08/04/21 to 07/05/21	–	0.3175	0.3175	0.2750
08/05/21 to 07/06/21	–	0.3175	0.3175	0.2750
08/06/21 to 07/07/21	–	0.3175	0.3175	0.2750
08/07/21 to 07/08/21	–	0.3175	0.3175	0.2750
08/08/21 to 07/09/21	–	0.3175	0.3175	0.2750
<b>Total distributions in the period</b>			<b>1.9050</b>	<b>1.6500</b>

### Class Z EUR Hedged – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.3774	–	0.3774	0.3603
08/04/21 to 07/05/21	0.4579	–	0.4579	0.1387
08/05/21 to 07/06/21	0.2800	–	0.2800	0.2801
08/06/21 to 07/07/21	0.2652	–	0.2652	0.1965
08/07/21 to 07/08/21	0.1485	–	0.1485	0.2060
08/08/21 to 07/09/21	0.5182	–	0.5182	0.4462
<b>Group 2</b>				
08/03/21 to 07/04/21	0.3774	–	0.3774	0.3603
08/04/21 to 07/05/21	0.4579	–	0.4579	0.1387
08/05/21 to 07/06/21	0.2800	–	0.2800	0.2801
08/06/21 to 07/07/21	0.2652	–	0.2652	0.1965
08/07/21 to 07/08/21	0.1485	–	0.1485	0.2060
08/08/21 to 07/09/21	0.5182	–	0.5182	0.4462
<b>Total distributions in the period</b>			<b>2.0472</b>	<b>1.6276</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Monthly Extra Income Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 EUR Hedged – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	77.99	77.19	78.22	115.41	115.42	117.01
Return before operating charges (p)	9.66	3.96	3.21	13.38	4.85	4.80
Operating charges (p)	(0.53)	(0.98)	(1.12)	(0.78)	(1.51)	(1.69)
Return after operating charges (p)*	9.13	2.98	2.09	12.60	3.34	3.11
Distributions (p)	(1.25)	(2.18)	(3.12)	(2.28)	(3.35)	(4.70)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	85.87	77.99	77.19	125.73	115.41	115.42
*after direct transaction costs of (p)	0.01	0.05	0.02	0.01	0.08	0.03
<b>Performance</b>						
Return after charges (%)	11.71	3.86	2.67	10.92	2.89	2.66
<b>Other information</b>						
Closing net asset value (£000)	23,322	25,648	51,692	1,697	2,160	3,538
Closing number of shares	27,159,881	32,885,101	66,965,303	1,349,409	1,871,594	3,065,112
Operating charges (%)**	1.29 <sup>†</sup>	1.34	1.39	1.29 <sup>†</sup>	1.34	1.39
Direct transaction costs (%)***	0.01	0.07	0.03	0.01	0.07	0.03
<b>Prices</b>						
Highest share price (p)	86.27	80.08	86.20	126.45	123.62	130.58
Lowest share price (p)	77.80	59.91	76.90	114.34	96.04	113.86
	Class 1 EUR Hedged – Accumulation shares			Class X – Gross income shares <sup>§</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020 <sup>†</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	99.98	97.10	94.74	101.65	99.51	100.00
Return before operating charges (p)	11.71	4.16	3.74	12.52	5.00	2.62
Operating charges (p)	(0.68)	(1.28)	(1.38)	(0.04)	(0.07)	–
Return after operating charges (p)*	11.03	2.88	2.36	12.48	4.93	2.62
Distributions (p)	(2.00)	(2.86)	(3.88)	(1.59)	(2.79)	(3.11)
Retained distributions on accumulation shares (p)	2.00	2.86	3.88	–	–	–
Closing net asset value per share (p)	111.01	99.98	97.10	112.54	101.65	99.51
*after direct transaction costs of (p)	0.01	0.07	0.03	0.01	0.07	0.03
<b>Performance</b>						
Return after charges (%)	11.03	2.97	2.49	12.28	4.95	2.62
<b>Other information</b>						
Closing net asset value (£000)	11	10	10	16,096	15,523	1
Closing number of shares	10,001	10,001	10,001	14,302,237	15,271,041	1,000
Operating charges (%)**	1.28 <sup>†</sup>	1.33	1.37	0.07 <sup>†</sup>	0.07	– <sup>†</sup>
Direct transaction costs (%)***	0.01	0.07	0.03	0.01	0.07	0.03
<b>Prices</b>						
Highest share price (p)	111.14	106.62	107.30	113.05	104.28	110.94
Lowest share price (p)	99.06	80.80	93.33	101.41	77.24	98.00

## Threadneedle Monthly Extra Income Fund

### Comparative Table Disclosure

(continued)

	Class X – Gross accumulation shares <sup>§</sup>			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020 <sup>1</sup>	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	107.88	102.51	100.00	136.49	134.41	135.36
Return before operating charges (p)	13.35	5.43	2.57	16.89	6.84	5.50
Operating charges (p)	–	(0.06)	(0.06)	(0.54)	(0.95)	(1.04)
Return after operating charges (p)*	13.35	5.37	2.51	16.35	5.89	4.46
Distributions (p)	(1.59)	(2.98)	(3.12)	(2.15)	(3.81)	(5.41)
Retained distributions on accumulation shares (p)	1.59	2.98	3.12	–	–	–
Closing net asset value per share (p)	121.23	107.88	102.51	150.69	136.49	134.41
*after direct transaction costs of (p)	0.01	0.06	0.03	0.01	0.09	0.04
<b>Performance</b>						
Return after charges (%)	12.37	5.24	2.51	11.98	4.38	3.29
<b>Other information</b>						
Closing net asset value (£000)	1	1	25,022	159,312	168,995	180,456
Closing number of shares	1,001	1,001	24,410,392	105,723,155	123,811,639	134,262,752
Operating charges (%)**	– <sup>†</sup>	0.07	0.07 <sup>†</sup>	0.74 <sup>†</sup>	0.74	0.74
Direct transaction costs (%)***	0.01	0.07	0.03	0.01	0.07	0.03
<b>Prices</b>						
Highest share price (p)	121.50	109.86	112.93	151.38	140.05	149.95
Lowest share price (p)	107.62	79.57	98.00	136.16	104.32	133.28
	Class Z – Accumulation shares			Class Z EUR Hedged – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	140.85	134.68	130.50	102.25	98.78	95.77
Return before operating charges (p)	17.51	7.13	5.20	11.99	4.19	3.75
Operating charges (p)	(0.56)	(0.96)	(1.02)	(0.40)	(0.72)	(0.74)
Return after operating charges (p)*	16.95	6.17	4.18	11.59	3.47	3.01
Distributions (p)	(1.91)	(3.87)	(5.30)	(2.05)	(2.92)	(3.93)
Retained distributions on accumulation shares (p)	1.91	3.87	5.30	2.05	2.92	3.93
Closing net asset value per share (p)	157.80	140.85	134.68	113.84	102.25	98.78
*after direct transaction costs of (p)	0.01	0.09	0.04	0.01	0.07	0.03
<b>Performance</b>						
Return after charges (%)	12.03	4.58	3.20	11.33	3.51	3.14
<b>Other information</b>						
Closing net asset value (£000)	14,599	12,872	13,930	11	10	13
Closing number of shares	9,251,660	9,138,872	10,343,044	10,001	10,001	13,520
Operating charges (%)**	0.74 <sup>†</sup>	0.74	0.74	0.73 <sup>†</sup>	0.73	0.73
Direct transaction costs (%)***	0.01	0.07	0.03	0.01	0.07	0.03
<b>Prices</b>						
Highest share price (p)	158.14	143.59	148.52	113.97	108.95	108.74
Lowest share price (p)	140.51	104.53	129.28	101.31	82.19	94.38

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

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

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

<sup>1</sup>Commenced 9 May 2019.

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

# Threadneedle Monthly Extra Income Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	32,885,101
Shares issued	445,070
Shares redeemed	(2,530,606)
Net conversions	(3,639,684)
Closing shares	<u>27,159,881</u>
<b>Class 1 EUR Hedged – Income shares</b>	
Opening shares	1,871,594
Shares issued	–
Shares redeemed	(522,185)
Net conversions	–
Closing shares	<u>1,349,409</u>
<b>Class 1 EUR Hedged – Accumulation shares</b>	
Opening shares	10,001
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,001</u>
<b>Class X – Gross income shares</b>	
Opening shares	15,271,041
Shares issued	–
Shares redeemed	(968,804)
Net conversions	–
Closing shares	<u>14,302,237</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	1,001
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>1,001</u>
<b>Class Z – Income shares</b>	
Opening shares	123,811,639
Shares issued	273,876
Shares redeemed	(20,380,898)
Net conversions	2,018,538
Closing shares	<u>105,723,155</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	9,138,872
Shares issued	538,242
Shares redeemed	(480,839)
Net conversions	55,385
Closing shares	<u>9,251,660</u>
<b>Class Z EUR Hedged – Accumulation shares</b>	
Opening shares	10,001
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,001</u>

## Threadneedle Sterling Corporate Bond Fund

### Investment Report

#### Investment Objective and Policy

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

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

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

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

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

Over the six months to 7 September 2021, the published share price of the Threadneedle Sterling Corporate Bond Fund has risen from 65.79p to 66.81p. Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +2.99% as compared to a median return of +3.16% over the same period. (For information the iBoxx GBP Non-Gilts gave a total return of +2.82% for the same period).

#### Market Overview and Portfolio Activity

Sterling investment-grade (IG) corporate bonds delivered modest positive returns over the six-month period in review. This was driven both by a slight fall in UK government bond (or 'gilt') yields (which move inversely to price) and by a similarly small narrowing in credit spreads (the yield premiums offered by corporate bonds over "risk-free" government bonds of the same maturity). Not only were credit spreads little changed overall, they also traded in a very tight range. On the one hand, credit markets were supported by strong economic growth as vaccine rollouts allowed much of the world to escape from lockdown, and by corporate results that continued to beat forecasts.

On the other, sentiment was kept in check by worries about the rapidly spreading Delta variant of the coronavirus and related signs of cooling economic momentum. With spreads historically tight, valuation concerns were also a factor.

There was more day-to-day movement in gilt yields. Towards the end of the previous review period, gilts and other core bonds had fallen sharply in price on fears that loose monetary and fiscal policy, combined with the powerful economic recovery, would trigger runaway inflation. The fact that yields then drifted lower over the six months in review, despite an actual jump in global inflation, is due in part to commentary from central banks. The US Federal Reserve (Fed), European Central Bank (ECB) and the Bank of England (BoE) have been relentless in communicating their belief that the current inflationary pressures are a temporary phenomenon linked to the pandemic. So far, markets appear to have largely accepted this view.

Nevertheless, in recent weeks officials at all three of these central banks have been preparing the ground for an eventual normalisation of monetary policy, and core yields have retraced some of their earlier fall. Minutes from the July meeting of the Fed's Open Market Committee, released in August, showed that a majority of policymakers felt the gradual withdrawal of monetary stimulus could start this year. Also in August, the BoE's Monetary Policy Committee said the Bank would stop reinvesting the proceeds from maturing bonds held in its stockpile once the base interest rate had risen to 0.5%. The comments were widely interpreted as suggesting a rate rise as early as 2022. And in the same month, an above-target eurozone inflation print sparked hawkish comments from key ECB policymakers. The governor of Austria's central bank, for example, called for ECB bond purchases to be reduced this year.

In line with the worldwide economic revival, the UK economy performed well, with a composite index of services and manufacturing activity indicating expansion over the course of the period. GDP returned to growth in the second quarter after shrinking in the prior three months. Falling COVID-19 caseloads and a successful vaccination programme paved the way for lockdown measures to be rolled back. While new infections rose sharply in June and early July as the more contagious Delta variant surged, the high inoculation rate meant that hospitalisations and deaths were significantly lower than in previous 'waves' of the virus. This emboldened the UK government to press ahead with its plan to

remove most remaining restrictions in England; to the surprise of many, infection rates subsequently eased – though they remain elevated at time of writing.

Within the fund, we increased exposure to banks over the period. Strong company results, combined with attractive valuations versus industrials, presented a good opportunity in our view. In terms of specific trades, we took part in a range of new issues, the largest of which (in terms of position sizes) were mostly from financials. These included new offerings from Bank of America, Goldman Sachs, ANZ, JPMorgan Chase, and BNP Paribas. Others included new deals from utilities Scottish Hydro Electric and Anglian Water, and high-yield issuers Mahle and Faurecia (both auto-parts suppliers). In the secondary market, we increased exposure to Netflix, British American Tobacco, Thames Water, and Motability among others. On the sales side, we reduced exposure to issuers including Becton Dickinson, Aelius Residential Property, Iqvia, Teleread Securitisation and LVMH, while exiting others completely, such as Global Switch, TSB Bank, BPCE, Central Networks VWest and G4S.

We remain constructive on company fundamentals following encouraging earnings in the first half of 2021. Revenues are recovering (but are still lower than in 2019) while margins are expanding, driven by cost-cutting. Our analysts have upgraded their expectations for 2021 and continue to anticipate balance-sheet deleveraging. As a result, we now expect net leverage in sterling IG to be broadly back to pre-pandemic levels by the end of this year. Company actions throughout last year, combined with government support schemes, have prevented leverage from rising as much as initially feared. Prudently, management teams continue to hold a lot of liquidity and remain committed to balance-sheet discipline.

The outlook for credit is further supported by very accommodative policy conditions (low or negative interest rates), and the expectation that these will continue to prevail in the coming years. The economic backdrop is also favourable, with GDP expected to improve this year, though there are some downside risks in relation to the Delta variant.

What is concerning is that credit spreads are well below their short-term (5-year) and longer-term (20-year) averages. To that extent, the market appears fully valued if not tight. We note that on a time-weighted basis, however, it is common for spreads in the market to trade inside averages more of the time. All in all, these factors lead us to a fairly neutral view of the outlook for market spreads.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains	16,823	8,225
Revenue	12,413	14,330
Expenses	(1,471)	(1,622)
Interest payable and similar charges	(1,141)	(185)
Net revenue before taxation	9,801	12,523
Taxation	–	–
Net revenue after taxation	9,801	12,523
<b>Total return before distributions</b>	<b>26,624</b>	<b>20,748</b>
Distributions	(9,842)	(12,523)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>16,782</b>	<b>8,225</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	1,021,508	1,012,089
<b>Current assets:</b>		
Debtors	18,608	15,079
Cash and bank balances	17,030	10,793
Cash equivalents**	1,420	29,641
<b>Total assets</b>	<b>1,058,566</b>	<b>1,067,602</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(2,502)	(1,162)
<b>Creditors:</b>		
Bank overdrafts	(652)	(5,083)
Distribution payable	(1,857)	(2,150)
Other creditors	(8,676)	(15,229)
<b>Total liabilities</b>	<b>(13,687)</b>	<b>(23,624)</b>
<b>Net assets attributable to shareholders</b>	<b>1,044,879</b>	<b>1,043,978</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>1,043,978</b>	<b>961,008</b>
Amounts receivable on the issue of shares	68,279	227,956
Amounts payable on the cancellation of shares	(90,207)	(125,921)
	(21,928)	102,035
Dilution adjustment	(1)	1,085
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	16,782	8,225
Retained distribution on accumulation shares	6,048	7,423
Unclaimed distributions	–	1
<b>Closing net assets attributable to shareholders</b>	<b>1,044,879</b>	<b>1,079,777</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Interest distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	0.2163	–	0.2163	0.3066
08/06/21 to 07/09/21	0.2097	–	0.2097	0.2694
<b>Group 2</b>				
08/03/21 to 07/06/21	0.1571	0.0592	0.2163	0.3066
08/06/21 to 07/09/21	0.0632	0.1465	0.2097	0.2694
<b>Total distributions in the period</b>			<b>0.4260</b>	<b>0.5760</b>

#### Class 1 – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	0.3888	–	0.3888	0.5683
08/06/21 to 07/09/21	0.3781	–	0.3781	0.4787
<b>Group 2</b>				
08/03/21 to 07/06/21	0.3888	–	0.3888	0.5683
08/06/21 to 07/09/21	0.3781	–	0.3781	0.4787
<b>Total distributions in the period</b>			<b>0.7669</b>	<b>1.0470</b>

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

## Threadneedle Sterling Corporate Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class 1 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	0.2164	–	0.2164	0.3207
08/06/21 to 07/09/21	0.2098	–	0.2098	0.2694
<b>Group 2</b>				
08/03/21 to 07/06/21	0.0126	0.2038	0.2164	0.3207
08/06/21 to 07/09/21	0.1248	0.0850	0.2098	0.2694
<b>Total distributions in the period</b>			<b>0.4262</b>	<b>0.5901</b>

#### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	0.2704	–	0.2704	0.3717
08/06/21 to 07/09/21	0.2648	–	0.2648	0.3247
<b>Group 2</b>				
08/03/21 to 07/06/21	0.1479	0.1225	0.2704	0.3717
08/06/21 to 07/09/21	0.1350	0.1298	0.2648	0.3247
<b>Total distributions in the period</b>			<b>0.5352</b>	<b>0.6964</b>

#### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	0.5631	–	0.5631	0.7596
08/06/21 to 07/09/21	0.5535	–	0.5535	0.6668
<b>Group 2</b>				
08/03/21 to 07/06/21	0.3014	0.2617	0.5631	0.7596
08/06/21 to 07/09/21	0.2878	0.2657	0.5535	0.6668
<b>Total distributions in the period</b>			<b>1.1166</b>	<b>1.4264</b>

#### Class L – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	0.4675	–	0.4675	0.6312
08/06/21 to 07/09/21	0.4587	–	0.4587	0.5564
<b>Group 2</b>				
08/03/21 to 07/06/21	0.2626	0.2049	0.4675	0.6312
08/06/21 to 07/09/21	0.2499	0.2088	0.4587	0.5564
<b>Total distributions in the period</b>			<b>0.9262</b>	<b>1.1876</b>

#### Class L – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	0.5252	–	0.5252	0.6947
08/06/21 to 07/09/21	0.5175	–	0.5175	0.6161
<b>Group 2</b>				
08/03/21 to 07/06/21	0.3286	0.1966	0.5252	0.6947
08/06/21 to 07/09/21	0.1943	0.3232	0.5175	0.6161
<b>Total distributions in the period</b>			<b>1.0427</b>	<b>1.3108</b>

#### Class L – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	0.4675	–	0.4675	0.6310
08/06/21 to 07/09/21	0.4587	–	0.4587	0.5563
<b>Group 2</b>				
08/03/21 to 07/06/21	0.4066	0.0609	0.4675	0.6310
08/06/21 to 07/09/21	0.1587	0.3000	0.4587	0.5563
<b>Total distributions in the period</b>			<b>0.9262</b>	<b>1.1873</b>

#### Class X – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	0.6194	–	0.6194	0.8356
08/06/21 to 07/09/21	0.6116	–	0.6116	0.7173
<b>Group 2</b>				
08/03/21 to 07/06/21	0.6194	–	0.6194	0.8356
08/06/21 to 07/09/21	0.6116	–	0.6116	0.7173
<b>Total distributions in the period</b>			<b>1.2310</b>	<b>1.5529</b>

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/06/21	0.7180	–	0.7180	0.8912
08/06/21 to 07/09/21	0.7129	–	0.7129	0.8173
<b>Group 2</b>				
08/03/21 to 07/06/21	0.3944	0.3236	0.7180	0.8912
08/06/21 to 07/09/21	0.2937	0.4192	0.7129	0.8173
<b>Total distributions in the period</b>			<b>1.4309</b>	<b>1.7085</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Sterling Corporate Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	65.34	65.22	60.70	117.44	115.36	105.14
Return before operating charges (p)	1.79	1.74	6.42	3.22	3.10	11.21
Operating charges (p)	(0.29)	(0.57)	(0.56)	(0.52)	(1.02)	(0.99)
Return after operating charges (p)*	1.50	1.17	5.86	2.70	2.08	10.22
Distributions (p)	(0.43)	(1.05)	(1.34)	(0.77)	(1.90)	(2.35)
Retained distributions on accumulation shares (p)	–	–	–	0.77	1.90	2.35
Closing net asset value per share (p)	66.41	65.34	65.22	120.14	117.44	115.36
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.30	1.79	9.65	2.30	1.80	9.72
<b>Other information</b>						
Closing net asset value (£000)	12,441	19,404	36,714	230	578	983
Closing number of shares	18,732,029	29,698,100	56,294,088	191,280	491,882	851,994
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.88	0.87 <sup>†</sup>	0.88	0.88
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	67.25	67.98	65.67	121.26	121.75	115.60
Lowest share price (p)	64.86	56.37	60.91	116.57	99.71	105.50
	Class 1 – Gross income shares <sup>§</sup>			Class 2 – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	65.36	65.25	60.73	65.42	65.32	60.79
Return before operating charges (p)	1.80	1.75	6.43	1.81	1.75	6.43
Operating charges (p)	(0.29)	(0.57)	(0.56)	(0.19)	(0.37)	(0.35)
Return after operating charges (p)*	1.51	1.18	5.87	1.62	1.38	6.08
Distributions (p)	(0.43)	(1.07)	(1.35)	(0.54)	(1.28)	(1.55)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	66.44	65.36	65.25	66.50	65.42	65.32
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.31	1.81	9.67	2.48	2.11	10.00
<b>Other information</b>						
Closing net asset value (£000)	8,774	9,393	11,204	88,017	88,617	87,594
Closing number of shares	13,206,821	14,370,829	17,170,705	132,354,315	135,449,966	134,102,799
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.88	0.56 <sup>†</sup>	0.56	0.56
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	67.27	68.00	65.70	67.37	68.08	65.81
Lowest share price (p)	64.88	56.40	60.94	64.95	56.47	61.00

## Threadneedle Sterling Corporate Bond Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Gross accumulation shares <sup>5</sup>			Class L – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	136.22	133.38	121.16	106.56	106.39	99.01
Return before operating charges (p)	3.76	3.59	12.93	2.94	2.85	10.50
Operating charges (p)	(0.39)	(0.75)	(0.71)	(0.25)	(0.49)	(0.48)
Return after operating charges (p)*	3.37	2.84	12.22	2.69	2.36	10.02
Distributions (p)	(1.12)	(2.64)	(3.12)	(0.93)	(2.19)	(2.64)
Retained distributions on accumulation shares (p)	1.12	2.64	3.12	–	–	–
Closing net asset value per share (p)	139.59	136.22	133.38	108.32	106.56	106.39
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.47	2.13	10.09	2.52	2.22	10.12
<b>Other information</b>						
Closing net asset value (£000)	111,772	178,298	230,284	209,139	204,353	223,040
Closing number of shares	80,071,951	130,886,372	172,650,413	193,080,200	191,766,646	209,642,635
Operating charges (%)**	0.56 <sup>†</sup>	0.56	0.56	0.46 <sup>†</sup>	0.46	0.46
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	140.85	141.15	133.65	109.75	110.90	107.22
Lowest share price (p)	135.24	115.30	121.58	105.79	91.97	99.36
	Class L – Accumulation shares			Class L – Gross income shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	119.72	117.10	106.26	106.56	106.39	99.01
Return before operating charges (p)	3.29	3.16	11.36	2.93	2.85	10.50
Operating charges (p)	(0.28)	(0.54)	(0.52)	(0.25)	(0.49)	(0.48)
Return after operating charges (p)*	3.01	2.62	10.84	2.68	2.36	10.02
Distributions (p)	(1.04)	(2.43)	(2.85)	(0.93)	(2.19)	(2.64)
Retained distributions on accumulation shares (p)	1.04	2.43	2.85	–	–	–
Closing net asset value per share (p)	122.73	119.72	117.10	108.31	106.56	106.39
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.51	2.24	10.20	2.52	2.22	10.12
<b>Other information</b>						
Closing net asset value (£000)	10,132	9,974	11,165	2,714	4,409	6,511
Closing number of shares	8,255,413	8,331,690	9,534,762	2,506,084	4,137,941	6,120,554
Operating charges (%)**	0.46 <sup>†</sup>	0.46	0.46	0.46 <sup>†</sup>	0.46	0.46
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	123.84	124.02	117.33	109.75	110.90	107.22
Lowest share price (p)	118.85	101.23	106.63	105.79	91.97	99.35

## Threadneedle Sterling Corporate Bond Fund

### Comparative Table Disclosure

(continued)

	Class X – Gross income shares <sup>§</sup>			Class X – Gross accumulation shares <sup>§</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	114.66	114.51	106.57	132.92	129.50	117.05
Return before operating charges (p)	3.15	3.09	11.29	3.67	3.50	12.52
Operating charges (p)	(0.03)	(0.07)	(0.07)	(0.04)	(0.08)	(0.07)
Return after operating charges (p)*	3.12	3.02	11.22	3.63	3.42	12.45
Distributions (p)	(1.23)	(2.87)	(3.28)	(1.43)	(3.22)	(3.65)
Retained distributions on accumulation shares (p)	–	–	–	1.43	3.22	3.65
Closing net asset value per share (p)	116.55	114.66	114.51	136.55	132.92	129.50
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.72	2.64	10.53	2.73	2.64	10.64
<b>Other information</b>						
Closing net asset value (£000)	103,409	123,861	264	498,251	405,091	353,249
Closing number of shares	88,728,170	108,026,368	230,128	364,893,442	304,761,989	272,782,869
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	118.16	119.37	115.51	137.72	137.61	129.74
Lowest share price (p)	113.84	99.01	106.94	131.98	111.97	117.45

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

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

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

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

# Threadneedle Sterling Corporate Bond Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	29,698,100
Shares issued	621,668
Shares redeemed	(1,856,030)
Net conversions	(9,731,709)
Closing shares	<u>18,732,029</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	491,882
Shares issued	–
Shares redeemed	(300,602)
Net conversions	–
Closing shares	<u>191,280</u>
<b>Class 1 – Gross income shares</b>	
Opening shares	14,370,829
Shares issued	370,314
Shares redeemed	(1,534,322)
Net conversions	–
Closing shares	<u>13,206,821</u>
<b>Class 2 – Income shares</b>	
Opening shares	135,449,966
Shares issued	1,001,730
Shares redeemed	(13,745,132)
Net conversions	9,647,751
Closing shares	<u>132,354,315</u>
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	130,886,372
Shares issued	6,426,034
Shares redeemed	(9,409,389)
Net conversions	(47,831,066)
Closing shares	<u>80,071,951</u>
<b>Class L – Income shares</b>	
Opening shares	191,766,646
Shares issued	10,430,267
Shares redeemed	(9,159,273)
Net conversions	42,560
Closing shares	<u>193,080,200</u>
<b>Class L – Accumulation shares</b>	
Opening shares	8,331,690
Shares issued	436,744
Shares redeemed	(513,021)
Net conversions	–
Closing shares	<u>8,255,413</u>
<b>Class L – Gross income shares</b>	
Opening shares	4,137,941
Shares issued	10,333
Shares redeemed	(1,642,190)
Net conversions	–
Closing shares	<u>2,506,084</u>

	2021
<b>Class X – Gross income shares</b>	
Opening shares	108,026,368
Shares issued	–
Shares redeemed	(19,298,198)
Net conversions	–
Closing shares	<u>88,728,170</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	304,761,989
Shares issued	34,258,603
Shares redeemed	(23,056,414)
Net conversions	48,929,264
Closing shares	<u>364,893,442</u>

## Threadneedle Sterling Bond Fund

### Investment Report

#### Investment Objective and Policy

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

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

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

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

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

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

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

Over the six months to 7 September 2021, the published share price of the Threadneedle Sterling Bond Fund has risen from 59.92p to 61.42p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +4.69% as compared to a median return of +4.31% over the same period. (For information the FTSE Actuarial UK Conventional Gilts All Stocks Index gave a total return of +3.68% for the same period).

#### Market Overview and Portfolio Activity

UK government bonds, or gilts, were little changed during the six

months under review. The yield on benchmark 10-year gilts, which moves inversely to bond prices, ended the period at 0.74%.

Government debt trailed well behind equities and other risk assets over the review term as the global economy continued to rebound, helped by a general rise in COVID-19 vaccination rates and the easing of pandemic control measures in developed markets. Sovereign bonds also struggled as stronger economic growth caused inflation to accelerate sharply and exceed targets in the UK and numerous other countries. But other factors supported gilts, such as worries about the rapid spread of COVID's more contagious Delta variant and strong demand from foreign buyers, attracted by relatively high yields.

In line with the worldwide revival, the UK economy performed well, with a composite index of services and manufacturing activity indicating expansion over the course of the period. Easing of pandemic control measures bolstered consumer and business sentiment, and the economy returned to growth in the second quarter after shrinking in the prior three months. Falling COVID-19 caseloads and the country's successful vaccination programme paved the way for lockdown restrictions to be rolled back, and most social-distancing measures in England were lifted during July. While infections rose in June owing to the spread of the Delta variant, the high inoculation rate meant that hospitalisations and deaths were significantly lower than in previous 'waves' of the virus.

The Bank of England (BoE) kept its key interest rate at an ultra-low level and maintained monetary stimulus during the review period, even as inflation ran above its target. BoE officials argued that the effect of higher prices would likely prove to be temporary. Nonetheless, at a meeting in August, policymakers indicated that the time had come to start discussing an eventual normalisation of monetary policy. This was widely interpreted to mean that the bank's key rate may start rising next year. Elsewhere, the Federal Reserve also held rates near zero, but meeting minutes published in August suggested that the withdrawal of its monetary stimulus might start before the end of 2021. Similarly, the European Central Bank kept rates in negative territory and continued to provide stimulus via bond purchases, despite rising inflation. The fund entered the period with duration positioned 0.55 years long relative to the benchmark. In March, we made a number of duration-neutral trades to pick up yield; these included selling 2071 bonds while buying 2031 and 2057 issues. Among transactions in April, we increased duration marginally by switching 2027 gilts into 2028s and closed the

underweight at the front end of the yield curve with a purchase of 2024 bonds. We also took part in the new 30-year gilt syndication, funded by selling bonds maturing in 2050. A day later, we sold 2061 gilts for 2051s, continuing to build an underweight in the ultra-long area of the curve.

During May, the fund purchased 2024, 2046 and 2051 gilts while selling 2050s. In mid-June, we made a series of relative-value switches to pick up yield and add duration at the front end of the curve. Later in the month, we sold 2046 and 2057 gilts as the 30-year yield dropped to four-month lows and subsequently added more duration to the front end via a new 4-year gilt. July was a busy month for activity, and we looked to take profits on the portfolio's long duration position as yields fell. We also reduced the size of the 30-year versus ultra-longs (50-year) curve-steepening trade we had been running, with issuance of ultra-longs non-existent over the summer. The main theme of activity in August was widening the underweight in ultra-longs, via sales of 2061 gilts into 2046s and 2051s, as the pick-ups in yield available from switching shorter reached new highs. In the month's final session, we switched 2028s into newly issued 2029s.

By the end of the review period, relative duration was up to 0.65 years long versus the benchmark, aligned as follows: 0-3yrs 0.05 contribution to duration (CTD), 3-7yrs +0.05CTD, 7-15yrs +0.25CTD, 15-25yrs +0.70CTD, 25-35yrs +0.1CTD, 35+yrs -0.5yrs.

Economic activity so far in 2021 has been exceptionally vigorous – particularly in the US and the UK – fired by the rapid rollout of COVID-19 vaccines and the progressive removal of social-distancing measures. Healthy household balance sheets have also helped support impressive sequential growth rates. In parallel, disruption to the supply side, notably in manufacturing inputs and in labour markets, together with significant base effects, has led to above-target annual inflation rates. Such developments naturally invite anxiety around a potentially inflationary future, though we expect the majority of current price pressures to prove transitory in nature. Against this backdrop of rising inflation in the near term but still uncertain trends for growth and inflation over the longer term, the BoE has become slightly more hawkish as the year has progressed. The extent of policy tightening will be determined by the persistence of above-trend levels of inflation, and we continue to believe that tightening will not need to be as aggressive as the market is currently pricing in.

#### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains/(losses)	14,472	(6,419)
Revenue	1,842	1,821
Expenses	(653)	(671)
Net revenue before taxation	1,189	1,150
Taxation	–	–
Net revenue after taxation	1,189	1,150
<b>Total return before distributions</b>	<b>15,661</b>	<b>(5,269)</b>
Distributions	(1,656)	(1,637)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>14,005</b>	<b>(6,906)</b>

#### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	517,615	557,668
<b>Current assets:</b>		
Debtors	2,714	7,517
Cash and bank balances	256	584
Cash equivalents**	3,672	2,423
<b>Total assets</b>	<b>524,257</b>	<b>568,192</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(236)	(166)
Other creditors	(158)	(3,082)
<b>Total liabilities</b>	<b>(394)</b>	<b>(3,248)</b>
<b>Net assets attributable to shareholders</b>	<b>523,863</b>	<b>564,944</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>564,944</b>	<b>537,314</b>
Amounts receivable on the issue of shares	35,016	99,788
Amounts payable on the cancellation of shares	(91,449)	(122,141)
	(56,433)	(22,353)
Dilution adjustment	21	49
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	14,005	(6,906)
Retained distribution on accumulation shares	1,326	1,429
<b>Closing net assets attributable to shareholders</b>	<b>523,863</b>	<b>509,533</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

#### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Interest distribution in pence per share				
Class 1 – Income shares				
Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.1796	–	0.1796	0.2039
<b>Group 2</b> 08/03/21 to 07/09/21	0.0997	0.0799	0.1796	0.2039
<b>Total distributions in the period</b>			<b>0.1796</b>	<b>0.2039</b>
Class 1 – Gross accumulation shares				
Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.3964	–	0.3964	0.5063
<b>Group 2</b> 08/03/21 to 07/09/21	0.1586	0.2378	0.3964	0.5063
<b>Total distributions in the period</b>			<b>0.3964</b>	<b>0.5063</b>

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

## Threadneedle Sterling Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class X – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.3887	–	0.3887	0.4407
<b>Group 2</b> 08/03/21 to 07/09/21	0.3887	–	0.3887	0.4407
<b>Total distributions in the period</b>			<b>0.3887</b>	<b>0.4407</b>

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.3691	–	0.3691	0.4139
<b>Group 2</b> 08/03/21 to 07/09/21	0.1959	0.1732	0.3691	0.4139
<b>Total distributions in the period</b>			<b>0.3691</b>	<b>0.4139</b>

#### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.3317	–	0.3317	0.3767
<b>Group 2</b> 08/03/21 to 07/09/21	0.1983	0.1334	0.3317	0.3767
<b>Total distributions in the period</b>			<b>0.3317</b>	<b>0.3767</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.3708	–	0.3708	0.4142
<b>Group 2</b> 08/03/21 to 07/09/21	0.2558	0.1150	0.3708	0.4142
<b>Total distributions in the period</b>			<b>0.3708</b>	<b>0.4142</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Sterling Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross accumulation shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	59.75	64.33	57.42	131.93	141.27	124.89
Return before operating charges (p)	1.78	(3.91)	7.83	3.92	(8.60)	17.08
Operating charges (p)	(0.16)	(0.34)	(0.31)	(0.35)	(0.74)	(0.70)
Return after operating charges (p)*	1.62	(4.25)	7.52	3.57	(9.34)	16.38
Distributions (p)	(0.18)	(0.33)	(0.61)	(0.40)	(0.79)	(1.32)
Retained distributions on accumulation shares (p)	–	–	–	0.40	0.79	1.32
Closing net asset value per share (p)	61.19	59.75	64.33	135.50	131.93	141.27
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.71	(6.61)	13.10	2.71	(6.61)	13.12
<b>Other information</b>						
Closing net asset value (£000)	73,126	69,066	67,039	60,868	52,907	79,842
Closing number of shares	119,502,493	115,581,647	104,215,490	44,922,228	40,101,826	56,515,332
Operating charges (%)**	0.53 <sup>†</sup>	0.53	0.53	0.53 <sup>†</sup>	0.53	0.53
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	62.57	67.00	64.66	138.10	147.14	141.41
Lowest share price (p)	58.66	58.89	57.16	129.47	129.71	124.32
	Class X – Gross income shares <sup>5</sup>			Class X – Gross accumulation shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	123.95	132.85	118.04	117.68	125.41	110.35
Return before operating charges (p)	3.70	(8.10)	16.16	3.51	(7.66)	15.13
Operating charges (p)	(0.04)	(0.07)	(0.06)	(0.04)	(0.07)	(0.07)
Return after operating charges (p)*	3.66	(8.17)	16.10	3.47	(7.73)	15.06
Distributions (p)	(0.39)	(0.73)	(1.29)	(0.37)	(0.68)	(1.20)
Retained distributions on accumulation shares (p)	–	–	–	0.37	0.68	1.20
Closing net asset value per share (p)	127.22	123.95	132.85	121.15	117.68	125.41
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.95	(6.15)	13.64	2.95	(6.16)	13.65
<b>Other information</b>						
Closing net asset value (£000)	21	20	22	323,300	297,887	287,782
Closing number of shares	16,495	16,495	16,495	266,857,994	253,133,204	229,463,782
Operating charges (%)**	0.06 <sup>†</sup>	0.05	0.05	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	130.07	138.36	133.54	123.44	130.62	125.54
Lowest share price (p)	121.80	122.07	117.51	115.59	115.24	109.85

## Threadneedle Sterling Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Gross accumulation shares <sup>§</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	116.22	125.05	111.56	129.97	139.14	123.00
Return before operating charges (p)	3.45	(7.60)	15.23	3.87	(8.48)	16.83
Operating charges (p)	(0.24)	(0.62)	(0.62)	(0.27)	(0.69)	(0.69)
Return after operating charges (p)*	3.21	(8.22)	14.61	3.60	(9.17)	16.14
Distributions (p)	(0.33)	(0.61)	(1.12)	(0.37)	(0.67)	(1.24)
Retained distributions on accumulation shares (p)	–	–	–	0.37	0.67	1.24
Closing net asset value per share (p)	119.10	116.22	125.05	133.57	129.97	139.14
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.76	(6.57)	13.10	2.77	(6.59)	13.12
<b>Other information</b>						
Closing net asset value (£000)	7,763	8,515	10,002	58,785	136,549	92,627
Closing number of shares	6,518,289	7,326,625	7,998,506	44,010,453	105,058,554	66,572,658
Operating charges (%)**	0.41 <sup>†</sup>	0.50	0.53	0.41 <sup>†</sup>	0.50	0.53
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	121.78	130.24	125.66	136.12	144.91	139.27
Lowest share price (p)	114.13	114.52	111.05	127.58	127.78	122.44

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

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

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

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

# Threadneedle Sterling Bond Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	115,581,647
Shares issued	14,369,400
Shares redeemed	(10,151,267)
Net conversions	(297,287)
Closing shares	<u>119,502,493</u>
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	40,101,826
Shares issued	8,208,392
Shares redeemed	(3,387,990)
Net conversions	–
Closing shares	<u>44,922,228</u>
<b>Class X – Gross income shares</b>	
Opening shares	16,495
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>16,495</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	253,133,204
Shares issued	5,913,239
Shares redeemed	(29,224,728)
Net conversions	37,036,279
Closing shares	<u>266,857,994</u>
<b>Class Z – Income shares</b>	
Opening shares	7,326,625
Shares issued	323,275
Shares redeemed	(1,284,382)
Net conversions	152,771
Closing shares	<u>6,518,289</u>
<b>Class Z – Gross accumulation shares</b>	
Opening shares	105,058,554
Shares issued	6,782,070
Shares redeemed	(34,250,795)
Net conversions	(33,579,376)
Closing shares	<u>44,010,453</u>

## Threadneedle Sterling Short-Term Money Market Fund\*

### Investment Report

#### Investment Objective and Policy

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

The Fund is actively managed, and looks to provide income returns broadly in line with the 1-month compounded SONIA (Sterling Overnight Index Average) rate, before charges are deducted.

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

Investment in other short-term money market funds is permitted, but limited in total to 10% of the Fund's value.

The 1-month compounded SONIA rate is considered a suitable interest rate benchmark against which the Fund's performance can be measured and evaluated over time. The benchmark reflects the rate of interest paid on unsecured short-term transactions in the British sterling market and represents a similar return profile to assets held in the Fund.

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

Over the six months to 7 September 2021, the published share price of the Threadneedle Sterling Short-Term Money Market Fund has fallen from 99.71p to 99.62p.

The total return on the fund for the six months ending 31 August 2021, including net reinvested income, is -0.09%. (Source: Threadneedle, bid-bid, net income reinvested.) For information the 1 Month SONIA Index gave a total return of +0.00% for the same period

### Market Overview and Portfolio Activity

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

During the review period we kept the fund relatively short and broadly unchanged. At the time of writing, the weighted average maturity of the fund is approximately 52 days and the weighted average yield is 0.05%.

Sentiment continued to be buoyed by the success of the UK's coronavirus vaccination programme and the prospect of a swifter economic recovery. Throughout the period, the Bank of England (BoE) left official interest rates unchanged at the record low of 0.1%, and maintained the size of its quantitative-easing (bond-buying) programme.

In May, the pound received a boost when the governing Conservative Party won a series of local midterm elections in England and the Scottish National Party fell short of a majority in Scotland, a result viewed as making another referendum on Scottish independence less likely. Sterling also benefited from some robust economic data. UK retail sales rose strongly in April, helped by the reopening of non-essential shops in England and an improvement in consumer confidence. On 19 July, the UK government lifted its remaining pandemic-related lockdown restrictions in England, even though COVID-19 infection rates were rising rapidly following the spread of the Delta variant.

The consumer prices index spiked to an annual rate of 2.5% in June, fuelled by the higher costs of food and energy. This was the highest level since 2018. However, the BoE believed the surge in inflation to be temporary, and in July the annual inflation rate dropped back to the bank's target of 2.0%.

At its August meeting, the BoE left its GDP growth forecast for 2021 unchanged at 7.25%, with 6% expected for 2022. The UK economy expanded in the second quarter of 2021 after contracting during the first three months of the year. During the August meeting, a majority of the BoE's Monetary Policy Committee signalled that the economic recovery had reached a point that justified discussions about raising interest rates; this was widely interpreted as suggesting that the first increase may come next year.

Turning to the global outlook, the economic recovery is continuing, despite the ongoing battle against COVID-19 in many countries. The shape of the recovery has been driven by a series of factors, including the pace of the rollout of coronavirus vaccinations, the willingness of households to spend their accumulated savings, and the scale and mix of policy stimulus.

As the world has continued to move towards a more normal environment, the focus has remained on the outlook for inflation. The rise in inflation has been concentrated in COVID-19-sensitive areas – such as used car sales, car rentals, air fares and eating out – where demand is rising quickly as economies reopen, and supply bottlenecks are commonplace.

Central banks have been careful to downplay the threat of sustained price pressures, and we remain firmly in the transitory inflation camp. However, we will continue to carefully monitor the inflation risk as we move through the rest of the year.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital losses	(19)	(4)
Revenue	108	675
Expenses	(265)	(234)
Net (expense)/revenue before taxation	(157)	441
Taxation	–	–
Net (expense)/revenue after taxation	(157)	441
<b>Total return before distributions</b>	<b>(176)</b>	<b>437</b>
Distributions	(3)	(441)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>(179)</b>	<b>(4)</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	330,855	276,492
<b>Current assets:</b>		
Debtors	2,840	20
Cash and bank balances	38,867	86,037
Cash equivalents***	29,728	11,528
Total assets	402,290	374,077
<b>Liabilities:</b>		
<b>Creditors:</b>		
Other creditors	(74)	(15,807)
Total liabilities	(74)	(15,807)
<b>Net assets attributable to shareholders</b>	<b>402,216</b>	<b>358,270</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>358,270</b>	<b>430,138</b>
Amounts receivable on the issue of shares	149,625	204,926
Amounts payable on the cancellation of shares	(105,503)	(350,202)
	44,122	(145,276)
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(179)	(4)
Retained distribution on accumulation shares	3	268
<b>Closing net assets attributable to shareholders</b>	<b>402,216</b>	<b>285,126</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 March 2020.

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

\*\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Interest distribution in pence per share

#### Class 1 – Income shares

There is no distribution for the accounting period 8 March 2021 to 7 September 2021, as expenses exceed revenue (2020: 0.0711).

#### Class 2 – Accumulation shares

There is no distribution for the accounting period 8 March 2021 to 7 September 2021, as expenses exceed revenue (2020: 0.0848).

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/09/21	0.0013	–	0.0013	0.1628
<b>Group 2</b>				
08/03/21 to 07/09/21	0.0013	–	0.0013	0.1628
<b>Total distributions in the period</b>	<b>0.0013</b>		<b>0.0013</b>	<b>0.1628</b>

Group 2: shares purchased during a distribution period.

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

## Threadneedle Sterling Short-Term Money Market Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	99.71	99.81	99.84	101.07	101.07	100.54
Return before operating charges (p)	0.02	0.20	0.74	0.03	0.21	0.74
Operating charges (p)	(0.11)	(0.23)	(0.23)	(0.11)	(0.21)	(0.21)
Return after operating charges (p)*	(0.09)	(0.03)	0.51	(0.08)	–	0.53
Distributions (p)	–	(0.07)	(0.54)	–	(0.08)	(0.57)
Retained distributions on accumulation shares (p)	–	–	–	–	0.08	0.57
Closing net asset value per share (p)	99.62	99.71	99.81	100.99	101.07	101.07
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(0.09)	(0.03)	0.51	(0.08)	–	0.53
<b>Other information</b>						
Closing net asset value (£000)	153,845	138,717	128,807	50,419	50,877	62,775
Closing number of shares	154,435,424	139,121,016	129,056,186	49,924,233	50,337,149	62,108,332
Operating charges (%)**	0.23 <sup>†</sup>	0.23	0.23	0.21 <sup>†</sup>	0.21	0.21
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	99.71	99.89	100.10	101.07	101.17	101.09
Lowest share price (p)	99.62	99.71	99.84	100.99	101.07	100.54
<b>Class X – Gross accumulation shares<sup>5</sup></b>						
	07/09/2021	07/03/2021	07/03/2020			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	102.10	101.95	101.25			
Return before operating charges (p)	0.02	0.21	0.76			
Operating charges (p)	(0.03)	(0.06)	(0.06)			
Return after operating charges (p)*	(0.01)	0.15	0.70			
Distributions (p)	0.00	(0.17)	(0.72)			
Retained distributions on accumulation shares (p)	0.00	0.17	0.72			
Closing net asset value per share (p)	102.09	102.10	101.95			
*after direct transaction costs of (p)	–	–	–			
<b>Performance</b>						
Return after charges (%)	(0.01)	0.15	0.69			
<b>Other information</b>						
Closing net asset value (£000)	197,952	168,676	238,556			
Closing number of shares	193,892,830	165,211,005	234,002,057			
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06			
Direct transaction costs (%)***	–	–	–			
<b>Prices</b>						
Highest share price (p)	102.10	102.11	101.96			
Lowest share price (p)	102.09	101.95	101.25			

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

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

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

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

# Threadneedle Sterling Short-Term Money Market Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	139,121,016
Shares issued	70,081,107
Shares redeemed	(54,766,699)
Net conversions	–
Closing shares	<u>154,435,424</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	50,337,149
Shares issued	8,617,341
Shares redeemed	(9,030,257)
Net conversions	–
Closing shares	<u>49,924,233</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	165,211,005
Shares issued	69,611,836
Shares redeemed	(40,930,011)
Net conversions	–
Closing shares	<u>193,892,830</u>

## Threadneedle European Fund

### Investment Report

#### Investment Objective and Policy

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

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

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

The FTSE World Europe ex UK Index is regarded as providing an appropriate representation of the share performance of large and medium-sized companies across Europe (excluding the UK), currently with approximately 500 companies included. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

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

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

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

#### Performance of Net Accumulation Class 1 Shares\*

Over the six months to 7 September 2021, the published share price of the Threadneedle European Fund has risen from 282.30p to 330.35p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +15.88% as compared to a median return of +16.94% over the same period. (For information the FTSE World Europe ex UK Index returned +18.12% over the same period).

### Market Overview and Portfolio Activity

The six-month period saw further gains for European markets, which were buoyed by vaccination rollouts and economic stimulus measures. Cyclical stocks benefited from investor interest in sectors which are geared towards an economic recovery. However, rising bond yields periodically jolted markets, amid concerns that interest rates could move higher. Stocks were also rattled by the emergence of mutant COVID-19 strains, particularly the Delta variant, which drove another wave of the pandemic in much of Europe.

Vaccination rates in the EU got off to a slow start and rising coronavirus infections prompted new or extended lockdown measures in several countries. The rollout of vaccines across the region later picked up pace, bolstering market sentiment. The economic picture initially improved but some investors subsequently questioned the bullish outlook for a continued rebound in world economic growth, given the spread of mutant viral strains. The eurozone economy expanded by 2.0% (quarter on quarter) in the three months to the end of June and the European Central Bank (ECB) raised forecasts for eurozone growth this year and next. A gauge of services and manufacturing activity in the euro area indicated the strongest expansion in 15 years as lockdown measures were eased. In Germany, the keenly watched ZEW index of economic sentiment rebounded but then fell for three straight months, reflecting concern about a resurgence of the pandemic and an economic slowdown, coupled with a regulatory crackdown in key trade partner China.

Inflationary concerns mounted during the review period. Meeting minutes suggested that the US Federal Reserve (Fed) has moved closer to tapering its bond-purchase programme and raising interest rates. However, Fed Chairman Jerome Powell indicated that the central bank would act at a gradual pace, reassuring markets. Following a strategy review, the ECB set a new inflation target of 2% and indicated that it would tolerate temporary overshoots. Eurozone inflation then rose to the highest level in almost a decade, a development viewed as supporting hawkish ECB officials who want to see bond purchases scaled back.

On the political front, Angela Merkel is nearing the end of her tenure as chancellor and rival factions are jostling for power in advance of a general election.

New holdings included TotalEnergies, Safran and Inditex. TotalEnergies is adopting an encouraging new focus on alternative energy, and this is where capex will be concentrated. Safran has strong positioning in the narrowbody aircraft market. The company's exclusive exposure to the Boeing 737 MAX means it should see fast growth in the narrowbody market, given a low starting point caused by Boeing's technical issues with the plane. While aircraft engines are the main driver of earnings at Safran, its other two divisions should also contribute to growth. Fashion retailer Inditex has a powerful portfolio of brands and a successful online business, with exciting growth potential in markets such as China.

We sold STMicroelectronics following a period of good returns. Other sales included Knorr-Bremse; we were disappointed at the braking specialist's decision to consider the acquisition of Hella, which would not have been in the interest of shareholders.

The potential for a post-virus recovery is building confidence, though some sectors will be under strain for years to come and inflationary pressures are surfacing; interest rates remain under control, but we are seeing potential rises in the US. COVID-19 and geopolitical uncertainty (for example with Afghanistan) dominate sentiment. The Delta variant wave meant a partial return of restrictions, more recently offset by successful vaccination programmes. The UK reopened over the summer and others may follow.

As the Democrats have tentative control of the US Senate as well as the House and the presidency, a return to Obama-like policies is ensuing, with an emphasis on fiscal and monetary stimulus, and the infrastructure bill should shortly pass through Congress. This may tend to favour companies which would benefit from a cyclical upturn, but some previously fragile business models are proving unsustainable, impacting small businesses and employment in the hospitality and travel sectors.

Post-Brexit practicalities are still unclear; there have been concerns over Northern Ireland, where the protocol is not working well, and over financial services, where a deal has still not been agreed. Exports from the UK to the EU have fallen sharply in some sectors.

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

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains	147,032	75,512
Revenue	14,006	13,592
Expenses	(3,090)	(2,836)
Interest payable and similar charges	(2)	(2)
Net revenue before taxation	10,914	10,754
Taxation	(1,875)	(1,731)
Net revenue after taxation	9,039	9,023
<b>Total return before equalisation</b>	<b>156,071</b>	<b>84,535</b>
Equalisation	(562)	(456)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>155,509</b>	<b>84,079</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	894,751	874,598
<b>Current assets:</b>		
Debtors	4,783	25,162
Cash and bank balances	4,522	27,361
Cash equivalents**	6,516	3,016
Total assets	910,572	930,137
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(1,381)	(7)
<b>Creditors:</b>		
Distribution payable	-	(13)
Other creditors	(2,450)	(49,616)
Total liabilities	(3,831)	(49,636)
<b>Net assets attributable to shareholders</b>	<b>906,741</b>	<b>880,501</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Opening net assets attributable to shareholders	880,501	986,939
Amounts receivable on the issue of shares	48,226	131,140
Amounts payable on the cancellation of shares	(177,531)	(220,947)
	(129,305)	(89,807)
Dilution adjustment	36	91
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	155,509	84,079
<b>Closing net assets attributable to shareholders</b>	<b>906,741</b>	<b>981,302</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

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

## Threadneedle European Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	279.67	242.17	223.73	321.15	276.50	253.95
Return before operating charges (p)	53.18	41.77	22.46	61.14	47.85	25.58
Operating charges (p)	(2.55)	(4.27)	(4.02)	(1.90)	(3.20)	(3.03)
Return after operating charges (p)*	50.63	37.50	18.44	59.24	44.65	22.55
Distributions (p)	–	–	(1.05)	–	(1.42)	(2.83)
Retained distributions on accumulation shares (p)	–	–	1.05	–	1.42	2.83
Closing net asset value per share (p)	330.30	279.67	242.17	380.39	321.15	276.50
*after direct transaction costs of (p)	0.27	0.41	0.56	0.31	0.47	0.65
<b>Performance</b>						
Return after charges (%)	18.10	15.48	8.24	18.45	16.15	8.88
<b>Other information</b>						
Closing net asset value (£000)	68,327	75,363	87,885	374,928	408,444	350,728
Closing number of shares	20,686,083	26,946,769	36,290,245	98,564,193	127,181,112	126,847,064
Operating charges (%)**	1.63 <sup>†</sup>	1.63	1.64	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.17	0.15	0.23	0.17	0.15	0.23
<b>Prices</b>						
Highest share price (p)	330.56	295.33	272.38	380.65	338.82	310.90
Lowest share price (p)	281.88	189.23	222.04	323.70	216.08	252.04
	Class D – Accumulation shares			Class L – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	538.64	463.82	426.06	228.72	197.72	183.51
Return before operating charges (p)	102.52	80.09	42.90	43.58	34.31	18.44
Operating charges (p)	(3.21)	(5.27)	(5.14)	(0.78)	(1.32)	(1.25)
Return after operating charges (p)*	99.31	74.82	37.76	42.80	32.99	17.19
Distributions (p)	–	(2.30)	(4.68)	–	(1.99)	(2.98)
Retained distributions on accumulation shares (p)	–	2.30	4.68	–	–	–
Closing net asset value per share (p)	637.95	538.64	463.82	271.52	228.72	197.72
*after direct transaction costs of (p)	0.52	0.77	1.09	0.22	0.34	0.46
<b>Performance</b>						
Return after charges (%)	18.44	16.13	8.86	18.71	16.69	9.37
<b>Other information</b>						
Closing net asset value (£000)	297	497	997	82	92	104
Closing number of shares	46,626	92,251	214,870	30,324	40,352	52,639
Operating charges (%)**	1.07 <sup>†</sup>	1.07	1.07	0.61 <sup>†</sup>	0.61	0.61
Direct transaction costs (%)***	0.17	0.15	0.23	0.17	0.15	0.23
<b>Prices</b>						
Highest share price (p)	638.39	568.29	521.52	271.69	243.21	225.63
Lowest share price (p)	542.90	362.47	422.85	230.53	154.53	182.10

## Threadneedle European Fund

### Comparative Table Disclosure

(continued)

	Class L – Accumulation shares			Class L GBP – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	332.57	285.04	260.68	203.86	176.22	163.56
Return before operating charges (p)	63.38	49.43	26.15	38.85	30.59	16.45
Operating charges (p)	(1.14)	(1.90)	(1.79)	(0.70)	(1.18)	(1.13)
Return after operating charges (p)*	62.24	47.53	24.36	38.15	29.41	15.32
Distributions (p)	–	(2.86)	(4.23)	–	(1.77)	(2.66)
Retained distributions on accumulation shares (p)	–	2.86	4.23	–	–	–
Closing net asset value per share (p)	394.81	332.57	285.04	242.01	203.86	176.22
*after direct transaction costs of (p)	0.32	0.49	0.67	0.20	0.30	0.42
<b>Performance</b>						
Return after charges (%)	18.71	16.67	9.34	18.71	16.69	9.37
<b>Other information</b>						
Closing net asset value (£000)	1,683	1,621	1,482	556	474	360
Closing number of shares	426,178	487,544	519,784	229,678	232,278	204,457
Operating charges (%)**	0.61 <sup>†</sup>	0.61	0.61	0.61 <sup>†</sup>	0.61	0.61
Direct transaction costs (%)***	0.17	0.15	0.23	0.17	0.15	0.23
<b>Prices</b>						
Highest share price (p)	395.05	350.63	320.50	242.16	216.79	201.10
Lowest share price (p)	335.21	222.78	258.72	205.47	137.73	162.31
	Class X – Accumulation shares			Class X2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	167.07	142.40	129.50	661.99	564.28	513.14
Return before operating charges (p)	31.87	24.76	12.99	126.34	98.07	51.48
Operating charges (p)	(0.06)	(0.09)	(0.09)	(0.23)	(0.36)	(0.34)
Return after operating charges (p)*	31.81	24.67	12.90	126.11	97.71	51.14
Distributions (p)	–	(2.29)	(2.91)	–	(9.08)	(11.54)
Retained distributions on accumulation shares (p)	–	2.29	2.91	–	9.08	11.54
Closing net asset value per share (p)	198.88	167.07	142.40	788.10	661.99	564.28
*after direct transaction costs of (p)	0.16	0.24	0.33	0.66	0.94	1.29
<b>Performance</b>						
Return after charges (%)	19.04	17.32	9.96	19.05	17.32	9.97
<b>Other information</b>						
Closing net asset value (£000)	99,868	115,914	303,748	59,900	14,565	43,655
Closing number of shares	50,214,575	69,382,657	213,300,518	7,600,570	2,200,213	7,736,439
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	0.17	0.15	0.23	0.17	0.15	0.23
<b>Prices</b>						
Highest share price (p)	198.99	175.99	160.05	788.53	697.36	634.22
Lowest share price (p)	168.39	111.32	128.52	667.26	441.10	509.29

## Threadneedle European Fund

### Comparative Table Disclosure

(continued)

	Class X GBP Hedged – Gross accumulation shares <sup>§</sup>			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020 <sup>†</sup>	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	117.78	100.18	100.00	169.27	146.36	135.84
Return before operating charges (p)	23.28	17.66	0.21	32.24	25.35	13.66
Operating charges (p)	(0.04)	(0.06)	(0.03)	(0.84)	(1.41)	(1.36)
Return after operating charges (p)*	23.24	17.60	0.18	31.40	23.94	12.30
Distributions (p)	–	(1.57)	(0.32)	–	(1.03)	(1.78)
Retained distributions on accumulation shares (p)	–	1.57	0.32	–	–	–
Closing net asset value per share (p)	141.02	117.78	100.18	200.67	169.27	146.36
*after direct transaction costs of (p)	0.12	0.17	0.25	0.16	0.25	0.35
<b>Performance</b>						
Return after charges (%)	19.73	17.57	0.18	18.55	16.36	9.05
<b>Other information</b>						
Closing net asset value (£000)	236,715	220,930	175,444	1,625	1,338	1,004
Closing number of shares	167,853,967	187,580,116	175,127,274	810,020	790,547	686,124
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06 <sup>†</sup>	0.88 <sup>†</sup>	0.88	0.88
Direct transaction costs (%)**	0.17	0.15	0.23	0.17	0.15	0.23
<b>Prices</b>						
Highest share price (p)	142.10	122.46	117.11	200.81	179.62	166.58
Lowest share price (p)	119.53	74.71	99.88	170.61	114.38	134.80
<b>Class Z – Accumulation shares</b>						
	07/09/2021	07/03/2021	07/03/2020			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	230.11	197.77	181.32			
Return before operating charges (p)	43.83	34.26	18.25			
Operating charges (p)	(1.14)	(1.92)	(1.80)			
Return after operating charges (p)*	42.69	32.34	16.45			
Distributions (p)	–	(1.39)	(2.38)			
Retained distributions on accumulation shares (p)	–	1.39	2.38			
Closing net asset value per share (p)	272.80	230.11	197.77			
*after direct transaction costs of (p)	0.22	0.34	0.46			
<b>Performance</b>						
Return after charges (%)	18.55	16.35	9.07			
<b>Other information</b>						
Closing net asset value (£000)	62,760	41,263	21,532			
Closing number of shares	23,005,595	17,931,454	10,887,328			
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.88			
Direct transaction costs (%)**	0.17	0.15	0.23			
<b>Prices</b>						
Highest share price (p)	272.99	242.71	222.35			
Lowest share price (p)	231.94	154.56	179.95			

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

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

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

<sup>†</sup>Commenced 8 October 2019.

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

# Threadneedle European Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Accumulation shares</b>	
Opening shares	26,946,769
Shares issued	764,168
Shares redeemed	(2,894,196)
Net conversions	(4,130,658)
Closing shares	<u>20,686,083</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	127,181,112
Shares issued	4,292,729
Shares redeemed	(18,948,695)
Net conversions	(13,960,953)
Closing shares	<u>98,564,193</u>
<b>Class D – Accumulation shares</b>	
Opening shares	92,251
Shares issued	325
Shares redeemed	(1,225)
Net conversions	(44,725)
Closing shares	<u>46,626</u>
<b>Class L – Income shares</b>	
Opening shares	40,352
Shares issued	–
Shares redeemed	(10,028)
Net conversions	–
Closing shares	<u>30,324</u>
<b>Class L – Accumulation shares</b>	
Opening shares	487,544
Shares issued	26,191
Shares redeemed	(87,557)
Net conversions	–
Closing shares	<u>426,178</u>
<b>Class L GBP – Income shares</b>	
Opening shares	232,278
Shares issued	2,900
Shares redeemed	(5,500)
Net conversions	–
Closing shares	<u>229,678</u>
<b>Class X – Accumulation shares</b>	
Opening shares	69,382,657
Shares issued	3,250,421
Shares redeemed	(22,418,503)
Net conversions	–
Closing shares	<u>50,214,575</u>
<b>Class X2 – Accumulation shares</b>	
Opening shares	2,200,213
Shares issued	52,389
Shares redeemed	(1,399,730)
Net conversions	6,747,698
Closing shares	<u>7,600,570</u>

	2021
<b>Class X GBP Hedged – Gross accumulation shares</b>	
Opening shares	187,580,116
Shares issued	16,691,416
Shares redeemed	(36,417,565)
Net conversions	–
Closing shares	<u>167,853,967</u>
<b>Class Z – Income shares</b>	
Opening shares	790,547
Shares issued	56,293
Shares redeemed	(36,820)
Net conversions	–
Closing shares	<u>810,020</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	17,931,454
Shares issued	572,372
Shares redeemed	(610,402)
Net conversions	5,112,171
Closing shares	<u>23,005,595</u>

## Threadneedle European Select Fund

### Investment Report

#### Investment Objective and Policy

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

The Fund is actively managed, and invests at least 75% of its assets in a concentrated portfolio of shares of companies domiciled in Continental Europe, or which have significant Continental European business operations. The Fund selects companies in which the fund manager has a high conviction that the current share price does not reflect the prospects for that business. These companies may be chosen from any industry or economic sector, with significant sector and share weightings taken at the fund manager's discretion. There is no restriction on company size, however, investment tends to focus on larger companies, such as those included in the FTSE World Europe ex UK Index.

The FTSE World Europe ex UK Index is regarded as providing an appropriate representation of the share performance of large and medium-sized companies across Europe (excluding the UK), currently with approximately 500 companies included. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

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

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

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

#### Performance of Net Accumulation Class 1 Shares\*

Over the six months to 7 September 2021, the published share price of the Threadneedle European Select Fund has risen from 374.84p to 465.71p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +20.30% as compared to a median return of +16.94% over the same period. (For information the FTSE World Europe ex UK Index returned +18.12% over the same period).

#### Market Overview and Portfolio Activity

The six-month period saw further gains for European markets, which were buoyed by vaccination rollouts and economic stimulus measures. Cyclical stocks benefited from investor interest in sectors which are geared towards an economic recovery. However, rising bond yields periodically jolted markets, amid concerns that interest rates could move higher. Stocks were also rattled by the emergence of mutant COVID-19 strains, particularly the Delta variant, which drove another wave of the pandemic in much of Europe. Vaccination rates in the EU got off to a slow start and rising coronavirus infections prompted new or extended lockdown measures in several countries. The rollout of vaccines across the region later picked up pace, bolstering market sentiment. The economic picture initially improved but some investors subsequently questioned the bullish outlook for a continued rebound in world economic growth, given the spread of mutant viral strains. The eurozone economy expanded by 2.0% (quarter on quarter) in the three months to the end of June and the European Central Bank (ECB) raised forecasts for eurozone growth this year and next. A gauge of services and manufacturing activity in the euro area indicated the strongest expansion in 15 years as lockdown measures were eased. In Germany, the keenly watched ZEW index of economic sentiment rebounded but then fell for three straight months, reflecting concern about a resurgence of the pandemic and an economic slowdown, coupled with a regulatory crackdown in key trade partner China.

Inflationary concerns mounted during the review period. Meeting minutes suggested that the US Federal Reserve (Fed) has moved closer to tapering its bond-purchase programme and raising interest rates. However, Fed Chairman Jerome Powell indicated that the central bank would act at a gradual pace, reassuring markets. Following a strategy review, the ECB set a new inflation target of 2% and indicated that it would tolerate temporary overshoots. Eurozone inflation then rose to the highest level in almost a decade, a development viewed as supporting hawkish ECB officials who want to see bond purchases scaled back.

On the political front, Angela Merkel is nearing the end of her tenure as chancellor and rival factions are jostling for power in advance of a general election.

New holdings included Allfunds and Sinch. The Allfunds platform has a sizeable market share of open-architecture fund distribution in Europe. High barriers to entry, scale benefits and network effects make this a strong and profitable business model – the company continues to grow organically and through acquisitions. Sinch is a specialist in cloud-based middleware, which enables companies to communicate with clients and employees in a coordinated and secure manner. Sinch is a leader in this market and has exclusive arrangements with some of the largest US software companies.

We sold Knorr-Bremse; we were disappointed at the decision to consider the acquisition of Hella, which would not have been in the interest of shareholders. Adidas was another sale; Chinese competition is becoming tougher and there is a growing trend towards local brands there.

The potential for a post-virus recovery is building confidence, though some sectors will be under strain for years to come and inflationary pressures are surfacing; interest rates remain under control, but we are seeing potential rises in the US. COVID-19 and geopolitical uncertainty (for example with Afghanistan) dominate sentiment. The Delta variant wave meant a partial return of restrictions, more recently offset by successful vaccination programmes. The UK reopened over the summer and others may follow.

As the Democrats have tentative control of the US Senate as well as the House and the presidency, a return to Obama-like policies is ensuing, with an emphasis on fiscal and monetary stimulus, and the infrastructure bill should shortly pass through Congress. This may tend to favour companies which would benefit from a cyclical upturn, but some previously fragile business models are proving unsustainable, impacting small businesses and employment in the hospitality and travel sectors. Post-Brexit practicalities are still unclear; there have been concerns over Northern Ireland, where the protocol is not working well, and over financial services, where a deal has still not been agreed. Exports from the UK to the EU have fallen sharply in some sectors.

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

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains	422,362	205,575
Revenue	19,748	19,824
Expenses	(8,518)	(7,627)
Interest payable and similar charges	(17)	(11)
Net revenue before taxation	11,213	12,186
Taxation	(3,503)	(2,604)
Net revenue after taxation	7,710	9,582
<b>Total return before equalisation</b>	<b>430,072</b>	<b>215,157</b>
Equalisation	(462)	(121)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>429,610</b>	<b>215,036</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	1,978,989	1,655,933
<b>Current assets:</b>		
Debtors	5,694	14,974
Cash and bank balances	3,281	3,806
Cash equivalents**	14,881	12,218
<b>Total assets</b>	<b>2,002,845</b>	<b>1,686,931</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(50)	(2)
<b>Creditors:</b>		
Bank overdrafts	–	(631)
Distribution payable	–	(688)
Other creditors	(7,174)	(16,055)
<b>Total liabilities</b>	<b>(7,224)</b>	<b>(17,376)</b>
<b>Net assets attributable to shareholders</b>	<b>1,995,621</b>	<b>1,669,555</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>1,669,555</b>	<b>1,583,060</b>
Amounts receivable on the issue of shares	37,083	100,556
Amounts payable on the cancellation of shares	(140,679)	(152,147)
	(103,596)	(51,591)
Dilution adjustment	52	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	429,610	215,036
<b>Closing net assets attributable to shareholders</b>	<b>1,995,621</b>	<b>1,746,505</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

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

## Threadneedle European Select Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	158.17	136.76	123.25	370.58	320.42	288.40
Return before operating charges (p)	42.01	23.85	15.92	98.42	55.88	37.24
Operating charges (p)	(1.44)	(2.44)	(2.24)	(3.38)	(5.72)	(5.22)
Return after operating charges (p)*	40.57	21.41	13.68	95.04	50.16	32.02
Distributions (p)	–	–	(0.17)	–	–	(0.39)
Retained distributions on accumulation shares (p)	–	–	–	–	–	0.39
Closing net asset value per share (p)	198.74	158.17	136.76	465.62	370.58	320.42
*after direct transaction costs of (p)	0.05	0.14	0.14	0.12	0.32	0.33
<b>Performance</b>						
Return after charges (%)	25.65	15.66	11.10	25.65	15.65	11.10
<b>Other information</b>						
Closing net asset value (£000)	324	360	433	167,293	201,491	247,767
Closing number of shares	163,251	227,584	316,472	35,928,838	54,371,743	77,326,044
Operating charges (%)**	1.60 <sup>†</sup>	1.60	1.60	1.60 <sup>†</sup>	1.60	1.60
Direct transaction costs (%)***	0.05	0.09	0.10	0.05	0.09	0.10
<b>Prices</b>						
Highest share price (p)	198.78	171.75	151.51	465.71	402.40	354.52
Lowest share price (p)	159.12	110.56	122.28	372.79	259.04	286.13
	Class 2 – Income shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	236.51	203.65	183.54	424.87	365.35	327.03
Return before operating charges (p)	62.91	35.57	23.70	113.00	63.83	42.26
Operating charges (p)	(1.43)	(2.39)	(2.21)	(2.56)	(4.31)	(3.94)
Return after operating charges (p)*	61.48	33.18	21.49	110.44	59.52	38.32
Distributions (p)	–	(0.32)	(1.38)	–	(0.57)	(2.47)
Retained distributions on accumulation shares (p)	–	–	–	–	0.57	2.47
Closing net asset value per share (p)	297.99	236.51	203.65	535.31	424.87	365.35
*after direct transaction costs of (p)	0.07	0.21	0.21	0.13	0.37	0.37
<b>Performance</b>						
Return after charges (%)	25.99	16.29	11.71	25.99	16.29	11.72
<b>Other information</b>						
Closing net asset value (£000)	1,009	822	962	248,171	206,081	193,003
Closing number of shares	338,482	347,446	472,420	46,360,147	48,504,932	52,827,073
Operating charges (%)**	1.05 <sup>†</sup>	1.05	1.06	1.05 <sup>†</sup>	1.05	1.06
Direct transaction costs (%)***	0.05	0.09	0.10	0.05	0.09	0.10
<b>Prices</b>						
Highest share price (p)	298.05	256.95	226.68	535.41	460.96	403.90
Lowest share price (p)	237.92	164.66	182.10	427.40	295.41	324.46

## Threadneedle European Select Fund

### Comparative Table Disclosure

(continued)

	Class 2 USD Hedged – Accumulation shares			Class X – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	197.33	176.92	154.61	179.69	152.98	135.59
Return before operating charges (p)	54.67	22.44	24.22	47.91	26.80	17.48
Operating charges (p)	(1.19)	(2.03)	(1.91)	(0.05)	(0.09)	(0.09)
Return after operating charges (p)*	53.48	20.41	22.31	47.86	26.71	17.39
Distributions (p)	–	(0.36)	(1.11)	–	(1.97)	(2.57)
Retained distributions on accumulation shares (p)	–	0.36	1.11	–	1.97	2.57
Closing net asset value per share (p)	250.81	197.33	176.92	227.55	179.69	152.98
*after direct transaction costs of (p)	0.06	0.17	0.18	0.06	0.15	0.15
<b>Performance</b>						
Return after charges (%)	27.10	11.54	14.43	26.63	17.46	12.83
<b>Other information</b>						
Closing net asset value (£000)	4,531	3,549	6,287	64,392	40,928	67,644
Closing number of shares	1,806,551	1,798,466	3,554,014	28,298,415	22,776,848	44,216,778
Operating charges (%)**	1.05 <sup>†</sup>	1.05	1.06	0.05 <sup>†</sup>	0.05	0.06
Direct transaction costs (%)***	0.05	0.09	0.10	0.05	0.09	0.10
<b>Prices</b>						
Highest share price (p)	250.86	209.75	204.57	227.59	194.67	168.91
Lowest share price (p)	199.58	144.79	154.67	180.77	123.73	134.53
	Class Z – Income shares			Class Z – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	190.34	163.88	147.71	249.10	213.70	190.87
Return before operating charges (p)	50.65	28.65	19.06	66.30	37.35	24.63
Operating charges (p)	(0.87)	(1.49)	(1.40)	(1.15)	(1.95)	(1.80)
Return after operating charges (p)*	49.78	27.16	17.66	65.15	35.40	22.83
Distributions (p)	–	(0.70)	(1.49)	–	(0.91)	(1.93)
Retained distributions on accumulation shares (p)	–	–	–	–	0.91	1.93
Closing net asset value per share (p)	240.12	190.34	163.88	314.25	249.10	213.70
*after direct transaction costs of (p)	0.06	0.17	0.17	0.08	0.22	0.22
<b>Performance</b>						
Return after charges (%)	26.15	16.57	11.96	26.15	16.57	11.96
<b>Other information</b>						
Closing net asset value (£000)	190,847	187,750	192,153	1,319,054	1,028,574	874,811
Closing number of shares	79,479,538	98,639,630	117,252,943	419,744,145	412,913,280	409,368,215
Operating charges (%)**	0.80 <sup>†</sup>	0.81	0.83	0.80 <sup>†</sup>	0.81	0.83
Direct transaction costs (%)***	0.05	0.09	0.10	0.05	0.09	0.10
<b>Prices</b>						
Highest share price (p)	240.17	207.18	182.78	314.31	270.16	236.19
Lowest share price (p)	191.48	132.51	146.55	250.59	172.80	189.37

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

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

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

# Threadneedle European Select Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	227,584
Shares issued	12,407
Shares redeemed	(10,907)
Net conversions	(65,833)
Closing shares	163,251
<b>Class 1 – Accumulation shares</b>	
Opening shares	54,371,743
Shares issued	596,693
Shares redeemed	(1,702,506)
Net conversions	(17,337,092)
Closing shares	35,928,838
<b>Class 2 – Income shares</b>	
Opening shares	347,446
Shares issued	39,281
Shares redeemed	(38,960)
Net conversions	(9,285)
Closing shares	338,482
<b>Class 2 – Accumulation shares</b>	
Opening shares	48,504,932
Shares issued	2,033,171
Shares redeemed	(1,829,483)
Net conversions	(2,348,473)
Closing shares	46,360,147
<b>Class 2 USD Hedged – Accumulation shares</b>	
Opening shares	1,798,466
Shares issued	120,226
Shares redeemed	(112,141)
Net conversions	–
Closing shares	1,806,551
<b>Class X – Accumulation shares</b>	
Opening shares	22,776,848
Shares issued	12,806
Shares redeemed	(12,117)
Net conversions	5,520,878
Closing shares	28,298,415
<b>Class Z – Income shares</b>	
Opening shares	98,639,630
Shares issued	597,980
Shares redeemed	(19,966,943)
Net conversions	208,871
Closing shares	79,479,538
<b>Class Z – Accumulation shares</b>	
Opening shares	412,913,280
Shares issued	8,526,498
Shares redeemed	(27,317,086)
Net conversions	25,621,453
Closing shares	419,744,145

## Threadneedle European Smaller Companies Fund

### Investment Report

#### Investment Objective and Policy

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

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

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

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

The EMIX Smaller European Companies Ex UK Index is regarded as providing an appropriate representation of the share performance of smaller sized companies across Europe (excluding the UK), currently with over 1,000 companies included. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

The Fund typically invests in fewer than 100 companies, which may include shares of some companies not within the EMIX Smaller Europe Ex UK Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

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

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

#### Performance of Net Accumulation Class 1 Shares\*

Over the six months to 7 September 2021, the published share price of the Threadneedle European Smaller Companies Fund has risen from 1,104.41p to 1,359.20p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +17.82% as compared to a median return of +18.51% over the same period. (For information the EMIX Smaller European Companies Ex UK Index returned +16.40% over the same period).

#### Market Overview and Portfolio Activity

The six-month period saw further gains for European markets, which were buoyed by vaccination rollouts and economic stimulus measures. Cyclical stocks benefited from investor interest in sectors which are geared towards an economic recovery. However, rising bond yields periodically jolted markets, amid concerns that interest rates could move higher. Stocks were also rattled by the emergence of mutant COVID-19 strains, particularly the Delta variant, which drove another wave of the pandemic in much of Europe.

Vaccination rates in the EU got off to a slow start and rising coronavirus infections prompted new or extended lockdown measures in several countries. The rollout of vaccines across the region later picked up pace, bolstering market sentiment. The economic picture initially improved but some investors subsequently questioned the bullish outlook for a continued rebound in world economic growth, given the spread of mutant viral strains. The eurozone economy expanded by 2.0% (quarter on quarter) in the three months to the end of June and the European Central Bank (ECB) raised forecasts for eurozone growth this year and next. A gauge of services and manufacturing activity in the euro area indicated the strongest expansion in 15 years as lockdown measures were eased. In Germany, the keenly watched ZEW index of economic sentiment rebounded but then fell for three straight months, reflecting concern about a resurgence of the pandemic and an economic slowdown, coupled with a regulatory crackdown in key trade partner China.

Inflationary concerns mounted during the review period. Meeting minutes suggested that the US Federal Reserve (Fed) has moved closer to tapering its bond-purchase programme and raising interest rates. However, Fed Chairman Jerome Powell indicated that the central bank would act at a gradual pace, reassuring markets. Following a strategy review, the ECB set a new inflation target of 2% and indicated that it would tolerate temporary overshoots. Eurozone inflation then rose to the highest level in almost a

decade, a development viewed as supporting hawkish ECB officials who want to see bond purchases scaled back.

On the political front, Angela Merkel is nearing the end of her tenure as chancellor and rival factions are jostling for power in advance of a general election.

New holdings included Allfunds, Fortnox and Musti. The Allfunds platform has a sizeable market share of open-architecture fund distribution in Europe. High barriers to entry, scale benefits and network effects make this a strong and profitable business model – the company continues to grow organically and through acquisitions. Fortnox is a Swedish software company, which is growing fast. Musti is a Scandinavian pet food specialist, benefiting from a high local market share and a fast-growing market, as pet ownership is increasing. Sales included Tikkurila (paints) following a takeover bid.

The potential for a post-virus recovery is building confidence, though some sectors will be under strain for years to come and inflationary pressures are surfacing; interest rates remain under control, but we are seeing potential rises in the US. COVID-19 and geopolitical uncertainty (for example with Afghanistan) dominate sentiment. The Delta variant wave meant a partial return of restrictions, more recently offset by successful vaccination programmes. The UK reopened over the summer and others may follow.

As the Democrats have tentative control of the US Senate as well as the House and the presidency, a return to Obama-like policies is ensuing, with an emphasis on fiscal and monetary stimulus, and the infrastructure bill should shortly pass through Congress. This may tend to favour companies which would benefit from a cyclical upturn, but some previously fragile business models are proving unsustainable, impacting small businesses and employment in the hospitality and travel sectors.

Post-Brexit practicalities are still unclear, there have been concerns over Northern Ireland, where the protocol is not working well, and over financial services, where a deal has still not been agreed. Exports from the UK to the EU have fallen sharply in some sectors.

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

#### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains	111,883	64,762
Revenue	4,740	3,951
Expenses	(2,498)	(1,997)
Interest payable and similar charges	(8)	(10)
Net revenue before taxation	2,234	1,944
Taxation	(620)	(451)
Net revenue after taxation	1,614	1,493
<b>Total return before equalisation</b>	<b>113,497</b>	<b>66,255</b>
Equalisation	(34)	(25)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>113,463</b>	<b>66,230</b>

#### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	545,235	458,768
<b>Current assets:</b>		
Debtors	1,473	1,988
Cash and bank balances	2,328	3,040
Cash equivalents**	6,882	2,739
<b>Total assets</b>	<b>555,918</b>	<b>466,535</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	–	(12)
Other creditors	(984)	(3,473)
<b>Total liabilities</b>	<b>(984)</b>	<b>(3,485)</b>
<b>Net assets attributable to shareholders</b>	<b>554,934</b>	<b>463,050</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>463,050</b>	<b>378,780</b>
Amounts receivable on the issue of shares	10,654	23,963
Amounts payable on the cancellation of shares	(32,233)	(39,183)
	(21,579)	(15,220)
Dilution adjustment	–	19
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	113,463	66,230
<b>Closing net assets attributable to shareholders</b>	<b>554,934</b>	<b>429,809</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

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

## Threadneedle European Smaller Companies Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 EUR – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	1,057.52	828.00	803.52	1,057.52	828.00	803.52
Return before operating charges (p)	272.48	245.82	39.13	272.47	245.78	39.11
Operating charges (p)	(9.84)	(16.30)	(14.65)	(9.83)	(16.26)	(14.63)
Return after operating charges (p)*	262.64	229.52	24.48	262.64	229.52	24.48
Distributions (p)	–	–	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	1,320.16	1,057.52	828.00	1,320.16	1,057.52	828.00
*after direct transaction costs of (p)	0.09	0.30	0.26	0.09	0.30	0.26
<b>Performance</b>						
Return after charges (%)	24.84	27.72	3.05	24.84	27.72	3.05
<b>Other information</b>						
Closing net asset value (£000)	723	560	437	34,507	29,891	27,557
Closing number of shares	54,782	52,934	52,838	2,613,888	2,826,542	3,328,151
Operating charges (%)**	1.67 <sup>†</sup>	1.67	1.67	1.67 <sup>†</sup>	1.67	1.67
Direct transaction costs (%)***	0.02	0.03	0.03	0.02	0.03	0.03
<b>Prices</b>						
Highest share price (p)	1,320.91	1,168.12	939.93	1,320.91	1,168.12	939.93
Lowest share price (p)	1,062.53	650.30	795.58	1,062.53	650.30	795.57
	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	1,088.18	852.01	826.82	1,248.63	971.66	937.14
Return before operating charges (p)	280.33	252.83	40.25	322.31	289.15	45.39
Operating charges (p)	(10.08)	(16.66)	(15.06)	(7.38)	(12.18)	(10.87)
Return after operating charges (p)*	270.25	236.17	25.19	314.93	276.97	34.52
Distributions (p)	–	–	–	–	–	(6.13)
Retained distributions on accumulation shares (p)	–	–	–	–	–	6.13
Closing net asset value per share (p)	1,358.43	1,088.18	852.01	1,563.56	1,248.63	971.66
*after direct transaction costs of (p)	0.09	0.31	0.27	0.11	0.35	0.31
<b>Performance</b>						
Return after charges (%)	24.84	27.72	3.05	25.22	28.50	3.68
<b>Other information</b>						
Closing net asset value (£000)	43,249	44,007	43,766	128,858	114,992	93,939
Closing number of shares	3,183,727	4,044,114	5,136,755	8,241,278	9,209,419	9,667,973
Operating charges (%)**	1.67 <sup>†</sup>	1.67	1.68	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.02	0.03	0.03	0.02	0.03	0.03
<b>Prices</b>						
Highest share price (p)	1,359.20	1,201.99	967.19	1,564.46	1,378.78	1,102.12
Lowest share price (p)	1,093.34	669.15	818.74	1,254.57	763.24	927.99

## Threadneedle European Smaller Companies Fund

### Comparative Table Disclosure

(continued)

	Class X – Gross accumulation shares <sup>§</sup>			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020 <sup>1</sup>	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	129.57	99.83	100.00	236.65	183.96	178.56
Return before operating charges (p)	33.54	29.81	(0.12)	61.11	54.76	8.62
Operating charges (p)	(0.04)	(0.07)	(0.05)	(1.16)	(1.91)	(1.71)
Return after operating charges (p)*	33.50	29.74	(0.17)	59.95	52.85	6.91
Distributions (p)	–	(1.07)	(1.16)	–	(0.16)	(1.51)
Retained distributions on accumulation shares (p)	–	1.07	1.16	–	–	–
Closing net asset value per share (p)	163.07	129.57	99.83	296.60	236.65	183.96
*after direct transaction costs of (p)	0.01	0.04	0.03	0.02	0.07	0.06
<b>Performance</b>						
Return after charges (%)	25.85	29.79	(0.17)	25.33	28.73	3.87
<b>Other information</b>						
Closing net asset value (£000)	45,096	28,737	31,433	23,462	17,225	13,174
Closing number of shares	27,654,171	22,178,624	31,487,779	7,910,200	7,278,481	7,161,109
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06 <sup>†</sup>	0.88 <sup>†</sup>	0.88	0.88
Direct transaction costs (%)***	0.02	0.03	0.03	0.02	0.03	0.03
<b>Prices</b>						
Highest share price (p)	163.16	143.00	113.08	296.77	261.47	210.32
Lowest share price (p)	130.19	78.43	98.75	237.78	144.51	176.80
<b>Class Z – Accumulation shares</b>						
	07/09/2021	07/03/2021	07/03/2020			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	265.19	206.00	198.32			
Return before operating charges (p)	68.47	61.34	9.59			
Operating charges (p)	(1.30)	(2.15)	(1.91)			
Return after operating charges (p)*	67.17	59.19	7.68			
Distributions (p)	–	(0.18)	(1.68)			
Retained distributions on accumulation shares (p)	–	0.18	1.68			
Closing net asset value per share (p)	332.36	265.19	206.00			
*after direct transaction costs of (p)	0.02	0.08	0.06			
<b>Performance</b>						
Return after charges (%)	25.33	28.73	3.87			
<b>Other information</b>						
Closing net asset value (£000)	279,039	227,638	168,474			
Closing number of shares	83,955,918	85,840,588	81,782,838			
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.88			
Direct transaction costs (%)***	0.02	0.03	0.03			
<b>Prices</b>						
Highest share price (p)	332.55	292.80	233.59			
Lowest share price (p)	266.45	161.82	196.39			

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

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

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

<sup>†</sup>Commenced 9 May 2019.

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

# Threadneedle European Smaller Companies Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	52,934
Shares issued	3,855
Shares redeemed	(1,284)
Net conversions	(723)
Closing shares	<u>54,782</u>
<b>Class 1 EUR – Income shares</b>	
Opening shares	2,826,542
Shares issued	100,518
Shares redeemed	(313,172)
Net conversions	–
Closing shares	<u>2,613,888</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	4,044,114
Shares issued	86,906
Shares redeemed	(177,820)
Net conversions	(769,473)
Closing shares	<u>3,183,727</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	9,209,419
Shares issued	111,009
Shares redeemed	(495,277)
Net conversions	(583,873)
Closing shares	<u>8,241,278</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	22,178,624
Shares issued	19,215
Shares redeemed	–
Net conversions	5,456,332
Closing shares	<u>27,654,171</u>
<b>Class Z – Income shares</b>	
Opening shares	7,278,481
Shares issued	982,180
Shares redeemed	(355,115)
Net conversions	4,654
Closing shares	<u>7,910,200</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	85,840,588
Shares issued	1,503,113
Shares redeemed	(6,608,853)
Net conversions	3,221,070
Closing shares	<u>83,955,918</u>

## Threadneedle European Bond Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income with the prospect of some capital growth over the long term. It looks to outperform the ICE BofA Pan-Europe Broad Market Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least two-thirds of its assets in bonds issued by governments, quasi-government entities and companies (corporate bonds) that are denominated in a European currency.

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

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

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

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

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

Over the six months to 7 September 2021, the published share price of the Threadneedle European Bond Fund has fallen from 83.29p to 82.92p.

The sterling total return on the fund for the six months ending 31 August 2021, including net reinvested income, is -0.04%. For information the ICE BofA Pan-Europe Broad Market Index returned +0.25% over the same period.

#### Market Overview and Portfolio Activity

Most risk markets posted positive returns over the review period, as the relatively smooth rollout of COVID-19 vaccines in developed countries and resulting optimism about the global economy buoyed sentiment. The 'risk on' mood was also boosted by anticipation of further US fiscal stimulus. However, global markets were periodically unsettled by fears that rising inflation due to the economic revival and increased US fiscal stimulus could lead key central banks to rein in their accommodative measures. Concerns about the rapid spread of the more contagious Delta variant of the coronavirus also weighed on sentiment.

Against this backdrop, credit spreads were little changed over the period and traded in a tight range. Meanwhile, core government bond yields drifted lower over the review period, despite concerns about rising global inflation. This was due in part to reassurances from the US Federal Reserve (Fed) and other central banks that the current inflationary pressures are a temporary phenomenon.

Later in the period, core bonds gave back some of their earlier gains, amid fears that major central banks could soon start to tighten their ultra-loose policies. Minutes from the July meeting of the Federal Open Market Committee suggested that asset purchases could be tapered this year. Chairman Jerome Powell

reiterated this view at the Jackson Hole symposium but reassured investors that any rate hikes would require a "substantially more stringent test", which led Treasury yields to retrace some of their earlier rise. Meanwhile, the US Senate approved a bipartisan \$1tn infrastructure investment package as well as a \$3.5tn proposal focusing on areas including education and healthcare; both measures moved to the lower chamber of Congress for consideration.

In Europe, the rise in COVID-19 cases during the summer months appeared to have little impact on the eurozone economy. As in the US, the recovering economy has also led to price pressures; August inflation was the highest in almost a decade, and well above the European Central Bank 2% target. In response, some of the bank's officials made some hawkish comments suggesting that bond purchases should be scaled back. In the UK, GDP returned to growth in the second quarter after contracting in the prior three months. The majority of the Bank of England's policy committee signalled that the economic recovery had reached a point which justified discussions about raising interest rates.

Over the period as a whole, the yields of UK government bonds (gilts) and German government bonds (bunds) fell 2 basis points (bps) and 5 bps respectively. By contrast, in the eurozone periphery, yields on 10-year Italian and Spanish sovereigns edged slightly higher over the period, while those on Portuguese bonds were broadly unchanged. Sentiment towards peripheral debt was impacted by jitters about the Delta variant and central-bank tapering, along with expectations of higher supply.

Within sovereigns, we established positions in Portugal and Belgium and increased exposure to Slovenia. We reduced the holdings in France, Spain and the Netherlands and sold out of Indonesia and Germany.

Within agency/quasi-sovereign debt, new additions included Spanish state-owned lending organisation ICO and Community of Madrid (Spain). We

topped up our holdings in French state-owned railway company SNCF.

In corporate bonds, we initiated a position in data and information group RELX. Among financials, we opened positions in Virgin Money and Bank of America. We sold out of Bank of Ireland and reduced the holdings in ING and UBS. Elsewhere, we trimmed our holdings in DS Smith and Unedec, which manages France's unemployment insurance scheme. Sales also included American Tower, BT and Wells Fargo.

Economic activity so far in 2021 has been exceptionally vigorous – particularly in the US and the UK – fired by the rapid rollout of COVID-19 vaccines and the progressive removal of social-distancing measures. Healthy household balance sheets have also helped support impressive sequential growth rates. In parallel, disruption to the supply side, notably in manufacturing inputs and in labour markets, together with significant base effects, has led to above-target annual inflation rates. Such developments naturally invite anxiety around a potentially inflationary future, though we expect the majority of current price pressures to prove transitory in nature.

Rates markets continue to focus on the Fed's reaction function, specifically on the bank's willingness to look through the inflation figures. While the Federal Open Market Committee's inflation objective appears to have been achieved – for the moment, at least – sustainable progress towards its employment goals is harder to discern. Recent communications suggest that asset-purchase tapering will begin towards the end of the year, but also indicate that markets should draw no inference of an imminent start to a hiking cycle. This may continue to limit yields at the longer end of the Treasury curve, especially if the peak in post-pandemic growth momentum has now been passed. The prevalence of the Delta variant of the virus poses an additional downside risk to the labour market recovery.

Hopes for a return to a higher-growth path (and, thus, a sustainably higher level of real interest rates) rest on the ability of the Democrat majority in Congress to effect a permanent shift towards more expansive fiscal policy directed towards increasing the potential growth rate through investments in infrastructure. Likewise, in the eurozone, medium-term hopes for a higher rate of GDP growth depend on an eventual rotation away from pro-cyclicality in member states' budget policies, as embodied in the eurozone's fiscal framework.

We reserve judgement on the success of these projects, which makes us inclined to become more positive towards duration in portfolios when longer-dated yields approach estimates of 'neutral' interest rates.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital (losses)/gains	(188)	4,686
Revenue	487	705
Expenses	(567)	(701)
Interest payable and similar charges	(283)	(210)
Net expense before taxation	(363)	(206)
Taxation	–	–
Net expense after taxation	(363)	(206)
<b>Total return before distributions</b>	<b>(551)</b>	<b>4,480</b>
Distributions	(121)	(400)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>(672)</b>	<b>4,080</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	112,825	136,543
<b>Current assets:</b>		
Debtors	642	1,709
Cash and bank balances	6,409	4,467
Cash equivalents**	1,722	4
<b>Total assets</b>	<b>121,598</b>	<b>142,723</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	<b>(1,514)</b>	<b>(1,566)</b>
<b>Creditors:</b>		
Bank overdrafts	(1)	(1)
Distribution payable	(21)	(40)
Other creditors	(242)	(1,821)
<b>Total liabilities</b>	<b>(1,778)</b>	<b>(3,428)</b>
<b>Net assets attributable to shareholders</b>	<b>119,820</b>	<b>139,295</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>139,295</b>	<b>133,935</b>
Amounts receivable on the issue of shares	23,765	94,520
Amounts payable on the cancellation of shares	(42,722)	(94,456)
	(18,957)	64
Dilution adjustment	56	264
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(672)	4,080
Retained distribution on accumulation shares	98	331
<b>Closing net assets attributable to shareholders</b>	<b>119,820</b>	<b>138,674</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Interest distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/09/21	0.0776	–	0.0776	0.2369
<b>Group 2</b>				
08/03/21 to 07/09/21	0.0402	0.0374	0.0776	0.2369
<b>Total distributions in the period</b>			<b>0.0776</b>	<b>0.2369</b>

#### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/09/21	0.1557	–	0.1557	0.4738
<b>Group 2</b>				
08/03/21 to 07/09/21	0.0979	0.0578	0.1557	0.4738
<b>Total distributions in the period</b>			<b>0.1557</b>	<b>0.4738</b>

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

## Threadneedle European Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.2051	–	0.2051	0.4994
<b>Group 2</b> 08/03/21 to 07/09/21	0.0510	0.1541	0.2051	0.4994
<b>Total distributions in the period</b>			<b>0.2051</b>	<b>0.4994</b>

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.1439	–	0.1439	0.3506
<b>Group 2</b> 08/03/21 to 07/09/21	0.1439	–	0.1439	0.3506
<b>Total distributions in the period</b>			<b>0.1439</b>	<b>0.3506</b>

#### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.1145	–	0.1145	0.3479
<b>Group 2</b> 08/03/21 to 07/09/21	0.0435	0.0710	0.1145	0.3479
<b>Total distributions in the period</b>			<b>0.1145</b>	<b>0.3479</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.0997	–	0.0997	0.3264
<b>Group 2</b> 08/03/21 to 07/09/21	0.0711	0.0286	0.0997	0.3264
<b>Total distributions in the period</b>			<b>0.0997</b>	<b>0.3264</b>

Group 2: shares purchased during a distribution period.

## Threadneedle European Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross accumulation shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	83.04	84.31	76.83	166.83	168.62	152.91
Return before operating charges (p)	0.23	0.09	8.82	0.48	0.15	17.58
Operating charges (p)	(0.45)	(0.97)	(0.93)	(0.91)	(1.94)	(1.87)
Return after operating charges (p)*	(0.22)	(0.88)	7.89	(0.43)	(1.79)	15.71
Distributions (p)	(0.08)	(0.39)	(0.41)	(0.16)	(0.77)	(0.81)
Retained distributions on accumulation shares (p)	–	–	–	0.16	0.77	0.81
Closing net asset value per share (p)	82.74	83.04	84.31	166.40	166.83	168.62
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(0.26)	(1.04)	10.27	(0.26)	(1.06)	10.27
<b>Other information</b>						
Closing net asset value (£000)	9,201	9,717	11,379	81,740	99,965	109,637
Closing number of shares	11,119,437	11,702,099	13,497,535	49,122,402	59,918,886	65,020,428
Operating charges (%)**	1.09 <sup>†</sup>	1.12	1.15	1.09 <sup>†</sup>	1.13	1.15
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	84.11	90.86	88.25	168.98	182.23	175.64
Lowest share price (p)	81.36	82.06	76.58	163.47	164.12	152.41
	Class 2 – Gross accumulation shares <sup>5</sup>			Class X – Gross accumulation shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	156.20	157.00	141.57	109.54	109.55	100.00
Return before operating charges (p)	0.45	0.14	16.29	0.32	0.08	9.62
Operating charges (p)	(0.44)	(0.94)	(0.86)	(0.04)	(0.09)	(0.07)
Return after operating charges (p)*	0.01	(0.80)	15.43	0.28	(0.01)	9.55
Distributions (p)	(0.21)	(0.84)	(0.87)	(0.14)	(0.59)	(0.46)
Retained distributions on accumulation shares (p)	0.21	0.84	0.87	0.14	0.59	0.46
Closing net asset value per share (p)	156.21	156.20	157.00	109.82	109.54	109.55
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	0.01	(0.51)	10.90	0.26	(0.01)	9.55
<b>Other information</b>						
Closing net asset value (£000)	879	966	596	15,115	16,226	7,900
Closing number of shares	562,426	618,590	379,409	13,763,300	14,813,205	7,210,639
Operating charges (%)**	0.57 <sup>†</sup>	0.57	0.56	0.07 <sup>†</sup>	0.08	0.08 <sup>†</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	158.52	170.40	163.03	111.37	119.36	113.44
Lowest share price (p)	153.22	152.91	141.13	107.55	106.75	100.00

## Threadneedle European Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Gross accumulation shares <sup>§</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020 <sup>‡</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	122.39	123.67	112.12	105.52	106.09	100.00
Return before operating charges (p)	0.34	0.11	12.93	0.30	0.10	6.11
Operating charges (p)	(0.39)	(0.82)	(0.78)	(0.34)	(0.67)	(0.02)
Return after operating charges (p)*	(0.05)	(0.71)	12.15	(0.04)	(0.57)	6.09
Distributions (p)	(0.11)	(0.57)	(0.60)	(0.10)	(0.53)	(0.01)
Retained distributions on accumulation shares (p)	–	–	–	0.10	0.53	0.01
Closing net asset value per share (p)	122.23	122.39	123.67	105.48	105.52	106.09
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(0.04)	(0.57)	10.84	(0.04)	(0.54)	6.09
<b>Other information</b>						
Closing net asset value (£000)	12,818	12,409	4,422	67	12	1
Closing number of shares	10,486,854	10,139,410	3,575,833	63,812	11,500	1,000
Operating charges (%)**	0.64 <sup>†</sup>	0.65	0.65	0.64 <sup>†</sup>	0.63	0.45 <sup>†</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	124.17	133.78	129.08	107.05	115.13	106.22
Lowest share price (p)	120.03	120.43	111.77	103.48	103.31	100.00

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

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

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

<sup>†</sup>Commenced 9 May 2019.

<sup>‡</sup>Commenced 18 February 2020.

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

# Threadneedle European Bond Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	11,702,099
Shares issued	1,131,110
Shares redeemed	(1,603,687)
Net conversions	(110,085)
Closing shares	<u>11,119,437</u>
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	59,918,886
Shares issued	11,950,260
Shares redeemed	(22,746,744)
Net conversions	–
Closing shares	<u>49,122,402</u>
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	618,590
Shares issued	5,874
Shares redeemed	(62,038)
Net conversions	–
Closing shares	<u>562,426</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	14,813,205
Shares issued	–
Shares redeemed	(1,049,905)
Net conversions	–
Closing shares	<u>13,763,300</u>
<b>Class Z – Income shares</b>	
Opening shares	10,139,410
Shares issued	2,343,167
Shares redeemed	(2,070,297)
Net conversions	74,574
Closing shares	<u>10,486,854</u>
<b>Class Z – Gross accumulation shares</b>	
Opening shares	11,500
Shares issued	57,717
Shares redeemed	(5,405)
Net conversions	–
Closing shares	<u>63,812</u>

## Threadneedle Strategic Bond Fund

### Investment Report

#### Investment Objective and Policy

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

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

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

Derivatives (including forward transactions) may be used for investment purposes. This includes allowing the Fund to profit from the fall in the price of an asset (shorting), as well as extending market exposure beyond the value of its assets (leverage). In addition, derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

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

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

Over the six months to 7 September 2021, the published share price of the Threadneedle Strategic Bond Fund has risen from 47.98p to 48.37p.

The total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +1.38% as compared to a median return of +2.66% over the same period. This compares against a return of +1.95% for a composite index of 60% iBoxx GBP Non-Gilts 1-10 Years + 40% ICE BofA European Currency High Yield Excluding Subordinated Financials Constrained (Hedged to £).

#### Market Overview and Portfolio Activity

The sterling investment-grade (IG) and European high-yield (HY) corporate bond markets delivered modest positive returns over the six-month period in review. This was driven both by a slight fall in underlying UK and German government bond yields (which move inversely to price) and by a narrowing in credit spreads (the yield premiums offered by corporate bonds over "risk-free" government bonds of the same maturity). Spreads in the riskier HY market tightened further than their IG counterparts, which traded in an unusually narrow range.

On the one hand, credit markets were supported by strong economic growth as vaccine rollouts allowed much of the world to escape from lockdown, and by corporate results that continued to beat forecasts. On the other, sentiment was kept in check by worries about the rapidly spreading Delta variant of the coronavirus and related signs of cooling economic momentum. With spreads historically tight, valuation concerns were also a factor.

There was more day-to-day movement in government bond yields. Towards the end of the previous review period, US Treasuries, German bunds and UK gilts had fallen sharply in price on fears that loose monetary and fiscal policy, combined with the powerful economic recovery, would trigger runaway inflation. The fact that yields then drifted lower over the six months in review, despite an actual jump in global inflation, is due in part to commentary from central banks. The US Federal Reserve (Fed), European Central Bank (ECB) and the Bank of England (BoE) have been relentless in communicating their belief that the current inflationary pressures are a temporary phenomenon linked to the pandemic. So far, markets appear to have largely accepted this view.

Nevertheless, in recent weeks officials at all three of these central banks have been preparing the ground for an eventual normalisation of monetary policy, and core yields have retraced some of their earlier fall. Minutes from the July meeting of the Fed's Open Market Committee, released in August, showed that a majority of policymakers felt the gradual withdrawal of monetary stimulus could start this year. Also in August, the BoE's Monetary Policy Committee said the Bank would stop reinvesting the proceeds from maturing bonds held in its stockpile once the base interest rate had risen to 0.5%. The comments were widely interpreted as suggesting a rate rise as early as 2022. And in the same month, an above-target eurozone inflation print sparked hawkish comments from key ECB policymakers. The governor of Austria's central bank, for example, called for ECB bond purchases to be reduced this year.

In line with the worldwide economic revival, the UK and eurozone economies performed well during the review period. Composite purchasing managers indices (PMIs) – keenly watched surveys of services and manufacturing activity – for both the UK and euro area indicated strong growth throughout the review period, though the UK's recovery – which began sooner than the eurozone's thanks to an initially quicker vaccine rollout – appeared to be losing steam more rapidly as the period drew to a close. PMI respondents across the developed world have highlighted staffing and supply-chain problems as being key problems unleashed by the reopening of the global economy.

Within the fund, we increased exposure to banks over the period. Strong company results, combined with attractive valuations versus industrials, presented a good opportunity in our view. In terms of specific trades, we took part in a range of new

issues, many of the largest (in terms of position sizes) being from financials. These included new offerings from Bank of America, UBS, JPMorgan Chase and Credit Suisse. Others from different sectors included new deals from Amazon and Scottish Hydro Electric, as well as a range of HY issuers such as Mahle, InPost, and Novellis. In the secondary market, trades included starting a new position in Cadent Gas, while increasing exposure to Thames Water, Ashland Services, and Schaeffler among others. On the sales side, we reduced exposure to issuers including Becton Dickinson, Iqvia, Eaton and APT Pipelines, while exiting others, such as TSB, First Hydro, G4S, Fiat Chrysler and GKN.

The outlook for credit spreads is fairly neutral. Valuation levels are our chief concern. Having widened to extreme levels in March of last year, spreads in the IG and HY markets have tightened again and are now well inside their short-term (5-year) and long-term (20-year) averages. To that extent, both markets appear close to fully valued. It is important to note, however, that on a time-weighted basis, it is common for spreads to trade inside averages more of the time.

Valuations aside, there are a number of encouraging aspects to the current backdrop. Economic growth is neither too low, which would risk higher defaults, nor too high, which could encourage excessive risk-taking by companies. Likewise, the ongoing provision of very accommodative monetary and fiscal policy by central banks and governments should continue to support credit and other risk markets in the coming years.

At the micro-economic level, meanwhile, we remain constructive on company fundamentals following encouraging earnings so far this year. Though still lower than in 2019, revenues are recovering; margins are also expanding, driven by cost-cutting. Our analysts have upgraded their expectations for 2021 and continue to anticipate balance-sheet deleveraging. Company actions throughout last year, combined with government support schemes, have prevented leverage from rising as much as initially feared. Prudently, management teams continue to hold a lot of liquidity and remain committed to balance-sheet discipline.

Measured by duration times spread (beta), the portfolio has less exposure to credit risk than was the case in mid-2020, when spreads in both IG and HY markets warranted more directional risk. The fund also has a higher skew to HY, with defensive 'BB' rated issuers being the favoured part of this market.

At the sector level, we still favour more defensive areas of the market, such as utilities and healthcare, which we think will weather the current uncertain – though improving – economic conditions well. Lastly, with company fundamentals improving, we are increasingly focused on 'rising star' candidates – those issuers that we think are likely to be upgraded from HY to IG – which should present valuation upside.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains	2,369	1,998
Revenue	3,641	4,137
Expenses	(899)	(911)
Interest payable and similar charges	(1,040)	(553)
Net revenue before taxation	1,702	2,673
Taxation	–	–
Net revenue after taxation	1,702	2,673
<b>Total return before distributions</b>	<b>4,071</b>	<b>4,671</b>
Distributions	(2,471)	(3,456)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>1,600</b>	<b>1,215</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	221,818	225,640
<b>Current assets:</b>		
Debtors	3,484	3,488
Cash and bank balances	8,137	10,672
Cash equivalents**	1,517	5,017
<b>Total assets</b>	<b>234,956</b>	<b>244,817</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	<b>(4,292)</b>	<b>(3,664)</b>
<b>Creditors:</b>		
Bank overdrafts	(1,209)	(1,650)
Distribution payable	(313)	(309)
Other creditors	(1,876)	(9,978)
<b>Total liabilities</b>	<b>(7,690)</b>	<b>(15,601)</b>
<b>Net assets attributable to shareholders</b>	<b>227,266</b>	<b>229,216</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>229,216</b>	<b>232,840</b>
Amounts receivable on the issue of shares	4,973	5,965
Amounts payable on the cancellation of shares	(9,220)	(15,721)
	(4,247)	(9,756)
Dilution adjustment	–	19
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	1,600	1,215
Retained distribution on accumulation shares	697	1,053
<b>Closing net assets attributable to shareholders</b>	<b>227,266</b>	<b>225,371</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Interest distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.0792	–	0.0792	0.1503
08/04/21 to 07/05/21	0.0905	–	0.0905	0.1338
08/05/21 to 07/06/21	0.0812	–	0.0812	0.1047
08/06/21 to 07/07/21	0.0817	–	0.0817	0.1363
08/07/21 to 07/08/21	0.0808	–	0.0808	0.1109
08/08/21 to 07/09/21	0.0897	–	0.0897	0.0565
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0765	0.0027	0.0792	0.1503
08/04/21 to 07/05/21	0.0257	0.0648	0.0905	0.1338
08/05/21 to 07/06/21	0.0132	0.0680	0.0812	0.1047
08/06/21 to 07/07/21	0.0138	0.0679	0.0817	0.1363
08/07/21 to 07/08/21	0.0079	0.0729	0.0808	0.1109
08/08/21 to 07/09/21	0.0160	0.0737	0.0897	0.0565
<b>Total distributions in the period</b>			<b>0.5031</b>	<b>0.6925</b>

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

# Threadneedle Strategic Bond Fund

## DISTRIBUTION TABLE

(continued)

### Class 1 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.0794	–	0.0794	0.1505
08/04/21 to 07/05/21	0.0907	–	0.0907	0.1341
08/05/21 to 07/06/21	0.0813	–	0.0813	0.1200
08/06/21 to 07/07/21	0.0818	–	0.0818	0.1215
08/07/21 to 07/08/21	0.0811	–	0.0811	0.1111
08/08/21 to 07/09/21	0.0899	–	0.0899	0.0566
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0194	0.0600	0.0794	0.1505
08/04/21 to 07/05/21	0.0109	0.0798	0.0907	0.1341
08/05/21 to 07/06/21	0.0163	0.0650	0.0813	0.1200
08/06/21 to 07/07/21	0.0107	0.0711	0.0818	0.1215
08/07/21 to 07/08/21	0.0011	0.0800	0.0811	0.1111
08/08/21 to 07/09/21	0.0100	0.0799	0.0899	0.0566
<b>Total distributions in the period</b>			<b>0.5042</b>	<b>0.6938</b>

### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.0924	–	0.0924	0.1694
08/04/21 to 07/05/21	0.1046	–	0.1046	0.1514
08/05/21 to 07/06/21	0.0946	–	0.0946	0.1359
08/06/21 to 07/07/21	0.0949	–	0.0949	0.1382
08/07/21 to 07/08/21	0.0941	–	0.0941	0.1268
08/08/21 to 07/09/21	0.1043	–	0.1043	0.0671
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0241	0.0683	0.0924	0.1694
08/04/21 to 07/05/21	0.0074	0.0972	0.1046	0.1514
08/05/21 to 07/06/21	0.0146	0.0800	0.0946	0.1359
08/06/21 to 07/07/21	0.0176	0.0773	0.0949	0.1382
08/07/21 to 07/08/21	0.0069	0.0872	0.0941	0.1268
08/08/21 to 07/09/21	0.0864	0.0179	0.1043	0.0671
<b>Total distributions in the period</b>			<b>0.5849</b>	<b>0.7888</b>

### Class 2 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.0976	–	0.0976	0.1789
08/04/21 to 07/05/21	0.1105	–	0.1105	0.1599
08/05/21 to 07/06/21	0.0999	–	0.0999	0.1436
08/06/21 to 07/07/21	0.1002	–	0.1002	0.1459
08/07/21 to 07/08/21	0.0995	–	0.0995	0.1340
08/08/21 to 07/09/21	0.1101	–	0.1101	0.0708
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0976	–	0.0976	0.1789
08/04/21 to 07/05/21	0.1105	–	0.1105	0.1599
08/05/21 to 07/06/21	0.0999	–	0.0999	0.1436
08/06/21 to 07/07/21	0.1002	–	0.1002	0.1459
08/07/21 to 07/08/21	0.0995	–	0.0995	0.1340
08/08/21 to 07/09/21	0.1101	–	0.1101	0.0708
<b>Total distributions in the period</b>			<b>0.6178</b>	<b>0.8331</b>

### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.2356	–	0.2356	0.4198
08/04/21 to 07/05/21	0.2672	–	0.2672	0.3767
08/05/21 to 07/06/21	0.2421	–	0.2421	0.3392
08/06/21 to 07/07/21	0.2434	–	0.2434	0.3458
08/07/21 to 07/08/21	0.2418	–	0.2418	0.3182
08/08/21 to 07/09/21	0.2682	–	0.2682	0.1690
<b>Group 2</b>				
08/03/21 to 07/04/21	0.1005	0.1351	0.2356	0.4198
08/04/21 to 07/05/21	0.1618	0.1054	0.2672	0.3767
08/05/21 to 07/06/21	0.1669	0.0752	0.2421	0.3392
08/06/21 to 07/07/21	0.0730	0.1704	0.2434	0.3458
08/07/21 to 07/08/21	0.1206	0.1212	0.2418	0.3182
08/08/21 to 07/09/21	0.1082	0.1600	0.2682	0.1690
<b>Total distributions in the period</b>			<b>1.4983</b>	<b>1.9687</b>

### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.1966	–	0.1966	0.3479
08/04/21 to 07/05/21	0.2231	–	0.2231	0.3122
08/05/21 to 07/06/21	0.2023	–	0.2023	0.2812
08/06/21 to 07/07/21	0.2035	–	0.2035	0.2870
08/07/21 to 07/08/21	0.2022	–	0.2022	0.2642
08/08/21 to 07/09/21	0.2246	–	0.2246	0.1403
<b>Group 2</b>				
08/03/21 to 07/04/21	0.1966	–	0.1966	0.3479
08/04/21 to 07/05/21	0.2231	–	0.2231	0.3122
08/05/21 to 07/06/21	0.2023	–	0.2023	0.2812
08/06/21 to 07/07/21	0.2035	–	0.2035	0.2870
08/07/21 to 07/08/21	0.2022	–	0.2022	0.2642
08/08/21 to 07/09/21	0.2246	–	0.2246	0.1403
<b>Total distributions in the period</b>			<b>1.2523</b>	<b>1.6328</b>

### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.1786	–	0.1786	0.3331
08/04/21 to 07/05/21	0.2033	–	0.2033	0.2973
08/05/21 to 07/06/21	0.1831	–	0.1831	0.2835
08/06/21 to 07/07/21	0.1840	–	0.1840	0.2529
08/07/21 to 07/08/21	0.1823	–	0.1823	0.2475
08/08/21 to 07/09/21	0.2022	–	0.2022	0.1279
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0790	0.0996	0.1786	0.3331
08/04/21 to 07/05/21	0.0808	0.1225	0.2033	0.2973
08/05/21 to 07/06/21	0.0625	0.1206	0.1831	0.2835
08/06/21 to 07/07/21	0.0469	0.1371	0.1840	0.2529
08/07/21 to 07/08/21	0.0905	0.0918	0.1823	0.2475
08/08/21 to 07/09/21	0.0657	0.1365	0.2022	0.1279
<b>Total distributions in the period</b>			<b>1.1335</b>	<b>1.5422</b>

### Class Z – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.1786	–	0.1786	0.3332
08/04/21 to 07/05/21	0.2033	–	0.2033	0.2973
08/05/21 to 07/06/21	0.1831	–	0.1831	0.2663
08/06/21 to 07/07/21	0.1840	–	0.1840	0.2702
08/07/21 to 07/08/21	0.1823	–	0.1823	0.2476
08/08/21 to 07/09/21	0.2022	–	0.2022	0.1279
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0391	0.1395	0.1786	0.3332
08/04/21 to 07/05/21	0.0034	0.1999	0.2033	0.2973
08/05/21 to 07/06/21	0.0247	0.1584	0.1831	0.2663
08/06/21 to 07/07/21	0.1059	0.0781	0.1840	0.2702
08/07/21 to 07/08/21	0.0040	0.1783	0.1823	0.2476
08/08/21 to 07/09/21	0.0125	0.1897	0.2022	0.1279
<b>Total distributions in the period</b>			<b>1.1335</b>	<b>1.5425</b>

### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.2492	–	0.2492	0.4522
08/04/21 to 07/05/21	0.2842	–	0.2842	0.4051
08/05/21 to 07/06/21	0.2563	–	0.2563	0.3640
08/06/21 to 07/07/21	0.2581	–	0.2581	0.3702
08/07/21 to 07/08/21	0.2562	–	0.2562	0.3402
08/08/21 to 07/09/21	0.2847	–	0.2847	0.1760
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0724	0.1768	0.2492	0.4522
08/04/21 to 07/05/21	0.2253	0.0589	0.2842	0.4051
08/05/21 to 07/06/21	0.0491	0.2072	0.2563	0.3640
08/06/21 to 07/07/21	0.1915	0.0666	0.2581	0.3702
08/07/21 to 07/08/21	0.0971	0.1591	0.2562	0.3402
08/08/21 to 07/09/21	0.0222	0.2625	0.2847	0.1760
<b>Total distributions in the period</b>			<b>1.5887</b>	<b>2.1077</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Strategic Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross income shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	47.93	46.96	45.20	48.02	47.05	45.29
Return before operating charges (p)	1.04	2.87	3.53	1.04	2.87	3.54
Operating charges (p)	(0.31)	(0.64)	(0.66)	(0.31)	(0.64)	(0.67)
Return after operating charges (p)*	0.73	2.23	2.87	0.73	2.23	2.87
Distributions (p)	(0.50)	(1.26)	(1.11)	(0.50)	(1.26)	(1.11)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	48.16	47.93	46.96	48.25	48.02	47.05
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	1.52	4.75	6.35	1.52	4.74	6.34
<b>Other information</b>						
Closing net asset value (£000)	11,023	20,010	25,314	179	200	309
Closing number of shares	22,889,735	41,750,659	53,902,519	370,207	417,152	656,906
Operating charges (%)**	1.28 <sup>†</sup>	1.36	1.43	1.28 <sup>†</sup>	1.36	1.45
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	48.43	48.67	47.39	48.52	48.76	47.48
Lowest share price (p)	47.88	41.25	45.36	47.97	41.32	45.44
	Class 2 – Income shares			Class 2 – Gross income shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	52.74	51.46	49.28	55.70	54.35	52.05
Return before operating charges (p)	1.14	3.14	3.87	1.22	3.32	4.09
Operating charges (p)	(0.22)	(0.42)	(0.42)	(0.23)	(0.45)	(0.44)
Return after operating charges (p)*	0.92	2.72	3.45	0.99	2.87	3.65
Distributions (p)	(0.58)	(1.44)	(1.27)	(0.62)	(1.52)	(1.35)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	53.08	52.74	51.46	56.07	55.70	54.35
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	1.74	5.29	7.00	1.78	5.28	7.01
<b>Other information</b>						
Closing net asset value (£000)	6,538	6,454	6,413	16,177	16,071	15,682
Closing number of shares	12,316,883	12,238,803	12,462,447	28,853,385	28,853,385	28,853,385
Operating charges (%)**	0.82 <sup>†</sup>	0.82	0.82	0.82 <sup>†</sup>	0.82	0.82
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	53.37	53.53	51.92	56.37	56.54	54.84
Lowest share price (p)	52.69	45.21	49.45	55.65	47.75	52.23

## Threadneedle Strategic Bond Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Gross accumulation shares <sup>5</sup>			Class X – Gross accumulation shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	134.47	127.58	119.17	112.18	105.64	100.00
Return before operating charges (p)	2.95	7.95	9.43	2.46	6.62	5.70
Operating charges (p)	(0.56)	(1.06)	(1.02)	(0.04)	(0.08)	(0.06)
Return after operating charges (p)*	2.39	6.89	8.41	2.42	6.54	5.64
Distributions (p)	(1.50)	(3.61)	(3.12)	(1.25)	(3.00)	(2.09)
Retained distributions on accumulation shares (p)	1.50	3.61	3.12	1.25	3.00	2.09
Closing net asset value per share (p)	136.86	134.47	127.58	114.60	112.18	105.64
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	1.78	5.40	7.06	2.16	6.19	5.64
<b>Other information</b>						
Closing net asset value (£000)	51,096	52,913	60,090	8,260	8,085	7,614
Closing number of shares	37,335,997	39,348,596	47,098,550	7,207,402	7,207,402	7,207,402
Operating charges (%)**	0.82 <sup>†</sup>	0.82	0.82	0.07 <sup>†</sup>	0.07	0.07 <sup>†</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	137.20	135.98	128.42	114.89	113.39	106.31
Lowest share price (p)	134.36	112.09	119.58	112.11	92.84	100.00
	Class Z – Income shares			Class Z – Gross income shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	105.79	103.07	98.57	105.79	103.07	98.57
Return before operating charges (p)	2.30	6.29	7.72	2.30	6.29	7.72
Operating charges (p)	(0.39)	(0.76)	(0.75)	(0.39)	(0.76)	(0.75)
Return after operating charges (p)*	1.91	5.53	6.97	1.91	5.53	6.97
Distributions (p)	(1.13)	(2.81)	(2.47)	(1.13)	(2.81)	(2.47)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	106.57	105.79	103.07	106.57	105.79	103.07
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	1.81	5.37	7.07	1.81	5.37	7.07
<b>Other information</b>						
Closing net asset value (£000)	49,595	43,268	43,021	81,089	79,254	71,050
Closing number of shares	46,538,967	40,899,539	41,739,489	76,091,914	74,915,191	68,932,271
Operating charges (%)**	0.74 <sup>†</sup>	0.74	0.74	0.74 <sup>†</sup>	0.74	0.74
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	107.13	107.35	103.99	107.13	107.35	103.99
Lowest share price (p)	105.70	90.56	98.91	105.70	90.56	98.91

## Threadneedle Strategic Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Gross accumulation shares <sup>§</sup>		
	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	147.61	139.95	130.62
Return before operating charges (p)	3.23	8.71	10.34
Operating charges (p)	(0.55)	(1.05)	(1.01)
Return after operating charges (p)*	2.68	7.66	9.33
Distributions (p)	(1.59)	(3.86)	(3.31)
Retained distributions on accumulation shares (p)	1.59	3.86	3.31
Closing net asset value per share (p)	150.29	147.61	139.95
*after direct transaction costs of (p)	–	–	–
<b>Performance</b>			
Return after charges (%)	1.82	5.47	7.14
<b>Other information</b>			
Closing net asset value (£000)	3,309	2,961	3,347
Closing number of shares	2,201,882	2,005,564	2,391,960
Operating charges (%)**	0.74 <sup>†</sup>	0.74	0.74
Direct transaction costs (%)***	–	–	–
<b>Prices</b>			
Highest share price (p)	150.67	149.26	140.86
Lowest share price (p)	147.49	122.95	131.07

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

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

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

<sup>†</sup>Commenced 9 May 2019.

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

## Threadneedle Strategic Bond Fund

### Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

##### (b) Notes

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

#### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	41,750,659
Shares issued	1,423,492
Shares redeemed	(2,260,328)
Net conversions	(18,024,088)
Closing shares	<u>22,889,735</u>
<b>Class 1 – Gross income shares</b>	
Opening shares	417,152
Shares issued	240
Shares redeemed	(7,391)
Net conversions	(39,794)
Closing shares	<u>370,207</u>
<b>Class 2 – Income shares</b>	
Opening shares	12,238,803
Shares issued	91,702
Shares redeemed	(13,622)
Net conversions	–
Closing shares	<u>12,316,883</u>
<b>Class 2 – Gross income shares</b>	
Opening shares	28,853,385
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>28,853,385</u>
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	39,348,596
Shares issued	749,909
Shares redeemed	(2,762,508)
Net conversions	–
Closing shares	<u>37,335,997</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	7,207,402
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>7,207,402</u>
<b>Class Z – Income shares</b>	
Opening shares	40,899,539
Shares issued	212,065
Shares redeemed	(2,724,595)
Net conversions	8,151,958
Closing shares	<u>46,538,967</u>
<b>Class Z – Gross income shares</b>	
Opening shares	74,915,191
Shares issued	2,437,678
Shares redeemed	(1,260,955)
Net conversions	–
Closing shares	<u>76,091,914</u>

	2021
<b>Class Z – Gross accumulation shares</b>	
Opening shares	2,005,564
Shares issued	274,559
Shares redeemed	(91,155)
Net conversions	12,914
Closing shares	<u>2,201,882</u>

## Threadneedle American Fund

### Investment Report

#### Investment Objective and Policy

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

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

The Fund selects companies considered to have good prospects for share price growth, from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on larger companies, such as those included in the S&P 500 Index.

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

The Fund typically invests in fewer than 80 companies, which may include shares of some companies not within the Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

The Fund may also hold money market instruments, deposits, cash and near cash. The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

#### Performance of Net Accumulation Class 1 Shares\*

Over the six months to 7 September 2021, the published share price of the Threadneedle American Fund has risen from 422.20p to 501.64p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +17.99% as compared to a median return of +19.26% over the same period. (For information the S&P 500 Index returned +21.42% over the same period).

#### Market Overview and Portfolio Activity

US equities delivered strong returns during the period under review, supported by growing optimism surrounding the rollout of vaccines and anticipation of more US fiscal stimulus, which fuelled hopes of a powerful economic recovery. Strengthening economic data and better-than-expected corporate results contributed to the risk-on mood. However, concerns that a recovery-driven

increase in inflation could lead central banks to rein in their accommodative measures led to periodic sell-offs, while worries about the surging Delta variant dampened sentiment, as did heightened geopolitical uncertainty following the US withdrawal from Afghanistan. Speculation over the potential timing of US Federal Reserve (Fed) asset-purchase tapering also weighed on equity markets.

Fed officials reassured investors that the rise in inflation would be transitory, and that any policy tightening remained far in the future. Investors appeared to increasingly accept this view and shrugged off higher-than-expected inflation readings. Nevertheless, the Fed's monetary policy meeting in June triggered a flurry of market volatility. Although policy was left unchanged, the median 'dot plot' projection flagged two rate hikes in 2023, where the previous projection had been for none until 2024. Shares pulled back, Treasury yields spiked and the dollar strengthened. Once again, calm was soon restored by testimony from Fed Chairman Jerome Powell, who reiterated that the central bank would be cautious in adjusting policy. Later at the Jackson Hole summit of central bankers, Chairman Jerome Powell indicated that asset purchases could be tapered later this year but also stated that interest rate increases would require a "substantially more stringent test" which was well received by markets.

In terms of activity, new exposures included United Parcel Service (UPS), Hilton and Vertex Pharmaceuticals.

Parcel delivery firm UPS is well placed to benefit from rising volumes as retail moves online and supply-chain complexity increases. With the US Postal Service running close to capacity, the return of high-margin business-to-business volumes and customer growth in small and medium-sized enterprises should also help profitability. Currently elevated capital spending levels should start to decrease now that hub automation and further Boeing 747 freight planes have been added. While the shares have performed well following excellent quarterly earnings, new management initiatives and continued e-commerce growth should combine to accelerate growth ahead of expectations over the longer term.

Hilton is well placed for a pandemic recovery, given growing confidence in its long-term growth, the firm's improved margin profile when compared with the pre-pandemic period, and expectations of capital returns by the end of 2021 or 2022. Hilton has a healthy pipeline of new rooms, which should help to drive more consistent growth, greater capital returns and less dependence on RevPAR (revenue per available room) than in the past. New brands and geographies, as well as a new credit-card agreement, should provide further opportunities for growth. Vertex Pharmaceuticals is the market leader in the treatment of cystic fibrosis and currently has the most efficacious drug on the market, with negligible competition. It currently holds around half the global market in cystic fibrosis

drugs and is planning to expand into Europe to capture more of the remaining share. Vertex also has a number of drug programmes in development. The most notable of these – and a potential catalyst for the stock – is a treatment for a rare lung disorder, for which trial data will be released later this year. Vertex appears attractive on a risk/reward basis, given its expanding revenue opportunities and the potential to access new addressable markets with its drug pipeline.

Sales included BlackRock, Home Depot, Thermo Fisher Scientific and Eaton.

We are optimistic about the US economy in the back half of the year given the boost from a positive reopening, strong earnings and the continued tailwind of fiscal and monetary stimulus. We expect monetary policy to remain accommodative for the foreseeable future, especially given the recent move by the Fed to decouple the tapering of the asset purchase programme from the first interest-rate increase. Overall, we believe that growth will be materially above trend (around 7% to 9% for 2021), supported by strong earnings and earnings revisions in the corporate space. We have recently witnessed a shift from goods to services as the economy reopens and consumers are able to spend on services once again. The recent influx of COVID-19 cases caused by the Delta variant does pose a risk, however we should still see pent-up demand coming through for the services sector.

Following a very strong Quarter 2 (Q2) reporting season, where earnings for the S&P 500 increased by over 90% on a year-over-year basis, energy should continue to lead earnings growth this year, followed by industrials, materials and consumer discretionary. Sectors such as consumer staples and utilities will face tougher earnings comparisons. We are looking at earnings growth of between 35% and 45% for the whole of 2021, with a bias to the upside, given the rapid expansion in economic activity. Although Q2 earnings calls made far more references to inflation, it has so far had little impact on aggregate margins. Supply chain disruptions remain an area to watch, both in terms of the impact on price and availability of components. Regarding the labour market, we will be watching for any consequences as the generous unemployment benefits start to roll off. So far, they have led to a situation where companies are producing the same amount of output as before the pandemic but with five million fewer workers, largely as a result of the labour force working additional hours.

Despite the strong economic backdrop, some risks remain on the horizon. In 2022, the debate will likely centre on whether redistributive economic policies can accelerate the return to a structural 'normal' US GDP growth rate, as demographic headwinds are unlikely to abate. Overhang from excess stimulus spending could also lead to debt sustainability worries, especially if the 10-year rate picks up materially from here.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains	426,300	416,607
Revenue	16,328	20,546
Expenses	(10,055)	(8,689)
Interest payable and similar charges	–	(1)
Net revenue before taxation	6,273	11,856
Taxation	(2,278)	(2,885)
Net revenue after taxation	3,995	8,971
<b>Total return before equalisation</b>	<b>430,295</b>	<b>425,578</b>
Equalisation	(299)	291
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>429,996</b>	<b>425,869</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	2,886,949	2,747,837
<b>Current assets:</b>		
Debtors	3,614	45,565
Cash and bank balances	6,404	30,313
Cash equivalents**	22,682	36,249
Total assets	2,919,649	2,859,964
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(3)	(4,720)
<b>Creditors:</b>		
Bank overdrafts	–	(2,287)
Distribution payable	–	(196)
Other creditors	(15,283)	(88,609)
Total liabilities	(15,286)	(95,812)
<b>Net assets attributable to shareholders</b>	<b>2,904,363</b>	<b>2,764,152</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Opening net assets attributable to shareholders	2,764,152	2,117,123
Amounts receivable on the issue of shares	131,094	575,228
Amounts payable on the cancellation of shares	(420,879)	(433,606)
	(289,785)	141,622
Dilution adjustment	–	148
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	429,996	425,869
<b>Closing net assets attributable to shareholders</b>	<b>2,904,363</b>	<b>2,684,762</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

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

## Threadneedle American Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	430.62	332.87	304.98	430.75	332.96	305.07
Return before operating charges (p)	71.59	103.80	33.49	71.61	103.84	33.43
Operating charges (p)	(3.52)	(6.05)	(5.60)	(3.52)	(6.05)	(5.54)
Return after operating charges (p)*	68.07	97.75	27.89	68.09	97.79	27.89
Distributions (p)	–	–	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	498.69	430.62	332.87	498.84	430.75	332.96
*after direct transaction costs of (p)	0.04	0.12	0.04	0.04	0.12	0.04
<b>Performance</b>						
Return after charges (%)	15.81	29.37	9.14	15.81	29.37	9.14
<b>Other information</b>						
Closing net asset value (£000)	1,108	1,008	991	148,823	141,963	142,687
Closing number of shares	222,198	234,021	297,579	29,833,800	32,957,333	42,853,644
Operating charges (%)**	1.50 <sup>†</sup>	1.57	1.63	1.50 <sup>†</sup>	1.58	1.64
Direct transaction costs (%)***	0.02	0.03	0.01	0.02	0.03	0.01
<b>Prices</b>						
Highest share price (p)	502.59	443.15	387.64	502.74	443.28	387.75
Lowest share price (p)	430.17	285.93	303.73	430.30	286.01	303.82
	Class 2 – Accumulation shares			Class X – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	494.26	380.11	346.32	546.81	416.32	375.48
Return before operating charges (p)	82.27	118.82	37.95	91.19	130.78	41.10
Operating charges (p)	(2.83)	(4.67)	(4.16)	(0.15)	(0.29)	(0.26)
Return after operating charges (p)*	79.44	114.15	33.79	91.04	130.49	40.84
Distributions (p)	–	(0.81)	(1.15)	–	(5.74)	(5.52)
Retained distributions on accumulation shares (p)	–	0.81	1.15	–	5.74	5.52
Closing net asset value per share (p)	573.70	494.26	380.11	637.85	546.81	416.32
*after direct transaction costs of (p)	0.05	0.14	0.05	0.05	0.15	0.05
<b>Performance</b>						
Return after charges (%)	16.07	30.03	9.76	16.65	31.34	10.88
<b>Other information</b>						
Closing net asset value (£000)	1,163,689	1,227,063	1,011,788	701,689	620,096	398,072
Closing number of shares	202,838,346	248,261,374	266,186,093	110,007,628	113,402,628	95,617,966
Operating charges (%)**	1.05 <sup>†</sup>	1.06	1.06	0.05 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	0.02	0.03	0.01	0.02	0.03	0.01
<b>Prices</b>						
Highest share price (p)	578.14	508.52	442.61	642.66	562.20	484.49
Lowest share price (p)	493.76	326.59	344.91	546.27	357.86	373.96

## Threadneedle American Fund

### Comparative Table Disclosure

(continued)

	Class X GBP Hedged – Gross accumulation shares <sup>§</sup>			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020 <sup>†</sup>	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	139.63	102.07	100.00	365.84	281.75	257.47
Return before operating charges (p)	22.65	37.63	2.10	60.93	88.15	28.22
Operating charges (p)	(0.04)	(0.07)	(0.03)	(1.62)	(2.70)	(2.43)
Return after operating charges (p)*	22.61	37.56	2.07	59.31	85.45	25.79
Distributions (p)	–	(1.38)	(0.50)	–	(1.36)	(1.51)
Retained distributions on accumulation shares (p)	–	1.38	0.50	–	–	–
Closing net asset value per share (p)	162.24	139.63	102.07	425.15	365.84	281.75
*after direct transaction costs of (p)	0.01	0.04	0.01	0.03	0.10	0.04
<b>Performance</b>						
Return after charges (%)	16.19	36.80	2.07	16.21	30.33	10.02
<b>Other information</b>						
Closing net asset value (£000)	347,217	297,888	169,636	66,727	52,860	33,025
Closing number of shares	214,008,845	213,336,180	166,203,073	15,695,000	14,448,827	11,721,411
Operating charges (%)**	0.05 <sup>†</sup>	0.06	0.06 <sup>†</sup>	0.81 <sup>†</sup>	0.82	0.83
Direct transaction costs (%)***	0.02	0.03	0.01	0.02	0.03	0.01
<b>Prices</b>						
Highest share price (p)	163.46	144.57	117.63	428.41	377.74	329.77
Lowest share price (p)	139.68	76.69	99.75	365.47	242.11	256.42
<b>Class Z – Accumulation shares</b>						
	07/09/2021	07/03/2021	07/03/2020			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	384.19	294.76	267.92			
Return before operating charges (p)	63.98	92.27	29.36			
Operating charges (p)	(1.70)	(2.84)	(2.52)			
Return after operating charges (p)*	62.28	89.43	26.84			
Distributions (p)	–	(1.42)	(1.57)			
Retained distributions on accumulation shares (p)	–	1.42	1.57			
Closing net asset value per share (p)	446.47	384.19	294.76			
*after direct transaction costs of (p)	0.04	0.11	0.04			
<b>Performance</b>						
Return after charges (%)	16.21	30.34	10.02			
<b>Other information</b>						
Closing net asset value (£000)	475,110	423,274	360,924			
Closing number of shares	106,415,873	110,173,343	122,445,251			
Operating charges (%)**	0.81 <sup>†</sup>	0.82	0.83			
Direct transaction costs (%)***	0.02	0.03	0.01			
<b>Prices</b>						
Highest share price (p)	449.90	395.19	343.14			
Lowest share price (p)	383.80	253.29	266.82			

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

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

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

<sup>†</sup>Commenced 8 October 2019.

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

## Threadneedle American Fund

### Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

##### (b) Notes

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

#### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	234,021
Shares issued	12,396
Shares redeemed	(12,956)
Net conversions	(11,263)
Closing shares	222,198
<b>Class 1 – Accumulation shares</b>	
Opening shares	32,957,333
Shares issued	1,006,552
Shares redeemed	(1,839,870)
Net conversions	(2,290,215)
Closing shares	29,833,800
<b>Class 2 – Accumulation shares</b>	
Opening shares	248,261,374
Shares issued	7,006,868
Shares redeemed	(22,614,484)
Net conversions	(29,815,412)
Closing shares	202,838,346
<b>Class X – Accumulation shares</b>	
Opening shares	113,402,628
Shares issued	4,810,729
Shares redeemed	(35,057,583)
Net conversions	26,851,854
Closing shares	110,007,628
<b>Class X GBP Hedged – Gross accumulation shares</b>	
Opening shares	213,336,180
Shares issued	33,020,555
Shares redeemed	(32,347,890)
Net conversions	–
Closing shares	214,008,845
<b>Class Z – Income shares</b>	
Opening shares	14,448,827
Shares issued	1,912,396
Shares redeemed	(693,837)
Net conversions	27,614
Closing shares	15,695,000
<b>Class Z – Accumulation shares</b>	
Opening shares	110,173,343
Shares issued	755,198
Shares redeemed	(7,060,765)
Net conversions	2,548,097
Closing shares	106,415,873

## Threadneedle American Select Fund

### Investment Report

#### Investment Objective and Policy

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

The Fund is actively managed, and invests at least 75% of its assets in a concentrated portfolio of shares of companies domiciled in the United States of America (US), or which have significant US business operations. The Fund selects companies in which the fund manager has a high conviction that the current share price does not reflect the prospects for that business. These companies may be chosen from within any industry or economic sector, with significant sector and share weightings taken at the discretion of the fund manager. There is no restriction on company size, however, investment tends to focus on larger companies, such as those included in the S&P 500 Index.

The S&P 500 Index is a US stock market index, the constituents of which represent around 500 of the largest companies listed on the New York Stock Exchange or NASDAQ. It provides a helpful benchmark against which Fund performance can be evaluated over time.

The Fund typically invests in fewer than 60 companies, which may include the shares of some companies not within the Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

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

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

#### Performance of Net Accumulation Class 1 Shares\*

Over the six months to 7 September 2021, the published share price of the Threadneedle American Select Fund has risen from 437.97p to 533.37p. Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +20.07% as compared to a median return of +19.26% over the same period. (For information the S&P 500 Index returned +21.42% over the same period.)

#### Market Overview and Portfolio Activity

US equities delivered strong returns during the period under review, supported by growing optimism surrounding the rollout of vaccines and anticipation of more US fiscal stimulus, which fuelled hopes of a powerful economic recovery.

Strengthening economic data and better-than-expected corporate results contributed to the risk-on mood. However, concerns that a recovery-driven increase in inflation could lead central banks to rein in their accommodative measures led to periodic sell-offs, while worries about the surging Delta variant dampened sentiment, as did heightened geopolitical uncertainty following the US withdrawal from Afghanistan. Speculation over the potential timing of US Federal Reserve (Fed) asset-purchase tapering also weighed on equity markets. Fed officials reassured investors that the rise in inflation would be transitory, and that any policy tightening remained far in the future. Investors appeared to increasingly accept this view and shrugged off higher-than-expected inflation readings. Nevertheless, the Fed's monetary policy meeting in June triggered a flurry of market volatility. Although policy was left unchanged, the median 'dot plot' projection flagged two rate hikes in 2023, where the previous projection had been for none until 2024. Shares pulled back, Treasury yields spiked and the dollar strengthened. Once again, calm was soon restored by testimony from Fed Chairman Jerome Powell, who reiterated that the central bank would be cautious in adjusting policy. Later at the Jackson Hole summit of central bankers, Chairman Jerome Powell indicated that asset purchases could be tapered later this year but also stated that interest rate increases would require a "substantially more stringent test" which was well received by markets.

Fund activity was elevated during the period, as the portfolio was reshaped to reflect the preferred positioning of the fund's new lead manager. New exposures included Coca-Cola, United Parcel Service (UPS) and Hilton.

Coca-Cola offers exposure to the faster-growing beverage category. It has an expansionary, innovative mindset and has concentrated its organisational design around fewer leading brands. The company was growing at a fast pace pre-COVID-19 and can be viewed as a recovery play, as 50% of revenues are generated outside the home. The main positives are market-share opportunities in existing categories in both developed and developing markets, and in coffee, alcohol and energy as well.

Parcel delivery firm UPS is well placed to benefit from rising volumes as retail moves online and supply-chain complexity increases. With the US Postal Service running close to capacity, the return of high-margin business-to-business volumes and customer growth in small and medium-size enterprises should also help profitability. Currently elevated capital spending levels should start to decrease now that hub automation and further Boeing 747 freight planes have been added. While the shares have performed well following excellent quarterly earnings, new management initiatives and continued e-commerce growth should combine to accelerate growth ahead of expectations over the longer term.

Hilton is well placed for a pandemic recovery, given growing confidence in its long-term growth, the firm's improved margin profile when compared

with the pre-pandemic period, and expectations of capital returns by the end of 2021 or 2022. Hilton has a healthy pipeline of new rooms, which should help to drive more consistent growth, greater capital returns and less dependence on RevPAR (revenue per available room) than in the past. New brands and geographies, as well as a new credit-card agreement, should provide further opportunities for growth.

Sales included Berkshire Hathaway, Facebook and Microsoft.

We are optimistic about the US economy in the back half of the year given the boost from a positive reopening, strong earnings and the continued tailwind of fiscal and monetary stimulus. We expect monetary policy to remain accommodative for the foreseeable future, especially given the recent move by the Fed to decouple the tapering of the asset purchase programme from the first interest-rate increase.

Overall, we believe that growth will be materially above trend (around 7% to 9% for 2021), supported by strong earnings and earnings revisions in the corporate space. We have recently witnessed a shift from goods to services as the economy reopens and consumers are able to spend on services once again. The recent influx of COVID-19 cases caused by the Delta variant does pose a risk, however we should still see pent-up demand coming through for the services sector.

Following a very strong Quarter 2 (Q2) reporting season, where earnings for the S&P 500 increased by over 90% on a year-over-year basis, energy should continue to lead earnings growth this year, followed by industrials, materials and consumer discretionary. Sectors such as consumer staples and utilities will face tougher earnings comparisons. We are looking at earnings growth of between 35% and 45% for the whole of 2021, with a bias to the upside, given the rapid expansion in economic activity. Although Q2 earnings calls made far more references to inflation, it has so far had little impact on aggregate margins. Supply chain disruptions remain an area to watch, both in terms of the impact on price and availability of components. Regarding the labour market, we will be watching for any consequences as the generous unemployment benefits start to roll off. So far, they have led to a situation where companies are producing the same amount of output as before the pandemic but with five million fewer workers, largely as a result of the labour force working additional hours.

Despite the strong economic backdrop, some risks remain on the horizon. In 2022, the debate will likely centre on whether redistributive economic policies can accelerate the return to a structural 'normal' US GDP growth rate, as demographic headwinds are unlikely to abate. Overhang from excess stimulus spending could also lead to debt sustainability worries, especially if the 10-year rate picks up materially from here.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains	209,304	180,372
Revenue	4,193	3,928
Expenses	(5,362)	(4,529)
Net expense before taxation	(1,169)	(601)
Taxation	(611)	(591)
Net expense after taxation	(1,780)	(1,192)
<b>Total return before equalisation</b>	<b>207,524</b>	<b>179,180</b>
Equalisation	(40)	108
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>207,484</b>	<b>179,288</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	1,209,309	1,093,096
<b>Current assets:</b>		
Debtors	2,490	6,738
Cash and bank balances	19,625	7,646
<b>Total assets</b>	<b>1,231,424</b>	<b>1,107,480</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(3)	(19)
<b>Creditors:</b>		
Other creditors	(5,712)	(7,023)
<b>Total liabilities</b>	<b>(5,715)</b>	<b>(7,042)</b>
<b>Net assets attributable to shareholders</b>	<b>1,225,709</b>	<b>1,100,438</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>1,100,438</b>	<b>809,064</b>
Amounts receivable on the issue of shares	19,612	155,694
Amounts payable on the cancellation of shares	(101,825)	(95,275)
	(82,213)	60,419
Dilution adjustment	-	59
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	207,484	179,288
<b>Closing net assets attributable to shareholders</b>	<b>1,225,709</b>	<b>1,048,830</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

## Threadneedle American Select Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	445.18	345.28	317.42	445.43	345.47	317.60
Return before operating charges (p)	88.65	106.45	33.66	88.70	106.57	33.65
Operating charges (p)	(3.94)	(6.55)	(5.80)	(3.94)	(6.61)	(5.78)
Return after operating charges (p)*	84.71	99.90	27.86	84.76	99.96	27.87
Distributions (p)	–	–	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	529.89	445.18	345.28	530.19	445.43	345.47
*after direct transaction costs of (p)	0.08	0.06	0.05	0.08	0.06	0.05
<b>Performance</b>						
Return after charges (%)	19.03	28.93	8.78	19.03	28.93	8.78
<b>Other information</b>						
Closing net asset value (£000)	823	707	781	300,037	273,851	243,286
Closing number of shares	155,380	158,711	226,328	56,590,391	61,479,649	70,421,025
Operating charges (%)**	1.60 <sup>†</sup>	1.63	1.63	1.60 <sup>†</sup>	1.62	1.63
Direct transaction costs (%)***	0.03	0.01	0.01	0.03	0.01	0.01
<b>Prices</b>						
Highest share price (p)	533.07	464.68	412.17	533.37	464.94	412.40
Lowest share price (p)	442.68	300.73	316.21	442.93	300.89	316.38
	Class 2 – Accumulation shares			Class X – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	511.84	394.73	360.83	239.57	182.92	165.55
Return before operating charges (p)	102.06	122.04	38.20	47.91	56.78	17.48
Operating charges (p)	(2.99)	(4.93)	(4.30)	(0.08)	(0.13)	(0.11)
Return after operating charges (p)*	99.07	117.11	33.90	47.83	56.65	17.37
Distributions (p)	–	–	–	–	(1.22)	(1.48)
Retained distributions on accumulation shares (p)	–	–	–	–	1.22	1.48
Closing net asset value per share (p)	610.91	511.84	394.73	287.40	239.57	182.92
*after direct transaction costs of (p)	0.09	0.06	0.06	0.04	0.03	0.03
<b>Performance</b>						
Return after charges (%)	19.36	29.67	9.40	19.96	30.97	10.49
<b>Other information</b>						
Closing net asset value (£000)	218,109	245,857	200,844	276,680	223,920	66,992
Closing number of shares	35,702,223	48,034,071	50,881,757	96,271,266	93,466,465	36,623,863
Operating charges (%)**	1.06 <sup>†</sup>	1.06	1.06	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	0.03	0.01	0.01	0.03	0.01	0.01
<b>Prices</b>						
Highest share price (p)	614.56	534.11	471.11	289.12	249.87	218.20
Lowest share price (p)	508.98	343.85	359.45	238.25	159.38	164.93

## Threadneedle American Select Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	352.70	271.37	247.57	362.47	278.88	254.34
Return before operating charges (p)	70.36	83.99	26.20	72.32	86.32	26.92
Operating charges (p)	(1.60)	(2.66)	(2.31)	(1.65)	(2.73)	(2.38)
Return after operating charges (p)*	68.76	81.33	23.89	70.67	83.59	24.54
Distributions (p)	–	–	(0.09)	–	–	(0.09)
Retained distributions on accumulation shares (p)	–	–	–	–	–	0.09
Closing net asset value per share (p)	421.46	352.70	271.37	433.14	362.47	278.88
*after direct transaction costs of (p)	0.06	0.04	0.04	0.06	0.05	0.04
<b>Performance</b>						
Return after charges (%)	19.50	29.97	9.65	19.50	29.97	9.65
<b>Other information</b>						
Closing net asset value (£000)	18,265	15,205	12,556	411,307	340,432	284,231
Closing number of shares	4,333,697	4,311,040	4,626,694	94,959,008	93,921,250	101,917,018
Operating charges (%)**	0.82 <sup>†</sup>	0.82	0.83	0.82 <sup>†</sup>	0.83	0.83
Direct transaction costs (%)***	0.03	0.01	0.01	0.03	0.01	0.01
<b>Prices</b>						
Highest share price (p)	423.99	368.00	323.93	435.73	378.19	332.78
Lowest share price (p)	350.73	236.41	246.62	360.45	242.95	253.37
	Class Z CHF Hedged – Accumulation shares			Class Z GBP Hedged – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	225.00	174.58	152.66	209.86	154.97	145.23
Return before operating charges (p)	47.08	52.12	23.35	40.78	56.38	11.06
Operating charges (p)	(1.03)	(1.70)	(1.43)	(0.96)	(1.49)	(1.32)
Return after operating charges (p)*	46.05	50.42	21.92	39.82	54.89	9.74
Distributions (p)	–	–	(0.04)	–	–	(0.05)
Retained distributions on accumulation shares (p)	–	–	0.04	–	–	0.05
Closing net asset value per share (p)	271.05	225.00	174.58	249.68	209.86	154.97
*after direct transaction costs of (p)	0.04	0.03	0.03	0.04	0.03	0.02
<b>Performance</b>						
Return after charges (%)	20.47	28.88	14.36	18.97	35.42	6.71
<b>Other information</b>						
Closing net asset value (£000)	27	22	17	461	444	357
Closing number of shares	10,000	10,000	10,000	184,747	211,336	230,250
Operating charges (%)**	0.82 <sup>†</sup>	0.82	0.83	0.82 <sup>†</sup>	0.83	0.83
Direct transaction costs (%)***	0.03	0.01	0.01	0.03	0.01	0.01
<b>Prices</b>						
Highest share price (p)	272.67	245.15	198.13	251.37	220.35	183.09
Lowest share price (p)	223.08	144.80	151.25	209.55	118.31	141.73

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

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

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

## Threadneedle American Select Fund

### Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

##### (b) Notes

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

#### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	158,711
Shares issued	403
Shares redeemed	(3,734)
Net conversions	–
Closing shares	<u>155,380</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	61,479,649
Shares issued	972,339
Shares redeemed	(2,142,766)
Net conversions	(3,718,831)
Closing shares	<u>56,590,391</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	48,034,071
Shares issued	1,697,766
Shares redeemed	(3,513,374)
Net conversions	(10,516,240)
Closing shares	<u>35,702,223</u>
<b>Class X – Accumulation shares</b>	
Opening shares	93,466,465
Shares issued	319,090
Shares redeemed	(19,897,785)
Net conversions	22,383,496
Closing shares	<u>96,271,266</u>
<b>Class Z – Income shares</b>	
Opening shares	4,311,040
Shares issued	248,399
Shares redeemed	(223,431)
Net conversions	(2,311)
Closing shares	<u>4,333,697</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	93,921,250
Shares issued	932,991
Shares redeemed	(4,455,383)
Net conversions	4,560,150
Closing shares	<u>94,959,008</u>
<b>Class Z CHF Hedged – Accumulation shares</b>	
Opening shares	10,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>10,000</u>
<b>Class Z GBP Hedged – Accumulation shares</b>	
Opening shares	211,336
Shares issued	10,103
Shares redeemed	(36,692)
Net conversions	–
Closing shares	<u>184,747</u>

## Threadneedle American Smaller Companies Fund (US)

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve capital growth over the long term. It looks to outperform the Russell 2500 Index over rolling 3-year periods, after the deduction of charges. The Fund is actively managed, and invests at least 75% of its assets in shares of American smaller companies.

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

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

The Fund typically invests in fewer than 80 companies, which may include shares of some companies not within the Russell 2500 Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

The Fund may also hold money market instruments, deposits, cash and near cash. The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

The Russell 2500 Index is regarded as an appropriate performance measure of shares of small to medium sized companies listed on US stock markets, with around 2500 companies included. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

#### Performance of Net Accumulation Class 1 Shares\*

Over the six months to 7 September 2021, the published share price of the Threadneedle American Smaller Companies Fund has risen from 503.25p to 555.86p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +7.90% as compared to a median return of +7.12% over the same period. (For information the Russell 2500 returned +9.40% over the same period).

#### Market Overview and Portfolio Activity

US equities delivered strong returns during the period under review, supported by growing optimism surrounding the rollout of vaccines and anticipation of more US fiscal stimulus, which fuelled hopes of a powerful economic recovery. Strengthening economic data and better-than-expected corporate results contributed to the risk-on mood. However, concerns that a recovery-driven increase in inflation could lead central banks to rein in their accommodative measures led to periodic sell-offs, while worries about the surging Delta variant dampened sentiment, as did heightened geopolitical uncertainty following the US withdrawal from Afghanistan. Speculation over the potential timing of US Federal Reserve (Fed) asset-purchase tapering also weighed on equity markets.

Fed officials reassured investors that the rise in inflation would be transitory, and that any policy tightening remained far in the future. Investors appeared to increasingly accept this view and shrugged off higher-than-expected inflation readings. Nevertheless, the Fed's monetary policy meeting in June triggered a flurry of market volatility. Although policy was left unchanged, the median 'dot plot' projection flagged two rate hikes in 2023, where the previous projection had been for none until 2024. Shares pulled back, Treasury yields spiked and the dollar strengthened. Once again, calm was soon restored by testimony from Fed Chairman Jerome Powell, who reiterated that the central bank would be cautious in adjusting policy. Later at the Jackson Hole summit of central bankers, Chairman Jerome Powell indicated that asset purchases could be tapered later this year but also stated that interest rate increases would require a "substantially more stringent test" which was well received by markets.

In terms of activity, new exposures included AspenTech, Live Oak Bancshares and Madison Square Garden (MSG) Entertainment.

Software optimisation firm AspenTech's core technology enables its customers – particularly those in the oil and gas space – to enhance their profitability by optimising their systems. We believe the market underestimates the speed at which Aspen could grow by accessing new end markets outside the oil and gas sector and through new product innovation. As the economy reopens, we would expect to see a recovery in the company's end markets and a lower rate of customer churn, both of which should also help to drive higher revenues.

Live Oak Bancshares is a small bank with a niche focus on small-business lending. The company is growing its loan book in excess of 30% annually, while the move to a deposit-funding model should help it to expand net-interest margins. The company has a healthy balance sheet, robust creditworthiness and high returns on equity, which could facilitate growth ahead of current market expectations.

MSG Entertainment's business consists of a premier collection of real-estate and entertainment assets that is trading at a discount to private market values, as well as a sports/entertainment television arm. The live entertainment industry has been badly disrupted by COVID-19, which damaged MSG Entertainment's earnings and free cashflow generation. The return of live events and the opening of the new Sphere venue in Las Vegas (currently scheduled for 2023) should help to provide positive catalysts for the stock and close the asset value gap. Sales included Luminex, QTS Realty Trust and Bill.com.

We are optimistic about the US economy in the back half of the year given the boost from a positive reopening, strong earnings and the continued tailwind of fiscal and monetary stimulus. We expect monetary policy to remain accommodative for the foreseeable future, especially given the recent move by the Fed to decouple the tapering of the asset purchase programme from the first interest-rate increase.

Overall, we believe that growth will be materially above trend (around 7% to 9% for 2021), supported by strong earnings and earnings revisions in the corporate space. We have recently witnessed a shift from goods to services as the economy reopens and consumers are able to spend on services once again. The recent influx of COVID-19 cases caused by the Delta variant does pose a risk, however we should still see pent-up demand coming through for the services sector.

Following a very strong Quarter 2 (Q2) reporting season, where earnings for the S&P 500 increased by over 90% on a year-over-year basis, energy should continue to lead earnings growth this year, followed by industrials, materials and consumer discretionary. Sectors such as consumer staples and utilities will face tougher earnings comparisons. We are looking at earnings growth of between 35% and 45% for the whole of 2021, with a bias to the upside, given the rapid expansion in economic activity. Although Q2 earnings calls made far more references to inflation, it has so far had little impact on aggregate margins. Supply chain disruptions remain an area to watch, both in terms of the impact on price and availability of components. Regarding the labour market, we will be watching for any consequences as the generous unemployment benefits start to roll off. So far, they have led to a situation where companies are producing the same amount of output as before the pandemic but with five million fewer workers, largely as a result of the labour force working additional hours.

Despite the strong economic backdrop, some risks remain on the horizon. In 2022, the debate will likely centre on whether redistributive economic policies can accelerate the return to a structural 'normal' US GDP growth rate, as demographic headwinds are unlikely to abate. Overhang from excess stimulus spending could also lead to debt sustainability worries, especially if the 10-year rate picks up materially from here.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains	36,950	32,677
Revenue	3,028	2,637
Expenses	(2,588)	(1,605)
Net revenue before taxation	440	1,032
Taxation	(282)	(280)
Net revenue after taxation	158	752
<b>Total return before equalisation</b>	<b>37,108</b>	<b>33,429</b>
Equalisation	32	(32)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>37,140</b>	<b>33,397</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	530,373	453,617
<b>Current assets:</b>		
Debtors	2,221	2,748
Cash and bank balances	2,011	2,123
Cash equivalents**	24,308	4,347
<b>Total assets</b>	<b>558,913</b>	<b>462,835</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	–	(3)
<b>Creditors:</b>		
Bank overdrafts	–	(1,415)
Distribution payable	–	(29)
Other creditors	(11,508)	(3,349)
<b>Total liabilities</b>	<b>(11,508)</b>	<b>(4,796)</b>
<b>Net assets attributable to shareholders</b>	<b>547,405</b>	<b>458,039</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>458,039</b>	<b>321,178</b>
Amounts receivable on the issue of shares	76,165	5,031
Amounts payable on the cancellation of shares	(23,939)	(24,308)
	52,226	(19,277)
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	37,140	33,397
<b>Closing net assets attributable to shareholders</b>	<b>547,405</b>	<b>335,298</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

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

## Threadneedle American Smaller Companies Fund (US)

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	514.02	330.67	321.91	514.28	330.84	322.07
Return before operating charges (p)	41.91	189.59	14.52	41.96	189.66	14.53
Operating charges (p)	(4.37)	(6.24)	(5.76)	(4.38)	(6.22)	(5.76)
Return after operating charges (p)*	37.54	183.35	8.76	37.58	183.44	8.77
Distributions (p)	–	–	–	–	–	–
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	551.56	514.02	330.67	551.86	514.28	330.84
*after direct transaction costs of (p)	0.12	0.44	0.38	0.12	0.44	0.39
<b>Performance</b>						
Return after charges (%)	7.30	55.45	2.72	7.31	55.45	2.72
<b>Other information</b>						
Closing net asset value (£000)	2,094	2,006	1,420	30,871	29,684	22,862
Closing number of shares	379,651	390,243	429,524	5,594,048	5,771,910	6,910,365
Operating charges (%)**	1.63 <sup>†</sup>	1.63	1.63	1.63 <sup>†</sup>	1.63	1.63
Direct transaction costs (%)***	0.05	0.11	0.11	0.05	0.11	0.11
<b>Prices</b>						
Highest share price (p)	556.92	537.43	384.74	557.21	537.71	384.94
Lowest share price (p)	505.23	252.07	321.59	505.50	252.20	321.76
	Class 1 EUR – Accumulation shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	514.24	330.81	322.05	592.54	379.01	366.85
Return before operating charges (p)	41.94	189.55	14.52	48.41	218.24	16.44
Operating charges (p)	(4.37)	(6.12)	(5.76)	(3.28)	(4.71)	(4.28)
Return after operating charges (p)*	37.57	183.43	8.76	45.13	213.53	12.16
Distributions (p)	–	–	–	–	(1.03)	(0.42)
Retained distributions on accumulation shares (p)	–	–	–	–	1.03	0.42
Closing net asset value per share (p)	551.81	514.24	330.81	637.67	592.54	379.01
*after direct transaction costs of (p)	0.12	0.43	0.39	0.14	0.50	0.44
<b>Performance</b>						
Return after charges (%)	7.31	55.45	2.72	7.62	56.34	3.31
<b>Other information</b>						
Closing net asset value (£000)	14,031	14,082	14,457	251,615	237,321	154,344
Closing number of shares	2,542,733	2,738,349	4,370,056	39,458,645	40,051,765	40,722,996
Operating charges (%)**	1.63 <sup>†</sup>	1.62	1.63	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.05	0.11	0.11	0.05	0.11	0.11
<b>Prices</b>						
Highest share price (p)	557.16	537.66	384.91	643.82	619.31	439.46
Lowest share price (p)	505.45	252.18	321.74	583.03	288.99	366.52

## Threadneedle American Smaller Companies Fund (US)

### Comparative Table Disclosure

(continued)

	Class X – Accumulation shares			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	504.61	319.69	306.42	314.93	201.60	195.39
Return before operating charges (p)	41.33	185.15	13.47	25.55	116.35	8.71
Operating charges (p)	(0.16)	(0.23)	(0.20)	(1.45)	(2.06)	(1.89)
Return after operating charges (p)*	41.17	184.92	13.27	24.10	114.29	6.82
Distributions (p)	–	(4.51)	(3.70)	–	(0.96)	(0.61)
Retained distributions on accumulation shares (p)	–	4.51	3.70	–	–	–
Closing net asset value per share (p)	545.78	504.61	319.69	339.03	314.93	201.60
*after direct transaction costs of (p)	0.12	0.43	0.37	0.07	0.27	0.23
<b>Performance</b>						
Return after charges (%)	8.16	57.84	4.33	7.65	56.69	3.49
<b>Other information</b>						
Closing net asset value (£000)	14,851	18,492	12,303	10,494	9,426	7,947
Closing number of shares	2,721,035	3,664,680	3,848,281	3,095,289	2,993,096	3,941,811
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.88 <sup>†</sup>	0.88	0.88
Direct transaction costs (%)***	0.05	0.11	0.11	0.05	0.11	0.11
<b>Prices</b>						
Highest share price (p)	550.98	527.07	368.49	342.29	329.96	234.23
Lowest share price (p)	497.41	243.83	306.15	309.80	153.67	195.21
<b>Class Z – Accumulation shares</b>						
	07/09/2021	07/03/2021	07/03/2020			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	417.26	266.43	257.42			
Return before operating charges (p)	34.09	153.57	11.50			
Operating charges (p)	(1.92)	(2.74)	(2.49)			
Return after operating charges (p)*	32.17	150.83	9.01			
Distributions (p)	–	(1.27)	(0.80)			
Retained distributions on accumulation shares (p)	–	1.27	0.80			
Closing net asset value per share (p)	449.43	417.26	266.43			
*after direct transaction costs of (p)	0.10	0.35	0.31			
<b>Performance</b>						
Return after charges (%)	7.71	56.61	3.50			
<b>Other information</b>						
Closing net asset value (£000)	223,449	147,028	107,845			
Closing number of shares	49,718,446	35,236,228	40,478,383			
Operating charges (%)**	0.88 <sup>†</sup>	0.88	0.88			
Direct transaction costs (%)***	0.05	0.11	0.11			
<b>Prices</b>						
Highest share price (p)	453.75	436.05	308.59			
Lowest share price (p)	410.69	203.16	257.19			

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

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

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

## Threadneedle American Smaller Companies Fund (US)

### Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

##### (b) Notes

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

#### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	390,243
Shares issued	9,207
Shares redeemed	(19,799)
Net conversions	–
Closing shares	<u>379,651</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	5,771,910
Shares issued	453,672
Shares redeemed	(401,652)
Net conversions	(229,882)
Closing shares	<u>5,594,048</u>
<b>Class 1 EUR – Accumulation shares</b>	
Opening shares	2,738,349
Shares issued	189,199
Shares redeemed	(384,815)
Net conversions	–
Closing shares	<u>2,542,733</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	40,051,765
Shares issued	503,474
Shares redeemed	(1,096,594)
Net conversions	–
Closing shares	<u>39,458,645</u>
<b>Class X – Accumulation shares</b>	
Opening shares	3,664,680
Shares issued	27,737
Shares redeemed	(971,382)
Net conversions	–
Closing shares	<u>2,721,035</u>
<b>Class Z – Income shares</b>	
Opening shares	2,993,096
Shares issued	477,307
Shares redeemed	(375,114)
Net conversions	–
Closing shares	<u>3,095,289</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	35,236,228
Shares issued	15,710,358
Shares redeemed	(1,510,829)
Net conversions	282,689
Closing shares	<u>49,718,446</u>

## Threadneedle Dollar Bond Fund

### Investment Report

#### Investment Objective and Policy

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

The Fund is actively managed, and invests at least two-thirds of its assets in bonds issued by the US government and companies worldwide, denominated in US dollars (or hedged back to USD, if a different currency). The Fund may also invest in other bonds, including US denominated bonds issued by governments outside the US (or government agencies), as well as international organisations. The Fund usually selects bonds that are investment grade, but may include some bonds with a lower credit rating in the portfolio if this is considered appropriate to achieve its investment objective.

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

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

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

Over the six months to 7 September 2021, the published share price of the Threadneedle Dollar Bond Fund has risen from 61.65p to 62.36p.

The sterling total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +3.06% as compared to a median return of +3.56% over the same period. (For information the 50% ICE BofA US Treasury Master + 50% ICE BofA Eurodollar Global Index gave a total return of +4.05% in sterling terms for the same period).

#### Market Overview and Portfolio Activity

US fixed-income markets delivered positive returns over the six-month period in review. Benchmark 10-year US Treasury yields (which move inversely to price) fell 22 basis points, or almost 14% in percentage terms. For corporate credit markets, this was augmented by a more modest narrowing in credit spreads (the yield premiums offered by corporate bonds over "risk-free" government bonds of the same maturity). Spreads in the riskier high-yield (HY) market tightened further than their investment-grade (IG) counterparts. Both traded in an unusually narrow range, especially IG.

On the one hand, credit markets were supported by strong economic growth as vaccine rollouts allowed much of the world to emerge from lockdown, and

by corporate results that continued to beat forecasts. On the other, sentiment was kept in check by worries about the rapidly spreading Delta variant of the coronavirus and related signs of cooling economic momentum. With spreads historically tight, valuation concerns were also a factor.

There was more day-to-day movement in government bond yields. Towards the end of the previous review period, Treasury yields had risen sharply on fears that loose monetary and fiscal policy, combined with the powerful economic recovery, would trigger runaway inflation. Indeed, consumer prices subsequently did jump higher in the US and elsewhere, reflecting supply bottlenecks and labour shortages as different parts of the reopening global economy accelerated at different speeds. The fact that yields have actually drifted lower over the six months in review, despite the jump in inflation, is due in part to commentary from central banks. The US Federal Reserve (Fed), European Central Bank and the Bank of England have been relentless in communicating their belief that the current inflationary pressures are a temporary phenomenon. So far, markets appear to have largely accepted this view.

Nevertheless, in recent weeks officials at all three of these institutions been preparing the ground for an eventual normalisation of monetary policy, and core yields have retraced some of their earlier fall. In August, for example, minutes from the July meeting of the Fed's Open Market Committee showed that a majority of its policymakers felt the gradual withdrawal of monetary stimulus could start this year. Fed Chairman Jerome Powell reiterated this view at the Jackson Hole symposium but reassured investors that any rate hikes would first require a "substantially more stringent test" to be met. This would include "maximum employment", which remains some way off.

Meanwhile, US President Joe Biden advanced his fiscal stimulus agenda. In March, the president signed his \$1.9tn COVID-19 relief bill into law and laid the groundwork for a massive infrastructure plan; a scaled down (\$1.2tn) version of the latter was passed by the Senate with bipartisan support in August. In the same month, senate Democrats also approved a \$3.5tn 'Build Back Better' budget resolution, much of which was focused on education, healthcare and climate-change mitigation. While the Build Back Better plan needs only a simple majority in each House of Congress to pass, this could still be challenging given the Democrats' narrow majorities, and the concerns of some of their number over spending levels.

Throughout the period, we continued to run the portfolio with a modest long position in credit risk. In terms of specific trades, we took part in a range of new issues, the largest of which (in terms of position sizes) being from Deutsche Bank, Danske Bank and Bank of America. Others from different sectors included

new deals from Northwestern Mutual Life, Eversource Energy, and Amazon. In the secondary market, we started new positions in the sovereign debt of Colombia and Saudi Arabia as well as in corporate issuers SSE, RELX, Pacific Gas & Electric, Jersey Central Power & Light, and Rogers Communications. On the sales side, we reduced exposure to Bacardi, New York Life, Cigna and Siemens, while exiting a number of issuers including Altice, Canadian Natural Resources, Braskem, Bayer, Johnson & Johnson and Santander UK.

At the same time, we managed duration largely in line with the US broad market (Treasury, agencies and corporates). Despite yields remaining low in historic terms, we remain comfortable with a market level of duration risk. We agree with the Fed's assessment of the current price pressures as transitory, and the peak in post-pandemic growth momentum appears to be behind us already. The prevalence of the Delta variant poses an additional downside risk to the recovery of the labour market. The outlook for credit spreads is fairly neutral. Valuation levels are our chief concern. Having widened to extreme levels in March of last year, spreads in the IG and HY markets have tightened again and are now well inside their short-term (5-year) and long-term (20-year) averages. To that extent, both markets appear close to fully valued. It is important to note, however, that on a time-weighted basis, it is common for spreads to trade inside averages more of the time.

Valuations aside, there are a number of encouraging aspects to the current backdrop. Economic growth is neither too low, which would risk higher defaults, nor too high, which could encourage excessive risk-taking by companies. Likewise, the ongoing provision of very accommodative monetary and fiscal policy by central banks and governments should continue to support credit and other risk markets in the coming years.

At the micro-economic level, we remain constructive on company fundamentals following encouraging earnings so far this year. Though still lower than in 2019, revenues are recovering; margins are also expanding, driven by cost-cutting. Our analysts have upgraded their expectations for 2021 and continue to anticipate balance-sheet deleveraging. Company actions throughout last year, combined with government support schemes, have prevented leverage from rising as much as initially feared. Prudently, management teams continue to hold a lot of liquidity and remain committed to balance-sheet discipline.

As regards sectors, we still favour more defensive areas of the market – such as utilities, higher-quality technology companies and senior-preferred bank debt – which we think will weather the current uncertain economic conditions well. Within HY, we still prefer defensive 'BB' rated names.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains	1,077	63
Revenue	672	899
Expenses	(85)	(109)
Interest payable and similar charges	(154)	(47)
Net revenue before taxation	433	743
Taxation	–	–
Net revenue after taxation	433	743
<b>Total return before distributions</b>	<b>1,510</b>	<b>806</b>
Distributions	(487)	(814)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>1,023</b>	<b>(8)</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	59,375	62,031
<b>Current assets:</b>		
Debtors	415	442
Cash and bank balances	1,502	943
Cash equivalents**	5	2,430
<b>Total assets</b>	<b>61,297</b>	<b>65,846</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	<b>(363)</b>	<b>(490)</b>
<b>Creditors:</b>		
Bank overdrafts	–	(6)
Distribution payable	(51)	(85)
Other creditors	(27)	(409)
<b>Total liabilities</b>	<b>(441)</b>	<b>(990)</b>
<b>Net assets attributable to shareholders</b>	<b>60,856</b>	<b>64,856</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>64,856</b>	<b>58,182</b>
Amounts receivable on the issue of shares	1,124	23,000
Amounts payable on the cancellation of shares	(6,561)	(7,898)
	(5,437)	15,102
Dilution adjustment	1	42
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	1,023	(8)
Retained distribution on accumulation shares	413	742
<b>Closing net assets attributable to shareholders</b>	<b>60,856</b>	<b>74,060</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Interest distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.4580	–	0.4580	0.7729
<b>Group 2</b> 08/03/21 to 07/09/21	0.3046	0.1534	0.4580	0.7729
<b>Total distributions in the period</b>			<b>0.4580</b>	<b>0.7729</b>

#### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.0893	–	1.0893	1.8025
<b>Group 2</b> 08/03/21 to 07/09/21	0.5592	0.5301	1.0893	1.8025
<b>Total distributions in the period</b>			<b>1.0893</b>	<b>1.8025</b>

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

## Threadneedle Dollar Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.8927	–	0.8927	1.4369
<b>Group 2</b> 08/03/21 to 07/09/21	0.8927	–	0.8927	1.4369
<b>Total distributions in the period</b>			<b>0.8927</b>	<b>1.4369</b>

#### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.8868	–	0.8868	1.4892
<b>Group 2</b> 08/03/21 to 07/09/21	0.4612	0.4256	0.8868	1.4892
<b>Total distributions in the period</b>			<b>0.8868</b>	<b>1.4892</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.1496	–	1.1496	1.8927
<b>Group 2</b> 08/03/21 to 07/09/21	0.5252	0.6244	1.1496	1.8927
<b>Total distributions in the period</b>			<b>1.1496</b>	<b>1.8927</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Dollar Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross accumulation shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	61.07	65.58	59.04	145.21	152.81	134.10
Return before operating charges (p)	1.61	(2.42)	8.99	3.82	(5.79)	20.42
Operating charges (p)	(0.36)	(0.78)	(0.73)	(0.85)	(1.81)	(1.71)
Return after operating charges (p)*	1.25	(3.20)	8.26	2.97	(7.60)	18.71
Distributions (p)	(0.46)	(1.31)	(1.72)	(1.09)	(3.06)	(3.94)
Retained distributions on accumulation shares (p)	–	–	–	1.09	3.06	3.94
Closing net asset value per share (p)	61.86	61.07	65.58	148.18	145.21	152.81
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.05	(4.88)	13.99	2.05	(4.97)	13.95
<b>Other information</b>						
Closing net asset value (£000)	296	713	1,456	6,106	6,247	6,711
Closing number of shares	478,664	1,168,074	2,219,859	4,121,073	4,301,944	4,391,911
Operating charges (%)**	1.16 <sup>†</sup>	1.16	1.17	1.16 <sup>†</sup>	1.16	1.17
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	63.55	70.74	69.68	151.13	164.84	158.26
Lowest share price (p)	59.42	60.50	58.72	141.30	142.63	133.37
	Class X – Gross accumulation shares <sup>5</sup>			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	112.98	117.62	102.10	118.07	126.17	113.05
Return before operating charges (p)	2.98	(4.53)	15.62	3.12	(4.73)	17.24
Operating charges (p)	(0.05)	(0.11)	(0.10)	(0.39)	(0.85)	(0.82)
Return after operating charges (p)*	2.93	(4.64)	15.52	2.73	(5.58)	16.42
Distributions (p)	(0.89)	(2.45)	(3.11)	(0.89)	(2.52)	(3.30)
Retained distributions on accumulation shares (p)	0.89	2.45	3.11	–	–	–
Closing net asset value per share (p)	115.91	112.98	117.62	119.91	118.07	126.17
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.59	(3.94)	15.20	2.31	(4.42)	14.52
<b>Other information</b>						
Closing net asset value (£000)	46,464	47,517	40,312	6,576	9,019	8,397
Closing number of shares	40,084,538	42,058,774	34,273,155	5,483,923	7,638,046	6,655,174
Operating charges (%)**	0.09 <sup>†</sup>	0.09	0.09	0.66 <sup>†</sup>	0.66	0.67
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	118.05	127.31	121.16	123.12	136.32	133.75
Lowest share price (p)	110.18	110.94	101.57	115.01	116.97	112.45

## Threadneedle Dollar Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Gross accumulation shares <sup>§</sup>		
	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	153.07	160.27	139.94
Return before operating charges (p)	4.03	(6.12)	21.36
Operating charges (p)	(0.51)	(1.08)	(1.03)
Return after operating charges (p)*	3.52	(7.20)	20.33
Distributions (p)	(1.15)	(3.21)	(4.12)
Retained distributions on accumulation shares (p)	1.15	3.21	4.12
Closing net asset value per share (p)	156.59	153.07	160.27
*after direct transaction costs of (p)	–	–	–
<b>Performance</b>			
Return after charges (%)	2.30	(4.49)	14.53
<b>Other information</b>			
Closing net asset value (£000)	1,414	1,360	1,306
Closing number of shares	902,975	888,762	814,926
Operating charges (%)**	0.66 <sup>†</sup>	0.66	0.67
Direct transaction costs (%)***	–	–	–
<b>Prices</b>			
Highest share price (p)	159.60	173.16	165.57
Lowest share price (p)	149.10	150.33	139.20

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

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

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

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

## Threadneedle Dollar Bond Fund

### Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

##### (b) Notes

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

#### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	1,168,074
Shares issued	1,226
Shares redeemed	(654,866)
Net conversions	(35,770)
Closing shares	478,664
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	4,301,944
Shares issued	255,484
Shares redeemed	(436,355)
Net conversions	–
Closing shares	4,121,073
<b>Class X – Gross accumulation shares</b>	
Opening shares	42,058,774
Shares issued	–
Shares redeemed	(1,974,236)
Net conversions	–
Closing shares	40,084,538
<b>Class Z – Income shares</b>	
Opening shares	7,638,046
Shares issued	466,276
Shares redeemed	(2,638,865)
Net conversions	18,466
Closing shares	5,483,923
<b>Class Z – Gross accumulation shares</b>	
Opening shares	888,762
Shares issued	126,429
Shares redeemed	(112,216)
Net conversions	–
Closing shares	902,975

## Threadneedle Japan Fund

### Investment Report

#### Investment Objective and Policy

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

The Fund is actively managed, and invests at least 75% of its assets in a concentrated portfolio of shares of companies domiciled in Japan, or which have significant Japanese business operations.

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

The MSCI Japan Index is designed to measure the performance of shares across large and medium-sized companies in the Japanese market, currently with approximately 300 companies included. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

The Fund typically invests in fewer than 60 companies, which may include shares of some companies not within the Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

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

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

#### Performance of Net Accumulation Class 1 Shares\*

Over the six months to 7 September 2021, the published share price of the Threadneedle Japan Fund has risen from 80.84p to 88.02p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +3.16% as compared to a median return of +4.30% over the same period. (For information the MSCI Japan Index returned +4.36% over the same period.)

### Market Overview and Portfolio Activity

Japanese equities delivered further gains during the six months to 7 September but lagged other developed markets. The ongoing recovery in the global economy remained the key driver of investor sentiment over the period, amid hopes for further US fiscal stimulus and optimism over the rollout of vaccines. However, concerns over rising inflation and the prospect that central banks may moderate policy support periodically weighed on markets. The spread of the COVID-19 Delta variant also prompted some caution towards Japanese stocks given the country's slower pace of vaccinations.

On the economic front, early-period data releases were weak, due to the lagged effect of tighter social distancing restrictions imposed in response to prior COVID-19 outbreaks. However, statistics improved as the period progressed, underlining the resilience of Japan's recovery trajectory. First-quarter (Q1) GDP was better than expected, as capital spending partially offset weak private consumption, while April data revealed further improvement in end demand, with particularly robust household spending and export data. In further signs of recovering activity, bank lending also rebounded through the summer and the key Bank of Japan Tankan survey reported a sharp increase in business confidence in June. Service-sector sentiment also rose for the first quarter in five in Quarter 2 (Q2).

The rapid spread of the Delta variant in the summer months prompted the government to declare a third state of emergency and fresh restrictions across several prefectures, as well as the abandonment of plans to allow spectators to attend the Olympic Games. The authorities also acted swiftly to address the country's slow vaccination rate, declaring that sufficient doses had been procured to inoculate all citizens aged 16 years and over by September. Reflecting the dampening effect of these measures on activity, Q2 GDP data advanced a tepid 0.3% quarter on quarter. However, the outcome nevertheless surpassed expectations, with the strength in private consumption a particular highlight.

Political events dominated the headlines as the period drew to a close, as Prime Minister Yoshihide Suga announced his resignation after only a year in office. Markets responded positively to the news, believing his successor would likely herald a more assertive approach to tackling COVID-19 and a more radical policy agenda.

During the period, we were active in a variety of sectors, starting positions in several quality businesses at reasonable valuations. These included Ajinomoto, Hitachi and Sanwa Holdings.

Ajinomoto is a food and biotechnology company and is currently executing on a successful growth strategy. The firm is reshaping its business to focus on higher-margin convenience and health foods and making good progress with the planned expansion of its electronics division. Hitachi is a high-quality industrial conglomerate with a focus on industrial equipment, automotive components and consumer electronics. We believe the company is well positioned to profit from the vigorous industrial recovery currently underway, given its market-leading positions in these end markets. Meanwhile, Sanwa Holdings is a leading building materials business that we expect to benefit from robust demand for warehouses in Japan and residential activities overseas.

On the other hand, we trimmed both software and hardware positions in the information technology sector, where valuations looked less compelling. Overall, we cut the number of portfolio holdings in order to facilitate larger weightings in positions where we have higher conviction. As restrictions on social distancing measures continue to be eased around the world and supported by global central banks' stimulus measures, economic activity has returned to pre-COVID-19 levels and earnings revisions have improved substantially.

In Japan, fiscal stimulus as a percentage of GDP is higher than any other major economy, which should support recovery in domestic consumption, capital investment, shareholder returns and merger and acquisition activity. Meanwhile, the Bank of Japan continues to play its part and remains committed to maintaining its accommodative monetary policy stance.

Regarding COVID-19, the government continues to manage the situation relatively well, with the number of deaths per capita a small fraction of those experienced in more severely affected countries. The government has ramped up the vaccination rollout to a similar pace witnessed in Europe earlier in the year and, given the positive correlation between vaccination trends and equity market returns globally, we expect the Japanese market to catch up with international peers.

Japan's sensitivity to the global economic cycle is higher than most countries and the economy should therefore benefit from a synchronised global recovery as 2021 progresses – a situation that should, in turn, allow domestic corporate earnings growth to remain robust.

Looking past the cyclical recovery, structural reforms – ranging from labour to corporate governance – will transform corporate Japan over the next decade, supporting a step change in profitability and returns on capital in particular.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains	90,473	115,490
Revenue	7,676	9,069
Expenses	(1,877)	(1,449)
Interest payable and similar charges	(20)	(22)
Net revenue before taxation	5,779	7,598
Taxation	(780)	(901)
Net revenue after taxation	4,999	6,697
Total return before equalisation	95,472	122,187
Equalisation	(177)	(1,293)
Change in net assets attributable to shareholders from investment activities	95,295	120,894

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	977,827	855,585
<b>Current assets:</b>		
Debtors	1,767	18,254
Cash and bank balances	5,751	22,269
Total assets	985,345	896,108
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(33)	(26)
<b>Creditors:</b>		
Bank overdrafts	–	(8,636)
Distribution payable	–	(29)
Other creditors	(4,214)	(7,993)
Total liabilities	(4,247)	(16,684)
<b>Net assets attributable to shareholders</b>	<b>981,098</b>	<b>879,424</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Opening net assets attributable to shareholders	879,424	782,939
Amounts receivable on the issue of shares	155,500	92,240
Amounts payable on the cancellation of shares	(149,121)	(226,856)
	6,379	(134,616)
Dilution adjustment	–	144
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	95,295	120,894
Closing net assets attributable to shareholders	981,098	769,361

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

## Threadneedle Japan Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	80.72	61.23	56.35	92.94	70.08	64.15
Return before operating charges (p)	8.41	20.68	5.86	9.71	23.76	6.69
Operating charges (p)	(0.66)	(1.19)	(0.98)	(0.50)	(0.90)	(0.76)
Return after operating charges (p)*	7.75	19.49	4.88	9.21	22.86	5.93
Distributions (p)	–	–	(0.02)	–	(0.45)	(0.43)
Retained distributions on accumulation shares (p)	–	–	0.02	–	0.45	0.43
Closing net asset value per share (p)	88.47	80.72	61.23	102.15	92.94	70.08
*after direct transaction costs of (p)	0.03	0.06	0.04	0.03	0.07	0.05
<b>Performance</b>						
Return after charges (%)	9.60	31.83	8.66	9.91	32.62	9.24
<b>Other information</b>						
Closing net asset value (£000)	2,416	3,043	3,881	223,391	273,487	234,125
Closing number of shares	2,731,381	3,769,313	6,339,266	218,686,052	294,274,977	334,062,691
Operating charges (%)**	1.63 <sup>†</sup>	1.63	1.66	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.07	0.08	0.07	0.07	0.08	0.07
<b>Prices</b>						
Highest share price (p)	88.68	87.80	67.63	102.39	101.00	77.38
Lowest share price (p)	75.32	52.75	55.72	86.81	60.39	63.43
	Class X – Income shares			Class X – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	213.60	161.72	148.99	202.29	151.04	136.85
Return before operating charges (p)	22.42	55.01	15.50	21.25	51.36	14.28
Operating charges (p)	(0.06)	(0.12)	(0.10)	(0.06)	(0.11)	(0.09)
Return after operating charges (p)*	22.36	54.89	15.40	21.19	51.25	14.19
Distributions (p)	–	(3.01)	(2.67)	–	(2.81)	(2.45)
Retained distributions on accumulation shares (p)	–	–	–	–	2.81	2.45
Closing net asset value per share (p)	235.96	213.60	161.72	223.48	202.29	151.04
*after direct transaction costs of (p)	0.07	0.16	0.12	0.07	0.15	0.11
<b>Performance</b>						
Return after charges (%)	10.47	33.94	10.34	10.48	33.93	10.37
<b>Other information</b>						
Closing net asset value (£000)	1,930	2,053	1,643	301,891	340,904	343,057
Closing number of shares	817,858	960,960	1,015,841	135,085,966	168,519,928	227,134,722
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	0.07	0.08	0.07	0.07	0.08	0.07
<b>Prices</b>						
Highest share price (p)	236.52	235.07	181.39	224.01	219.53	166.62
Lowest share price (p)	199.90	139.40	147.36	189.33	130.18	135.36

## Threadneedle Japan Fund

### Comparative Table Disclosure

(continued)

	Class X2 – Accumulation shares			Class X GBP Hedged – Gross accumulation shares <sup>§</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020 <sup>†</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	356.22	265.96	240.97	143.34	99.07	100.00
Return before operating charges (p)	37.44	90.44	25.15	16.64	44.34	(0.90)
Operating charges (p)	(0.11)	(0.18)	(0.16)	(0.04)	(0.07)	(0.03)
Return after operating charges (p)*	37.33	90.26	24.99	16.60	44.27	(0.93)
Distributions (p)	–	(4.96)	(4.31)	–	(1.80)	(0.07)
Retained distributions on accumulation shares (p)	–	4.96	4.31	–	1.80	0.07
Closing net asset value per share (p)	393.55	356.22	265.96	159.94	143.34	99.07
*after direct transaction costs of (p)	0.12	0.25	0.19	0.05	0.10	0.08
<b>Performance</b>						
Return after charges (%)	10.48	33.94	10.37	11.58	44.69	(0.93)
<b>Other information</b>						
Closing net asset value (£000)	72,459	13,361	28,679	257,518	229,909	166,235
Closing number of shares	18,411,772	3,750,684	10,783,532	161,010,952	160,396,933	167,795,591
Operating charges (%)**	0.06 <sup>‡</sup>	0.06	0.06	0.06 <sup>‡</sup>	0.06	0.06 <sup>‡</sup>
Direct transaction costs (%)***	0.07	0.08	0.07	0.07	0.08	0.07
<b>Prices</b>						
Highest share price (p)	394.48	386.57	293.39	160.72	150.96	114.89
Lowest share price (p)	333.39	229.24	238.34	137.67	80.47	97.52
<b>Class Z – Accumulation shares</b>						
	07/09/2021	07/03/2021	07/03/2020			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	284.81	214.40	195.91			
Return before operating charges (p)	29.78	72.73	20.41			
Operating charges (p)	(1.26)	(2.32)	(1.92)			
Return after operating charges (p)*	28.52	70.41	18.49			
Distributions (p)	–	(1.84)	(1.69)			
Retained distributions on accumulation shares (p)	–	1.84	1.69			
Closing net asset value per share (p)	313.33	284.81	214.40			
*after direct transaction costs of (p)	0.10	0.21	0.16			
<b>Performance</b>						
Return after charges (%)	10.01	32.84	9.44			
<b>Other information</b>						
Closing net asset value (£000)	121,493	16,667	5,319			
Closing number of shares	38,774,803	5,852,003	2,480,686			
Operating charges (%)**	0.88 <sup>‡</sup>	0.88	0.88			
Direct transaction costs (%)***	0.07	0.08	0.07			
<b>Prices</b>						
Highest share price (p)	314.07	309.44	236.72			
Lowest share price (p)	266.14	184.76	193.74			

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

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

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

<sup>†</sup>Commenced 8 October 2019.

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

# Threadneedle Japan Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Accumulation shares</b>	
Opening shares	3,769,313
Shares issued	1,139,375
Shares redeemed	(340,223)
Net conversions	(1,837,084)
Closing shares	2,731,381
<b>Class 2 – Accumulation shares</b>	
Opening shares	294,274,977
Shares issued	24,082,390
Shares redeemed	(35,812,436)
Net conversions	(63,858,879)
Closing shares	218,686,052
<b>Class X – Income shares</b>	
Opening shares	960,960
Shares issued	–
Shares redeemed	(143,102)
Net conversions	–
Closing shares	817,858
<b>Class X – Accumulation shares</b>	
Opening shares	168,519,928
Shares issued	516,478
Shares redeemed	(33,950,440)
Net conversions	–
Closing shares	135,085,966
<b>Class X2 – Accumulation shares</b>	
Opening shares	3,750,684
Shares issued	579,722
Shares redeemed	(2,516,379)
Net conversions	16,597,745
Closing shares	18,411,772
<b>Class X GBP Hedged – Gross accumulation shares</b>	
Opening shares	160,396,933
Shares issued	23,962,670
Shares redeemed	(23,348,651)
Net conversions	–
Closing shares	161,010,952
<b>Class Z – Accumulation shares</b>	
Opening shares	5,852,003
Shares issued	33,026,761
Shares redeemed	(623,318)
Net conversions	519,357
Closing shares	38,774,803

## Threadneedle Asia Fund

### Investment Report

#### Investment Objective and Policy

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

The Fund is actively managed, and invests at least 75% of its assets in shares of companies domiciled in Asia (with the exclusion of Japan), or which have significant Asian (excluding Japan) business operations.

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

The MSCI AC Asia Pacific ex Japan Index is designed to capture the share performance of large and medium-sized companies across the Asia Pacific region (excluding Japan), and is currently comprised of over 1,000 companies. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

The Fund typically invests in fewer than 70 companies, which may include shares of some companies not within the Index. The Fund is permitted to invest up to 40% of its value in China A-Shares through the China-Hong Kong Stock Connect Programme. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

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

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

#### Performance of Net Accumulation Class 1 Shares\*

Over the six months to 7 September 2021, the published share price of the Threadneedle Asia Fund has fallen from 320.34p to 306.38p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is -4.76% as compared to a median return of -0.22% over the same period. (For information the MSCI AC Asia Pacific Ex Japan Index returned -1.14% over the same period).

### Market Overview and Portfolio Activity

Asian equities had a difficult six-month period, dragged lower by a particularly weak performance by the Chinese market. Sentiment towards Chinese equities was dampened by new regulatory measures from the government, which initially focused on internet companies and subsequently broadened out to stocks in new economy sectors, particularly areas with important social welfare implications and those tied to national security concerns. China's recent economic data has also been weaker due to a resurgence of COVID-19, following the spread of the Delta variant. Indeed, across the Asian region, COVID-19 trends have continued to influence performance at the individual country level, particularly those with low vaccination rates.

Korean equities began the period on a firm footing, helped by ongoing strength in export-led industries, and the strength persisted throughout the summer as the economy gathered momentum. Data from the manufacturing and industrial sectors was particularly robust, while earnings forecasts continued their upward trend. The country's large technology sector benefited from benign central-bank commentary around the short-term nature of inflationary pressures and investors were encouraged by several successful new listings. However, stocks weakened towards the end of the period, ultimately underperforming the index. Indications from the Bank of Korea that it would look to start normalising monetary policy later in the year and surging COVID-19 infections were key drivers behind the more cautious mood.

By contrast, Taiwan outperformed the benchmark, assisted by a slew of positive financial results across its large technology sector and sustained strength in analyst earnings upgrades. However, India was the top-performing market in the index. Initially, equities were buoyed by the cyclical recovery before the rapid spread of the Delta variant prompted the reimposition of social distancing restrictions, resulting in fresh weakness in share prices. In July, recovery in some higher-frequency data points following the removal of lockdown measures helped to stabilise the market. Manufacturing purchasing managers' index data and export statistics subsequently staged a particularly strong rebound, fuelling a bounce in corporate earnings forecasts and a vigorous rally in equities. During the six months under review, we added several new positions, including Hindalco Industries, Shenzhou International, WuXi AppTec and Keppel. Hindalco is an integrated copper and aluminium manufacturer. The company is gaining from strong demand for industrial metals and structurally improving profitability as it expands its downstream auto- and aerospace-related businesses while enhancing its use of recycled materials.

Shenzhou is the world's largest vertically integrated knitwear manufacturer, and maintains consistently high levels of capacity utilisation and profitability. WuXi AppTec manufactures pharmaceuticals and medical devices and produced record first-quarter results, fuelled by robust demand for its products and services.

Singapore-based conglomerate Keppel has businesses spanning the offshore and marine, real estate and infrastructure sectors. The company should benefit from the resumption of the floating production cycle and an accelerating renewables agenda.

Following the regulatory developments in China in the final months of the period, we reduced our exposure to the internet space in China, for instance, by selling out of New Oriental Education & Technology. We also lowered the overall allocation to technology by trimming exposure to memory chips, via the sale of SK Hynix. Memory semiconductor pricing has come under pressure recently as demand has softened following signs of a slowdown in the PC market in particular. With stronger secular demand drivers in other areas of technology, we have looked to tilt exposure to more attractive sub-sectors such as logic, fables and testing. Other sales included Gree Electric Appliances; the company's earnings are under pressure from elevated competition, higher raw material costs and a limited product set. As such, we have looked to consolidate into other stocks exposed to the attractive long-term mass consumption theme in China.

As restrictions on social distancing measures continued to be eased in Asia, we have witnessed economic activity picking up to pre-COVID-19 levels and earnings revisions improving substantially, while political risk has been reduced.

As vaccine optimism has fuelled positive investor sentiment globally, we can still envisage distribution challenges in the near term. Meanwhile, the outlook for inflation remains a key issue for both emerging and developed markets, as central banks may begin to moderate monetary policy accommodation.

In the current environment, we believe that structural growth opportunities should remain the core of the portfolio, and we are taking a barbell approach with the "opening up" trade. We have certainly witnessed inflationary pressure with a cyclical recovery. However, such pressure tends to be subdued in Asian economies, and we would frame it more appropriately as 'less deflationary'. In terms of US-China relations, political risk has reduced overall with a Biden administration. We do not expect any material changes in the near term, given the bipartisan support in Washington for its policy towards Beijing, and Biden is also likely to have the support of allied countries. We can, however, expect more pragmatic and diplomatic discussions.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital (losses)/gains	(39,090)	88,008
Revenue	9,253	8,848
Expenses	(1,311)	(1,102)
Interest payable and similar charges	(1)	–
Net revenue before taxation	7,941	7,746
Taxation	(1,943)	(1,645)
Net revenue after taxation	5,998	6,101
<b>Total return before equalisation</b>	<b>(33,092)</b>	<b>94,109</b>
Equalisation	(722)	(82)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>(33,814)</b>	<b>94,027</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	644,687	820,339
<b>Current assets:</b>		
Debtors	2,116	11,699
Cash and bank balances	7,283	13,160
Cash equivalents**	2,553	6,890
<b>Total assets</b>	<b>656,639</b>	<b>852,088</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Bank overdrafts	(1,331)	(4,287)
Other creditors	(5,396)	(21,300)
<b>Total liabilities</b>	<b>(6,727)</b>	<b>(25,587)</b>
<b>Net assets attributable to shareholders</b>	<b>649,912</b>	<b>826,501</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>826,501</b>	<b>652,879</b>
Amounts receivable on the issue of shares	81,808	68,512
Amounts payable on the cancellation of shares	(224,798)	(77,932)
	(142,990)	(9,420)
Dilution adjustment	215	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(33,814)	94,027
<b>Closing net assets attributable to shareholders</b>	<b>649,912</b>	<b>737,486</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

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

## Threadneedle Asia Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	320.06	234.57	216.54	364.26	265.42	243.60
Return before operating charges (p)	(11.36)	89.84	21.84	(12.92)	102.15	24.68
Operating charges (p)	(2.57)	(4.35)	(3.81)	(1.92)	(3.31)	(2.86)
Return after operating charges (p)*	(13.93)	85.49	18.03	(14.84)	98.84	21.82
Distributions (p)	–	(0.37)	(1.97)	–	(2.33)	(3.73)
Retained distributions on accumulation shares (p)	–	0.37	1.97	–	2.33	3.73
Closing net asset value per share (p)	306.13	320.06	234.57	349.42	364.26	265.42
*after direct transaction costs of (p)	0.29	0.33	0.26	0.33	0.38	0.30
<b>Performance</b>						
Return after charges (%)	(4.35)	36.45	8.33	(4.07)	37.24	8.96
<b>Other information</b>						
Closing net asset value (£000)	3,011	8,597	13,094	141,233	177,810	140,910
Closing number of shares	983,556	2,685,924	5,582,102	40,418,603	48,813,452	53,088,843
Operating charges (%)**	1.65 <sup>†</sup>	1.64	1.67	1.09 <sup>†</sup>	1.08	1.08
Direct transaction costs (%)***	0.19	0.12	0.11	0.19	0.12	0.11
<b>Prices</b>						
Highest share price (p)	323.57	343.66	259.86	368.56	391.01	293.78
Lowest share price (p)	286.53	198.82	213.81	326.96	224.96	240.53
	Class X – Accumulation shares			Class X2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	248.23	179.08	162.75	962.09	693.89	630.61
Return before operating charges (p)	(8.79)	69.32	16.47	(34.11)	268.84	63.84
Operating charges (p)	(0.11)	(0.17)	(0.14)	(0.42)	(0.64)	(0.56)
Return after operating charges (p)*	(8.90)	69.15	16.33	(34.53)	268.20	63.28
Distributions (p)	–	(3.66)	(4.28)	–	(14.18)	(16.57)
Retained distributions on accumulation shares (p)	–	3.66	4.28	–	14.18	16.57
Closing net asset value per share (p)	239.33	248.23	179.08	927.56	962.09	693.89
*after direct transaction costs of (p)	0.22	0.26	0.20	0.87	0.99	0.80
<b>Performance</b>						
Return after charges (%)	(3.59)	38.61	10.03	(3.59)	38.65	10.03
<b>Other information</b>						
Closing net asset value (£000)	202,705	332,410	229,517	267,815	275,690	248,873
Closing number of shares	84,695,580	133,911,838	128,166,472	28,873,105	28,655,431	35,866,422
Operating charges (%)**	0.09 <sup>†</sup>	0.08	0.08	0.09 <sup>†</sup>	0.08	0.08
Direct transaction costs (%)***	0.19	0.12	0.11	0.19	0.12	0.11
<b>Prices</b>						
Highest share price (p)	251.52	266.32	197.95	974.85	1,031.95	767.02
Lowest share price (p)	223.84	151.81	160.70	867.50	588.25	622.67

## Threadneedle Asia Fund

### Comparative Table Disclosure

(continued)

	Class Z – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	286.38	208.30	190.87
Return before operating charges (p)	(10.17)	80.26	19.30
Operating charges (p)	(1.26)	(2.18)	(1.87)
Return after operating charges (p)*	(11.43)	78.08	17.43
Distributions (p)	–	(2.25)	(3.29)
Retained distributions on accumulation shares (p)	–	2.25	3.29
Closing net asset value per share (p)	274.95	286.38	208.30
*after direct transaction costs of (p)	0.26	0.30	0.24
<b>Performance</b>			
Return after charges (%)	(3.99)	37.48	9.13
<b>Other information</b>			
Closing net asset value (£000)	35,148	31,994	20,485
Closing number of shares	12,783,424	11,171,979	9,834,053
Operating charges (%)**	0.91 <sup>†</sup>	0.90	0.90
Direct transaction costs (%)***	0.19	0.12	0.11
<b>Prices</b>			
Highest share price (p)	289.83	307.37	230.53
Lowest share price (p)	257.25	176.55	188.46

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

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

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

## Threadneedle Asia Fund

### Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

##### (b) Notes

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

#### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Accumulation shares</b>	
Opening shares	2,685,924
Shares issued	1,578,287
Shares redeemed	(1,669,920)
Net conversions	(1,610,735)
Closing shares	<u>983,556</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	48,813,452
Shares issued	6,662,347
Shares redeemed	(15,044,654)
Net conversions	(12,542)
Closing shares	<u>40,418,603</u>
<b>Class X – Accumulation shares</b>	
Opening shares	133,911,838
Shares issued	2,162,226
Shares redeemed	(51,378,484)
Net conversions	–
Closing shares	<u>84,695,580</u>
<b>Class X2 – Accumulation shares</b>	
Opening shares	28,655,431
Shares issued	5,002,363
Shares redeemed	(4,784,689)
Net conversions	–
Closing shares	<u>28,873,105</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	11,171,979
Shares issued	565,569
Shares redeemed	(765,705)
Net conversions	1,811,581
Closing shares	<u>12,783,424</u>

## Threadneedle Latin America Fund

### Investment Report

#### Investment Objective and Policy

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

The Fund is actively managed, and invests at least 75% of its assets in equities and equity-related securities of companies domiciled in Latin America, or which have significant Latin American business operations.

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

The MSCI EM Latin American 10/40 Index is designed to measure the share performance of large and medium-sized companies across 5 Emerging Market countries within Latin America (Brazil, Chile, Colombia, Mexico, and Peru). The Index currently includes approximately 100 companies, and is constructed to reflect the regulatory framework applicable to the Fund. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

The Fund typically invests in fewer than 65 companies, which may include shares of some companies not within the Index.

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

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

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

#### Performance of Net Accumulation Class 1 Shares\*

Over the six months to 7 September 2021, the published share price of the Threadneedle Latin America Fund has risen from 220.59p to 245.47p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +10.16% as compared to a median return of +13.31% over the same period. (For information the MSCI EM Latin America 10/40 Index returned +18.58% over the same period).

#### Market Overview and Portfolio Activity

Latin American equities made solid gains during the six months to 7 September. Returns diverged considerably on a country-by-country basis,

depending on the degree of spread in COVID-19 infections and government success in mitigating its effects. Despite periodic bouts of weakness in activity prompted by virus flare-ups, however, economic recovery strengthened across the region during the period as a whole.

Argentinian stocks led the way, supported by the country's improved vaccination momentum and news of the government's success in procuring further large-scale vaccine volumes. Meanwhile, sentiment was also supported by progress in negotiations with the International Monetary Fund over government debt restructuring. The talks were extended into 2022, although both parties expressed optimism about the progress made. The domestic economy gathered momentum as the period progressed, with the industrial sector displaying particular strength. A slowdown in the pace of inflation was a further tailwind, allaying investor unease that the pricing pressures that have accompanied the recovery may require more drastic tightening in monetary policy.

Brazilian stocks also advanced, with the country's large resources sector buoyed by the rebound in the prices of oil and selected basic materials. Economic data also surpassed expectations; in the first quarter (Q1), the country recorded its third successive quarter of growth, helping the economy to return to pre-virus levels of activity. An acceleration in vaccinations also allowed the removal of social distancing restrictions in early summer, prompting a rebound in the service sector and a recovery in tourism in particular. However, the spread of the Delta variant injected a fresh note of caution about the economic outlook and overshadowed otherwise positive data across the main industrial, consumer and service sectors. Political developments also capped the market's upside as the period ended; the mood soured amid attempts by opposition parties to exploit President Bolsonaro's declining approval ratings ahead of elections in 2022.

Mexican equities also outperformed, despite the effects of COVID-19 on early-period economic statistics. Q1 GDP was particularly weak, recording its worst performance since Quarter 2 2020. However, investors looked through the headline data and focused instead on the improvement in underlying trends, which indicated that activity accelerated as the quarter progressed amid a pickup in vaccinations and rising US export demand. Consumer confidence also benefited from the more benign backdrop, reaching its highest level since September 2019 in June. However, equity-market gains moderated somewhat later in the period as pricing pressures rose and the Banco de Mexico decided to increase interest rates.

Peruvian and Chilean stocks were the weakest in the benchmark, with both markets affected by political worries surrounding increased support for the radical agendas of new populist candidates ahead of key elections in both countries.

Activity involved the addition of DLocal and PetroReconcavo to the portfolio. DLocal is a Uruguayan online payments business, which should benefit from the rapidly growing e-commerce payments industry across emerging markets. The company's technology allows international brands to access Latin America's online retail platforms more effectively, helping these firms to expand their reach in a region where e-commerce and demand for foreign products is strong. PetroReconcavo is a Brazilian oil company, which listed in May. We remain optimistic on the company's production profile, while it is also well placed to benefit from the recovery in energy demand and prices.

Sales included the disposal of department-store chain Lojas Renner. We grew more cautious about the company's prospects given the ongoing COVID-19 situation in Brazil, and decided to deploy the capital to higher-conviction ideas.

Latin American countries face challenging outlooks, with concerns around COVID-19 posing a key risk to markets globally. The pandemic has led to an economic slowdown across the region, but we have witnessed signs of recovery. Each economy needs to be assessed individually by evaluating its unique place in the political, monetary and GDP-growth cycles, as well as its exposure to commodities, which varies across countries.

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

The outlook for the Brazilian economy has been impacted by virus concerns, although we have witnessed economic activity picking up to pre-COVID-19 levels and earnings revisions improving substantially. Political tensions present further risks to monitor. However, we continue to identify opportunities in the consumer and technology sectors. We believe there is potential for growth in consumer finance, as technology is democratising banking and steadily reducing the unbanked section of the population.

Mexico has suffered from political uncertainty, resulting in heightened investor concern. We hold a constructive view on the future for US-Mexico trade relations following the United States-Mexico-Canada Agreement agreement, which came into force in July last year. We believe that Mexico's manufacturing sector will gain market share as more corporates continue to diversify their supply chains.

In the Andean region, Argentina has been feeling the repercussions of fiscal and monetary imbalances. We currently have limited exposure to domestic stocks, given macro concerns surrounding the country's deficit, inflation and currency devaluation. Overall, the fund's focus remains on secular growth trends and diversified, bottom-up opportunities.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains/(losses)	28,789	(16,231)
Revenue	5,119	2,005
Expenses	(1,756)	(1,428)
Net revenue before taxation	3,363	577
Taxation	(143)	(128)
Net revenue after taxation	3,220	449
<b>Total return before equalisation</b>	<b>32,009</b>	<b>(15,782)</b>
Equalisation	(5)	(4,169)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>32,004</b>	<b>(19,951)</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	326,500	297,063
<b>Current assets:</b>		
Debtors	52	13,289
Cash and bank balances	4,348	7,671
Cash equivalents**	2,562	6,534
<b>Total assets</b>	<b>333,462</b>	<b>324,557</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	-	(1)
<b>Creditors:</b>		
Bank overdrafts	-	(4,394)
Other creditors	(6,759)	(18,209)
<b>Total liabilities</b>	<b>(6,759)</b>	<b>(22,604)</b>
<b>Net assets attributable to shareholders</b>	<b>326,703</b>	<b>301,953</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>301,953</b>	<b>299,134</b>
Amounts receivable on the issue of shares	56,428	26,267
Amounts payable on the cancellation of shares	(63,727)	(28,551)
	(7,299)	(2,284)
Dilution adjustment	45	-
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	32,004	(19,951)
<b>Closing net assets attributable to shareholders</b>	<b>326,703</b>	<b>276,899</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

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

## Threadneedle Latin America Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	221.46	213.99	243.25	250.43	240.50	271.71
Return before operating charges (p)	25.78	10.93	(24.85)	29.20	12.43	(28.03)
Operating charges (p)	(2.01)	(3.46)	(4.41)	(1.46)	(2.50)	(3.18)
Return after operating charges (p)*	23.77	7.47	(29.26)	27.74	9.93	(31.21)
Distributions (p)	–	(0.16)	(2.02)	–	(1.54)	(4.05)
Retained distributions on accumulation shares (p)	–	0.16	2.02	–	1.54	4.05
Closing net asset value per share (p)	245.23	221.46	213.99	278.17	250.43	240.50
*after direct transaction costs of (p)	0.08	0.28	0.47	0.09	0.31	0.53
<b>Performance</b>						
Return after charges (%)	10.73	3.49	(12.03)	11.08	4.13	(11.49)
<b>Other information</b>						
Closing net asset value (£000)	30,478	35,319	39,303	242,275	234,563	226,061
Closing number of shares	12,428,111	15,948,307	18,366,754	87,096,301	93,663,105	93,996,899
Operating charges (%)**	1.69 <sup>†</sup>	1.70	1.70	1.08 <sup>†</sup>	1.09	1.09
Direct transaction costs (%)***	0.07	0.14	0.18	0.07	0.14	0.18
<b>Prices</b>						
Highest share price (p)	260.01	250.02	282.98	294.57	282.48	316.86
Lowest share price (p)	212.63	152.15	218.10	240.46	171.05	245.11

  

	Class X – Accumulation shares			Class Z – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	106.01	100.85	112.98	86.27	82.70	93.27
Return before operating charges (p)	12.35	5.25	(12.02)	10.06	4.29	(9.66)
Operating charges (p)	(0.05)	(0.09)	(0.11)	(0.42)	(0.72)	(0.91)
Return after operating charges (p)*	12.30	5.16	(12.13)	9.64	3.57	(10.57)
Distributions (p)	–	(1.57)	(2.71)	–	(0.67)	(1.57)
Retained distributions on accumulation shares (p)	–	1.57	2.71	–	0.67	1.57
Closing net asset value per share (p)	118.31	106.01	100.85	95.91	86.27	82.70
*after direct transaction costs of (p)	0.04	0.13	0.23	0.03	0.11	0.18
<b>Performance</b>						
Return after charges (%)	11.60	5.12	(10.74)	11.17	4.32	(11.33)
<b>Other information</b>						
Closing net asset value (£000)	4,896	4,387	4,236	49,054	27,684	29,534
Closing number of shares	4,138,559	4,138,559	4,200,888	51,148,623	32,091,563	35,712,206
Operating charges (%)**	0.08 <sup>†</sup>	0.09	0.09	0.90 <sup>†</sup>	0.91	0.91
Direct transaction costs (%)***	0.07	0.14	0.18	0.07	0.14	0.18
<b>Prices</b>						
Highest share price (p)	125.03	119.41	132.24	101.52	97.28	108.84
Lowest share price (p)	101.79	71.76	102.78	82.83	58.82	84.28

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

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

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

# Threadneedle Latin America Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Accumulation shares</b>	
Opening shares	15,948,307
Shares issued	4,855,119
Shares redeemed	(7,964,972)
Net conversions	(410,343)
Closing shares	<u>12,428,111</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	93,663,105
Shares issued	8,550,411
Shares redeemed	(15,118,687)
Net conversions	1,472
Closing shares	<u>87,096,301</u>
<b>Class X – Accumulation shares</b>	
Opening shares	4,138,559
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>4,138,559</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	32,091,563
Shares issued	23,376,365
Shares redeemed	(5,365,648)
Net conversions	1,046,343
Closing shares	<u>51,148,623</u>

### 3 POST BALANCE SHEET EVENT

The table below shows the net asset values per share as at the balance sheet date, compared against values as at 25 October and the percentage movement in that period:

Share Class	Net asset value per share (p)		
	7 September 2021	25 October 2021	% Movement
Class 1 – Accumulation shares	245.47	202.35	(17.57)
Class 2 – Accumulation shares	278.44	229.72	(17.50)
Class X – Accumulation shares	118.42	97.83	(17.39)
Class Z – Accumulation shares	96.00	79.22	(17.48)

## Threadneedle Emerging Market Bond Fund

### Investment Report

#### Investment Objective and Policy

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

The Fund is actively managed, and invests at least two thirds of its assets in bonds issued by governments (or quasi-government entities) of Emerging Market countries and companies which are domiciled or have significant business operations in such countries. The Fund considers Emerging Market countries to be those characterised as developing or emerging by the World Bank, the United Nations, or the EMBI Global.

The selected bonds may be of any credit quality, including those rated below investment grade or unrated, and are typically denominated in US dollars. Due to the perceived higher risk of investing in bonds issued by emerging market borrowers, these bonds typically offer higher yields than those of more stable bonds issued in developed countries.

The Fund may also invest in other securities (including bonds issued by developed countries), money market instruments, deposits, cash and near cash, and collective investment schemes (including funds managed by Columbia Threadneedle companies) when deemed appropriate. The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk, or managing the Fund more efficiently.

The EMBI Global is regarded as an appropriate performance measure of US dollar-denominated emerging market bonds issued by government and quasigovernment entities. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

#### Performance of Gross Accumulation Class 1 Shares\*

Over the six months to 7 September 2021, the published share price of the Threadneedle Emerging Market Bond Fund has risen from 275.35p to 288.88p.

The sterling total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +5.18% as compared to a median return of +4.48% over the same period. (For information the JPM Emerging Market Bonds Global Index gave a total return of +6.01% for the same period.)

#### Market Overview and Portfolio Activity

Emerging-market (EM) bonds registered a positive return during the term under review. The asset class had a challenging start to the period, amid concerns that rising inflation might lead the US Federal Reserve (Fed) and other major central banks to withdraw their stimulus measures. However, sentiment was subsequently boosted by the relatively smooth rollout of COVID-19 vaccines in developed countries and the resulting optimism about the global economy, which trumped fears of runaway inflation. The 'risk-on' mood was also boosted

by anticipation of US fiscal stimulus. A strong rise in commodities was a welcome tailwind for EM bonds.

Less positively, the emergence of the more contagious Delta strain of the coronavirus led to rising case loads in many countries and the reimposition of lockdowns, which weighed on sentiment. These fears were particularly painful for EMs, where vaccination rates lagged those of developed countries. Meanwhile, a trend towards policy tightening was observable, with central bankers in Russia, Ukraine, Hungary, the Czech Republic, Mexico, Chile and Brazil raising rates amid concerns about inflation risks.

Later in the period, global markets encountered further volatility owing to concerns that the spread of the Delta variant could threaten the economic recovery. News of a regulatory crackdown by the Chinese government across various sectors further unsettled markets due to fears that this could impact the country's growth and reduce demand for commodities. Fear that the Fed had moved closer to reducing its monetary stimulus also stalked markets over the review term. However, risk assets rallied following the Jackson Hole summit at the end of August, when Fed Chairman Jerome Powell indicated that the central bank would act, but only at a gradual pace.

In Brazil, sentiment benefited from better-than-expected first-quarter GDP data. An acceleration in vaccinations also allowed the removal of social distancing restrictions in early summer, prompting a rebound in the service sector and a recovery in tourism in particular. However, the spread of the Delta variant injected a fresh note of caution about the economic outlook and overshadowed otherwise positive data. Political developments weighed on sentiment as the period ended.

In Mexico, first-quarter GDP was particularly weak, the lowest since Quarter 2 (Q2) 2020. However, investors looked through the headline data and focused instead on the improvement in the underlying trends, which indicated that activity accelerated as the quarter progressed amid a pickup in vaccinations and rising US export demand.

In Argentina, sentiment was buoyed by improved vaccination momentum and news of the government's success in procuring further large-scale vaccine supplies. Progress in negotiations with the International Monetary Fund over government debt restructuring was also supportive. The domestic economy gathered strength as the period progressed, with the industrial sector displaying particular strength. Elsewhere, assets in Peru and Chile were affected by political worries surrounding the increase in support for the radical agendas of new populist candidates ahead of key elections in both countries.

In Turkey, the central bank left interest rates unchanged, resisting ongoing pressure from President Tayyip Erdoğan to lower rates. The bank continues to reiterate its stance on maintaining tight policy until a significant fall in inflation materialises.

In Russia, the economy has recovered faster than expected following the relaxation of COVID-19 restrictions, reaching pre-pandemic levels over the second quarter. This has led to a pickup in inflation and prompted the central bank to lift interest rates for the third consecutive month in July.

In South Africa, there was some positive news on the economic front after GDP growth for the first quarter exceeded expectations. However, a resurgence in COVID-19 cases driven by the Delta variant and the imposition of further restrictions dampened the mood. Later in the period, finance minister Tito Mboweni stepped down in the wake of widespread public disorder following the arrest of former President Jacob Zuma for contempt of court. In terms of activity, among government bonds, we established positions in the Philippines and Costa Rica. We added to our holdings in Ukraine, Egypt, Ghana, Argentina, Ecuador, Pakistan and Brazil. El Salvador, Turkey, Colombia, Indonesia, Qatar, South Africa, Saudi Arabia and Oman were among exposures that were reduced. The fund sold out of Peru and the Emirate of Abu Dhabi.

In the quasi-sovereign and corporate debt space, we participated in new issues from Abu Dhabi Ports, Qatari telecommunications company – Ooredoo and Mexican state-owned electric utility CFE. In the secondary market, we opened positions in Qatar Petroleum, Russian state-owned energy company Gazprom and Ukrainian agro-industrial group MHP. We added to the positions in South African electric utility Eskom, Export-Import Bank of India and KazMunayGas. Elsewhere, we reduced allocations to Pemex (Petroleos Mexicanos) and Indonesia's Saka Energi. We exited the positions in Qatar National Bank, Ukrainian oil and gas company Naftogaz, petrochemical company Braskem and mining companies OCP, Volcan and Codelco (Corporación Nacional del Cobre de Chile).

There is still a valuation opportunity in EM debt, especially when considered alongside developed-market fixed-income assets, and particularly among lower-quality EM credits. Relative to long-term average spreads, there is still scope for EM hard-currency assets to perform. Valuations are underpinned by improvements in the terms of trade (as a result of ongoing strength in commodity prices) and better external financing outlooks. Capital markets have continued to be accessible to the vast majority of issuers, which, combined with constructive engagement by multilateral lenders, has helped to safeguard the continuation of favourable liquidity conditions.

While inflows have been robust, the strong performance of the asset class since the dislocations of March 2020 argues for caution and selectivity. The pace of the US recovery heightens the risk that global monetary conditions may tighten from here. A rise in US real yields would carry risks, not least to borrowers unable to shift liabilities either into local currency or further out along the yield curve. High debt levels pose financing risks, especially among smaller, more vulnerable borrowers.

With several exceptions, the prospect of a broadly stronger US dollar, together with nascent inflationary pressure in a number of economies may force more EM central banks to tighten their own monetary policy. Caution is warranted when investing in local currency assets.

We continue to believe that a focus on the best risk-adjusted opportunities across EMs, coupled with appropriate portfolio risk management, is key to success when investing in EM bonds.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021	2020
	£000	£000
Income		
Net capital gains/(losses)	5,366	(4,811)
Revenue	3,830	4,303
Expenses	(866)	(949)
Interest payable and similar charges	(10)	(1)
Net revenue before taxation	2,954	3,353
Taxation	(10)	(15)
Net revenue after taxation	2,944	3,338
<b>Total return before distributions</b>	<b>8,310</b>	<b>(1,473)</b>
Distributions	(3,703)	(4,171)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>4,607</b>	<b>(5,644)</b>

### BALANCE SHEET

as at 7 September 2021

	2021	2021
	£000	£000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	154,634	152,020
<b>Current assets:</b>		
Debtors	2,792	1,969
Cash and bank balances	891	3,739
Cash equivalents**	7,157	7,142
<b>Total assets</b>	<b>165,474</b>	<b>164,870</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(98)	–
<b>Creditors:</b>		
Distribution payable	(1,752)	(1,930)
Other creditors	(280)	(354)
<b>Total liabilities</b>	<b>(2,130)</b>	<b>(2,284)</b>
<b>Net assets attributable to shareholders</b>	<b>163,344</b>	<b>162,586</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021	2020
	£000	£000
<b>Opening net assets attributable to shareholders</b>	<b>162,586</b>	<b>175,203</b>
Amounts receivable on the issue of shares	2,732	28,298
Amounts payable on the cancellation of shares	(8,471)	(16,850)
	(5,739)	11,448
Dilution adjustment	–	207
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	4,607	(5,644)
Retained distribution on accumulation shares	1,889	2,080
Unclaimed distributions	1	–
<b>Closing net assets attributable to shareholders</b>	<b>163,344</b>	<b>183,294</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Interest distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.2486	–	1.2486	1.3585
<b>Group 2</b> 08/03/21 to 07/09/21	0.7900	0.4586	1.2486	1.3585
<b>Total distributions in the period</b>			<b>1.2486</b>	<b>1.3585</b>

#### Class 1 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	2.1224	–	2.1224	2.3100
<b>Group 2</b> 08/03/21 to 07/09/21	1.5360	0.5864	2.1224	2.3100
<b>Total distributions in the period</b>			<b>2.1224</b>	<b>2.3100</b>

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

## Threadneedle Emerging Market Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
Group 1 08/03/21 to 07/09/21	6.3418	–	6.3418	6.5880
Group 2 08/03/21 to 07/09/21	2.3195	4.0223	6.3418	6.5880
<b>Total distributions in the period</b>			<b>6.3418</b>	<b>6.5880</b>

#### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
Group 1 08/03/21 to 07/09/21	2.3062	–	2.3062	2.4855
Group 2 08/03/21 to 07/09/21	0.8643	1.4419	2.3062	2.4855
<b>Total distributions in the period</b>			<b>2.3062</b>	<b>2.4855</b>

#### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
Group 1 08/03/21 to 07/09/21	6.6412	–	6.6412	6.7933
Group 2 08/03/21 to 07/09/21	4.4341	2.2071	6.6412	6.7933
<b>Total distributions in the period</b>			<b>6.6412</b>	<b>6.7933</b>

#### Class X – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
Group 1 08/03/21 to 07/09/21	2.5525	–	2.5525	2.7355
Group 2 08/03/21 to 07/09/21	2.5525	–	2.5525	2.7355
<b>Total distributions in the period</b>			<b>2.5525</b>	<b>2.7355</b>

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
Group 1 08/03/21 to 07/09/21	3.0087	–	3.0087	3.0759
Group 2 08/03/21 to 07/09/21	3.0087	–	3.0087	3.0759
<b>Total distributions in the period</b>			<b>3.0087</b>	<b>3.0759</b>

#### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
Group 1 08/03/21 to 07/09/21	2.1631	–	2.1631	2.3328
Group 2 08/03/21 to 07/09/21	1.0786	1.0845	2.1631	2.3328
<b>Total distributions in the period</b>			<b>2.1631</b>	<b>2.3328</b>

#### Class Z – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
Group 1 08/03/21 to 07/09/21	2.0260	–	2.0260	2.1848
Group 2 08/03/21 to 07/09/21	1.1884	0.8376	2.0260	2.1848
<b>Total distributions in the period</b>			<b>2.0260</b>	<b>2.1848</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
Group 1 08/03/21 to 07/09/21	3.6192	–	3.6192	3.7275
Group 2 08/03/21 to 07/09/21	1.7190	1.9002	3.6192	3.7275
<b>Total distributions in the period</b>			<b>3.6192</b>	<b>3.7275</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Emerging Market Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross income shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	54.10	60.66	56.01	91.96	103.11	95.21
Return before operating charges (p)	3.12	(2.98)	9.15	5.30	(5.06)	15.56
Operating charges (p)	(0.44)	(0.93)	(0.99)	(0.75)	(1.58)	(1.69)
Return after operating charges (p)*	2.68	(3.91)	8.16	4.55	(6.64)	13.87
Distributions (p)	(1.25)	(2.65)	(3.51)	(2.12)	(4.51)	(5.97)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	55.53	54.10	60.66	94.39	91.96	103.11
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	4.95	(6.45)	14.57	4.95	(6.44)	14.57
<b>Other information</b>						
Closing net asset value (£000)	2,873	4,082	5,974	45,894	46,510	57,116
Closing number of shares	5,173,639	7,545,453	9,849,009	48,619,511	50,578,988	55,393,856
Operating charges (%)**	1.60 <sup>†</sup>	1.60	1.61	1.60 <sup>†</sup>	1.60	1.61
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	57.00	60.68	67.22	96.90	103.15	114.27
Lowest share price (p)	53.41	52.49	57.87	90.79	89.23	98.37
	Class 1 – Gross accumulation shares <sup>5</sup>			Class 2 – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	274.77	294.08	257.18	98.15	109.54	100.68
Return before operating charges (p)	15.87	(14.76)	41.52	5.68	(5.39)	16.48
Operating charges (p)	(2.25)	(4.55)	(4.62)	(0.54)	(1.13)	(1.21)
Return after operating charges (p)*	13.62	(19.31)	36.90	5.14	(6.52)	15.27
Distributions (p)	(6.34)	(13.02)	(16.32)	(2.31)	(4.87)	(6.41)
Retained distributions on accumulation shares (p)	6.34	13.02	16.32	–	–	–
Closing net asset value per share (p)	288.39	274.77	294.08	100.98	98.15	109.54
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	4.96	(6.57)	14.35	5.24	(5.95)	15.17
<b>Other information</b>						
Closing net asset value (£000)	32,830	31,474	31,259	294	293	411
Closing number of shares	11,384,154	11,454,560	10,629,550	291,623	298,900	374,983
Operating charges (%)**	1.60 <sup>†</sup>	1.60	1.61	1.08 <sup>†</sup>	1.08	1.09
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	289.54	298.57	308.28	103.62	109.80	121.10
Lowest share price (p)	271.25	254.47	265.40	96.91	94.83	104.03

## Threadneedle Emerging Market Bond Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Gross accumulation shares <sup>§</sup>			Class X – Gross income shares <sup>§</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	282.65	300.92	261.79	108.35	119.72	108.93
Return before operating charges (p)	16.35	(15.10)	42.32	6.29	(5.91)	17.87
Operating charges (p)	(1.56)	(3.17)	(3.19)	(0.04)	(0.09)	(0.11)
Return after operating charges (p)*	14.79	(18.27)	39.13	6.25	(6.00)	17.76
Distributions (p)	(6.64)	(13.51)	(16.88)	(2.55)	(5.37)	(6.97)
Retained distributions on accumulation shares (p)	6.64	13.51	16.88	–	–	–
Closing net asset value per share (p)	297.44	282.65	300.92	112.05	108.35	119.72
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	5.23	(6.07)	14.95	5.77	(5.01)	16.30
<b>Other information</b>						
Closing net asset value (£000)	7,186	6,982	7,233	228	220	508
Closing number of shares	2,416,075	2,470,255	2,403,634	203,244	203,244	424,476
Operating charges (%)**	1.08 <sup>†</sup>	1.08	1.09	0.08 <sup>†</sup>	0.08	0.09
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	298.42	306.78	314.52	114.83	120.46	131.60
Lowest share price (p)	279.03	260.48	270.19	106.98	103.71	112.59
	Class X – Gross accumulation shares <sup>§</sup>			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	127.73	134.63	115.95	93.52	103.96	95.17
Return before operating charges (p)	7.41	(6.79)	18.80	5.41	(5.12)	15.58
Operating charges (p)	(0.05)	(0.11)	(0.12)	(0.36)	(0.75)	(0.80)
Return after operating charges (p)*	7.36	(6.90)	18.68	5.05	(5.87)	14.78
Distributions (p)	(3.01)	(6.10)	(7.51)	(2.16)	(4.57)	(5.99)
Retained distributions on accumulation shares (p)	3.01	6.10	7.51	–	–	–
Closing net asset value per share (p)	135.09	127.73	134.63	96.41	93.52	103.96
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	5.76	(5.13)	16.11	5.40	(5.65)	15.53
<b>Other information</b>						
Closing net asset value (£000)	33,069	31,873	20,851	27,515	28,249	37,969
Closing number of shares	24,479,659	24,953,978	15,487,680	28,539,012	30,207,822	36,522,812
Operating charges (%)**	0.08 <sup>†</sup>	0.08	0.09	0.75 <sup>†</sup>	0.75	0.76
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	135.37	138.34	139.91	98.85	104.33	114.64
Lowest share price (p)	126.10	116.61	119.70	92.34	90.01	98.35

## Threadneedle Emerging Market Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Gross income shares <sup>§</sup>			Class Z – Gross accumulation shares <sup>§</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	87.59	97.37	89.14	156.47	166.05	143.98
Return before operating charges (p)	5.08	(4.80)	14.59	9.06	(8.37)	23.30
Operating charges (p)	(0.34)	(0.70)	(0.75)	(0.60)	(1.21)	(1.23)
Return after operating charges (p)*	4.74	(5.50)	13.84	8.46	(9.58)	22.07
Distributions (p)	(2.03)	(4.28)	(5.61)	(3.62)	(7.38)	(9.18)
Retained distributions on accumulation shares (p)	–	–	–	3.62	7.38	9.18
Closing net asset value per share (p)	90.30	87.59	97.37	164.93	156.47	166.05
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	5.41	(5.65)	15.53	5.41	(5.77)	15.33
<b>Other information</b>						
Closing net asset value (£000)	1,151	1,264	1,867	12,304	11,639	12,015
Closing number of shares	1,274,564	1,442,842	1,918,013	7,459,877	7,438,443	7,235,839
Operating charges (%)**	0.75 <sup>†</sup>	0.75	0.76	0.75 <sup>†</sup>	0.75	0.76
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	92.59	97.72	107.37	165.40	169.72	173.23
Lowest share price (p)	86.48	84.31	92.12	154.48	143.77	148.62

\*\*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). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

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

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

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

# Threadneedle Emerging Market Bond Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	7,545,453
Shares issued	230,677
Shares redeemed	(1,680,253)
Net conversions	(922,238)
Closing shares	<u>5,173,639</u>
<b>Class 1 – Gross income shares</b>	
Opening shares	50,578,988
Shares issued	396,407
Shares redeemed	(2,355,828)
Net conversions	(56)
Closing shares	<u>48,619,511</u>
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	11,454,560
Shares issued	260,398
Shares redeemed	(329,194)
Net conversions	(1,610)
Closing shares	<u>11,384,154</u>
<b>Class 2 – Income shares</b>	
Opening shares	298,900
Shares issued	3,182
Shares redeemed	(15,060)
Net conversions	4,601
Closing shares	<u>291,623</u>
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	2,470,255
Shares issued	8,497
Shares redeemed	(63,202)
Net conversions	525
Closing shares	<u>2,416,075</u>
<b>Class X – Gross income shares</b>	
Opening shares	203,244
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>203,244</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	24,953,978
Shares issued	–
Shares redeemed	(474,319)
Net conversions	–
Closing shares	<u>24,479,659</u>
<b>Class Z – Income shares</b>	
Opening shares	30,207,822
Shares issued	904,415
Shares redeemed	(3,089,962)
Net conversions	516,737
Closing shares	<u>28,539,012</u>

	2021
<b>Class Z – Gross income shares</b>	
Opening shares	1,442,842
Shares issued	34,681
Shares redeemed	(228,765)
Net conversions	25,806
Closing shares	<u>1,274,564</u>
<b>Class Z – Gross accumulation shares</b>	
Opening shares	7,438,443
Shares issued	382,048
Shares redeemed	(354,293)
Net conversions	(6,321)
Closing shares	<u>7,459,877</u>

## Threadneedle High Yield Bond Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income. It looks to outperform the ICE BofA European Currency High Yield Excluding Subordinated Financials Constrained (Hedged to Sterling) Index over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and invests at least two-thirds of its assets in bonds issued by companies worldwide that are denominated in euros (EUR) or sterling (GBP) and rated below investment grade. The Fund may invest to a lesser extent in bonds denominated in currencies other than euro and sterling, bonds of other credit quality (as well as unrated bonds) and bonds issued by governments and quasi-government entities. Non-sterling bonds are typically hedged into sterling.

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

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

The ICE BofA European Currency High Yield Excluding Subordinated Financials Constrained (Hedged to Sterling) Index is regarded as an appropriate performance measure of euro and sterling-denominated below investment grade bonds, issued by a broad range of companies. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

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

Over the six months to 7 September 2021, the published share price of the Threadneedle High Yield Bond Fund has risen from 42.63p to 42.85p.

The total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +2.13% as compared to a median return of +2.99% over the same period. (For information the ICE BofA European Currency High Yield Excluding Subordinated Financials Constrained (Hedged to Sterling) Index gave a total return of +3.03% for the same period).

#### Market Overview and Portfolio Activity

European high yield (HY) bonds delivered a positive performance during the term under review. Credit spreads narrowed, and the yield on underlying benchmark 10-year German government bonds was little changed for the period as a whole.

The global economy's continued strong rebound from the shock of COVID-19 in 2020 and an associated surge in inflation were the dominant themes of the review period. The rollout of vaccines was broadly smooth across developed markets, supporting steps toward economic re-opening. Meanwhile, key central banks maintained their ultra-loose monetary policies, and US fiscal stimulus was a further prop for markets. The principal world economies generally performed well, including the eurozone. However, the economic revival also caused inflation to soar around the world, reflecting supply bottlenecks and labour shortages. European Central Bank (ECB) officials argued that higher prices would likely prove to be temporary. Nonetheless, as the review period ended, inflation in the eurozone was at the highest level in about a decade and central banks in some emerging markets were raising interest rates sharply in an effort to curb price growth.

The ECB kept its key rate below zero throughout the review period and maintained the pace of its monetary stimulus, resisting calls for a reduction from hawkish policy-makers. After a strategy review, the bank revised its inflation target to 2% in July and suggested that temporary overshoots would be tolerated, giving more room to keep its key rate in negative territory. In the US, President Biden signed a \$1.9tn fiscal-stimulus package into law during the review period (in the first months of his administration), and legislators were considering two further measures at the close: a bipartisan \$1tn infrastructure investment proposal and a separate \$3.5tn measure focused on areas including healthcare and education.

The conditions outlined above were broadly supportive for the European HY market. Economic expansion and revived demand driven by re-opening were reflected in robust corporate profits, in turn supporting credit spreads. At the same time, liquidity provision by the ECB ensured that funding was plentiful for borrowers and helped to keep the default rate low. Rising oil prices over the review period were unhelpful in the context of inflation worries, but also supported earnings in the energy industry, a key sector for European HY. The continued search for yield by investors again drove funds into the asset class, and while issuance of new bonds was active aside from a seasonal lull in August, this was easily absorbed by the market.

With investment opportunities plentiful, new holdings in the portfolio established via the primary market included David Lloyd (health clubs), Mahle (automotive), InPost (parcel delivery/collection lockers), Constellium (aluminium products), Nexi (e-payments) and Punch Pubs (pubs/bars). We scaled up the exposures to Cellnex (mobile-phone towers)

and Repsol (oil and gas). The allocations to EDF (utilities), Deutsche Lufthansa (airlines) and Softbank (holding company) were expanded by purchasing both new and existing debt. Away from new issues, the fund bought more bonds of Adler Group (real estate), Ineos (petrochemicals) and ThyssenKrupp (steel/engineering). We reduced exposures including Altice (media/telecoms), Atlantia (infrastructure), Ford (automotive) and Vodafone (telecoms). The allocation to Allfunds Group (financials) was exited as the bonds were redeemed. Elsewhere, positions including Ball (packaging), Very Group (e-commerce), LKQ Corp. (automotive) and UGI Corp. (utilities) were closed.

The outlook for European HY remains firm overall. Macro and corporate fundamentals remain strong, while technicals are also positive. Valuations, however, are fair, with spreads now back to pre-March 2020 levels as expectations of a COVID-19 recovery appear fully priced in. Accordingly, risk premiums have fallen to historically low levels. Nevertheless, we continue to find interesting opportunities within the asset class.

The macro picture continues to look promising as the economic recovery progresses. However, given the concerns around the Delta variant and rising COVID-19 case numbers, there is a sense that downside risk has increased. Central bank officials have increased talk of tapering, albeit with a tempered tone, to underline that there will be no action in the immediate term. For now, governments' determination to keep economies open continues to bolster the improving scenario.

Corporate fundamentals have been on a positive trajectory, with recent releases showing strong quarterly earnings figures. Reports of deleveraging as balance sheets continue to improve have also been credit positive. Signs of increases in input costs remain, but many firms appear to be able to pass on the price rises relatively easily. Labour shortages are another concern, which we are monitoring.

Technicals are supportive and the bond market remains healthy. Interest in European HY remains elevated, with global risk sentiment and the search for yield the key drivers. This is resulting in very little dispersion among sectors and credits. With default rates expected to remain low (down to 1.25% with higher-than-historical recovery rates) and with short-term credit risks appearing limited, current spread levels seem to appropriately compensate investors. There is some concern given that risk premiums have fallen to historically low levels and there is limited compensation for unanticipated volatility. Still, with a yield of 2.6%, the European HY market certainly offers opportunities.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains/(losses)	10,941	(3,599)
Revenue	17,285	18,217
Expenses	(3,279)	(3,103)
Interest payable and similar charges	(8)	(6)
Net revenue before taxation	13,998	15,108
Taxation	—	—
Net revenue after taxation	13,998	15,108
<b>Total return before distributions</b>	<b>24,939</b>	<b>11,509</b>
Distributions	(16,842)	(17,796)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>8,097</b>	<b>(6,287)</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	909,369	892,893
<b>Current assets:</b>		
Debtors	17,706	11,644
Cash and bank balances	11,591	11,293
Cash equivalents**	36,995	47,605
<b>Total assets</b>	<b>975,661</b>	<b>963,435</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(3,471)	(197)
<b>Creditors:</b>		
Bank overdrafts	(1,748)	(2,044)
Distribution payable	(1,142)	(1,155)
Other creditors	(5,463)	(29,105)
<b>Total liabilities</b>	<b>(11,824)</b>	<b>(32,501)</b>
<b>Net assets attributable to shareholders</b>	<b>963,837</b>	<b>930,934</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>930,934</b>	<b>859,073</b>
Amounts receivable on the issue of shares	76,386	157,171
Amounts payable on the cancellation of shares	(61,692)	(61,945)
	14,694	95,226
Dilution adjustment	(1)	623
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	8,097	(6,287)
Retained distribution on accumulation shares	10,112	9,712
Unclaimed distributions	1	1
<b>Closing net assets attributable to shareholders</b>	<b>963,837</b>	<b>958,348</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

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

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Interest distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.1259	—	0.1259	0.1270
08/04/21 to 07/05/21	0.1367	—	0.1367	0.1364
08/05/21 to 07/06/21	0.1241	—	0.1241	0.1159
08/06/21 to 07/07/21	0.1246	—	0.1246	0.1607
08/07/21 to 07/08/21	0.1181	—	0.1181	0.1352
08/08/21 to 07/09/21	0.1310	—	0.1310	0.1349
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0526	0.0733	0.1259	0.1270
08/04/21 to 07/05/21	0.0577	0.0790	0.1367	0.1364
08/05/21 to 07/06/21	0.0596	0.0645	0.1241	0.1159
08/06/21 to 07/07/21	0.0269	0.0977	0.1246	0.1607
08/07/21 to 07/08/21	0.0443	0.0738	0.1181	0.1352
08/08/21 to 07/09/21	0.0681	0.0629	0.1310	0.1349
<b>Total distributions in the period</b>			<b>0.7604</b>	<b>0.8101</b>

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

# Threadneedle High Yield Bond Fund

## DISTRIBUTION TABLE

(continued)

### Class 1 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.1260	–	0.1260	0.1297
08/04/21 to 07/05/21	0.1368	–	0.1368	0.1365
08/05/21 to 07/06/21	0.1242	–	0.1242	0.1316
08/06/21 to 07/07/21	0.1247	–	0.1247	0.1451
08/07/21 to 07/08/21	0.1182	–	0.1182	0.1353
08/08/21 to 07/09/21	0.1310	–	0.1310	0.1351
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0361	0.0899	0.1260	0.1297
08/04/21 to 07/05/21	0.0279	0.1089	0.1368	0.1365
08/05/21 to 07/06/21	0.0323	0.0919	0.1242	0.1316
08/06/21 to 07/07/21	0.0228	0.1019	0.1247	0.1451
08/07/21 to 07/08/21	0.0196	0.0986	0.1182	0.1353
08/08/21 to 07/09/21	0.0327	0.0983	0.1310	0.1351
<b>Total distributions in the period</b>			<b>0.7609</b>	<b>0.8133</b>

### Class 1 USD Hedged – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.2166	–	0.2166	0.2544
08/04/21 to 07/05/21	0.2352	–	0.2352	0.2603
08/05/21 to 07/06/21	0.2092	–	0.2092	0.2544
08/06/21 to 07/07/21	0.2126	–	0.2126	0.2749
08/07/21 to 07/08/21	0.2034	–	0.2034	0.2520
08/08/21 to 07/09/21	0.2264	–	0.2264	0.2434
<b>Group 2</b>				
08/03/21 to 07/04/21	–	0.2166	0.2166	0.2544
08/04/21 to 07/05/21	–	0.2352	0.2352	0.2603
08/05/21 to 07/06/21	–	0.2092	0.2092	0.2544
08/06/21 to 07/07/21	–	0.2126	0.2126	0.2749
08/07/21 to 07/08/21	–	0.2034	0.2034	0.2520
08/08/21 to 07/09/21	–	0.2264	0.2264	0.2434
<b>Total distributions in the period</b>			<b>1.3034</b>	<b>1.5394</b>

### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.3760	–	0.3760	0.3729
08/04/21 to 07/05/21	0.4094	–	0.4094	0.3933
08/05/21 to 07/06/21	0.3727	–	0.3727	0.3813
08/06/21 to 07/07/21	0.3756	–	0.3756	0.4202
08/07/21 to 07/08/21	0.3569	–	0.3569	0.3939
08/08/21 to 07/09/21	0.3964	–	0.3964	0.3945
<b>Group 2</b>				
08/03/21 to 07/04/21	0.3160	0.0600	0.3760	0.3729
08/04/21 to 07/05/21	0.4094	–	0.4094	0.3933
08/05/21 to 07/06/21	0.3727	–	0.3727	0.3813
08/06/21 to 07/07/21	0.3756	–	0.3756	0.4202
08/07/21 to 07/08/21	0.3569	–	0.3569	0.3939
08/08/21 to 07/09/21	0.3964	–	0.3964	0.3945
<b>Total distributions in the period</b>			<b>2.2870</b>	<b>2.3561</b>

### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.1885	–	0.1885	0.1805
08/04/21 to 07/05/21	0.2042	–	0.2042	0.2026
08/05/21 to 07/06/21	0.1859	–	0.1859	0.2151
08/06/21 to 07/07/21	0.1868	–	0.1868	0.2151
08/07/21 to 07/08/21	0.1771	–	0.1771	0.2014
08/08/21 to 07/09/21	0.1964	–	0.1964	0.2010
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0076	0.1809	0.1885	0.1805
08/04/21 to 07/05/21	0.1250	0.0792	0.2042	0.2026
08/05/21 to 07/06/21	0.0431	0.1428	0.1859	0.1958
08/06/21 to 07/07/21	0.1148	0.0720	0.1868	0.2151
08/07/21 to 07/08/21	0.0476	0.1295	0.1771	0.2014
08/08/21 to 07/09/21	0.0758	0.1206	0.1964	0.2010
<b>Total distributions in the period</b>			<b>1.1389</b>	<b>1.1964</b>

### Class 2 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.1622	–	0.1622	0.1658
08/04/21 to 07/05/21	0.1758	–	0.1758	0.1743
08/05/21 to 07/06/21	0.1600	–	0.1600	0.1685
08/06/21 to 07/07/21	0.1607	–	0.1607	0.1852
08/07/21 to 07/08/21	0.1524	–	0.1524	0.1733
08/08/21 to 07/09/21	0.1690	–	0.1690	0.1730
<b>Group 2</b>				
08/03/21 to 07/04/21	0.0421	0.1201	0.1622	0.1658
08/04/21 to 07/05/21	0.0158	0.1600	0.1758	0.1743
08/05/21 to 07/06/21	0.0201	0.1399	0.1600	0.1685
08/06/21 to 07/07/21	0.0208	0.1399	0.1607	0.1852
08/07/21 to 07/08/21	0.0125	0.1399	0.1524	0.1733
08/08/21 to 07/09/21	0.0190	0.1500	0.1690	0.1730
<b>Total distributions in the period</b>			<b>0.9801</b>	<b>1.0401</b>

### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.6181	–	0.6181	0.6076
08/04/21 to 07/05/21	0.6714	–	0.6714	0.6408
08/05/21 to 07/06/21	0.6132	–	0.6132	0.6216
08/06/21 to 07/07/21	0.6178	–	0.6178	0.6856
08/07/21 to 07/08/21	0.5878	–	0.5878	0.6436
08/08/21 to 07/09/21	0.6535	–	0.6535	0.6449
<b>Group 2</b>				
08/03/21 to 07/04/21	0.2908	0.3273	0.6181	0.6076
08/04/21 to 07/05/21	0.3646	0.3068	0.6714	0.6408
08/05/21 to 07/06/21	0.1880	0.4252	0.6132	0.6216
08/06/21 to 07/07/21	0.3900	0.2278	0.6178	0.6856
08/07/21 to 07/08/21	0.3348	0.2530	0.5878	0.6436
08/08/21 to 07/09/21	0.2155	0.4380	0.6535	0.6449
<b>Total distributions in the period</b>			<b>3.7618</b>	<b>3.8441</b>

### Class X – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.3138	–	0.3138	0.3663
08/04/21 to 07/05/21	0.3402	–	0.3402	0.3349
08/05/21 to 07/06/21	0.3099	–	0.3099	0.3239
08/06/21 to 07/07/21	0.3114	–	0.3114	0.3563
08/07/21 to 07/08/21	0.2957	–	0.2957	0.3335
08/08/21 to 07/09/21	0.3279	–	0.3279	0.3333
<b>Group 2</b>				
08/03/21 to 07/04/21	0.3138	–	0.3138	0.3663
08/04/21 to 07/05/21	0.3402	–	0.3402	0.3349
08/05/21 to 07/06/21	0.3099	–	0.3099	0.3239
08/06/21 to 07/07/21	0.3114	–	0.3114	0.3563
08/07/21 to 07/08/21	0.2957	–	0.2957	0.3335
08/08/21 to 07/09/21	0.3279	–	0.3279	0.3333
<b>Total distributions in the period</b>			<b>1.9989</b>	<b>2.0482</b>

### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.4116	–	0.4116	0.4008
08/04/21 to 07/05/21	0.4475	–	0.4475	0.4239
08/05/21 to 07/06/21	0.4090	–	0.4090	0.4115
08/06/21 to 07/07/21	0.4123	–	0.4123	0.4541
08/07/21 to 07/08/21	0.3925	–	0.3925	0.4265
08/08/21 to 07/09/21	0.4367	–	0.4367	0.4278
<b>Group 2</b>				
08/03/21 to 07/04/21	0.4116	–	0.4116	0.4008
08/04/21 to 07/05/21	0.4475	–	0.4475	0.4239
08/05/21 to 07/06/21	0.0572	0.3518	0.4090	0.4115
08/06/21 to 07/07/21	0.2931	0.1192	0.4123	0.4541
08/07/21 to 07/08/21	0.2784	0.1141	0.3925	0.4265
08/08/21 to 07/09/21	0.2447	0.1920	0.4367	0.4278
<b>Total distributions in the period</b>			<b>2.5096</b>	<b>2.5446</b>

### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.3092	–	0.3092	0.3161
08/04/21 to 07/05/21	0.3358	–	0.3358	0.3331
08/05/21 to 07/06/21	0.3049	–	0.3049	0.3284
08/06/21 to 07/07/21	0.3065	–	0.3065	0.3477
08/07/21 to 07/08/21	0.2905	–	0.2905	0.3306
08/08/21 to 07/09/21	0.3224	–	0.3224	0.3302
<b>Group 2</b>				
08/03/21 to 07/04/21	0.1495	0.1597	0.3092	0.3161
08/04/21 to 07/05/21	0.1757	0.1601	0.3358	0.3331
08/05/21 to 07/06/21	0.1809	0.1240	0.3049	0.3284
08/06/21 to 07/07/21	0.1316	0.1749	0.3065	0.3477
08/07/21 to 07/08/21	0.1368	0.1537	0.2905	0.3306
08/08/21 to 07/09/21	0.1551	0.1673	0.3224	0.3302
<b>Total distributions in the period</b>			<b>1.8693</b>	<b>1.9861</b>

### Class Z – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.3921	–	0.3921	0.3867
08/04/21 to 07/05/21	0.4272	–	0.4272	0.4080
08/05/21 to 07/06/21	0.3891	–	0.3891	0.3957
08/06/21 to 07/07/21	0.3923	–	0.3923	0.4361
08/07/21 to 07/08/21	0.3728	–	0.3728	0.4091
08/08/21 to 07/09/21	0.4149	–	0.4149	0.4100
<b>Group 2</b>				
08/03/21 to 07/04/21	0.2101	0.1820	0.3921	0.3867
08/04/21 to 07/05/21	0.2146	0.2126	0.4272	0.4080
08/05/21 to 07/06/21	0.2400	0.1491	0.3891	0.3957
08/06/21 to 07/07/21	0.1935	0.1988	0.3923	0.4361
08/07/21 to 07/08/21	0.1413	0.2315	0.3728	0.4091
08/08/21 to 07/09/21	0.1952	0.2197	0.4149	0.4100
<b>Total distributions in the period</b>			<b>2.3884</b>	<b>2.4456</b>

## Threadneedle High Yield Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class Z – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.3012	–	0.3012	0.3064
08/04/21 to 07/05/21	0.3270	–	0.3270	0.3244
08/05/21 to 07/06/21	0.2969	–	0.2969	0.3135
08/06/21 to 07/07/21	0.2986	–	0.2986	0.3445
08/07/21 to 07/08/21	0.2829	–	0.2829	0.3220
08/08/21 to 07/09/21	0.3139	–	0.3139	0.3215
<b>Group 2</b>				
08/03/21 to 07/04/21	0.1108	0.1904	0.3012	0.3064
08/04/21 to 07/05/21	0.1839	0.1431	0.3270	0.3244
08/05/21 to 07/06/21	0.1827	0.1142	0.2969	0.3135
08/06/21 to 07/07/21	0.1427	0.1559	0.2986	0.3445
08/07/21 to 07/08/21	0.0909	0.1920	0.2829	0.3220
08/08/21 to 07/09/21	0.1841	0.1298	0.3139	0.3215
<b>Total distributions in the period</b>			<b>1.8205</b>	<b>1.9323</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b>				
08/03/21 to 07/04/21	0.4837	–	0.4837	0.4748
08/04/21 to 07/05/21	0.5268	–	0.5268	0.5032
08/05/21 to 07/06/21	0.4800	–	0.4800	0.4881
08/06/21 to 07/07/21	0.4838	–	0.4838	0.5380
08/07/21 to 07/08/21	0.4600	–	0.4600	0.5047
08/08/21 to 07/09/21	0.5116	–	0.5116	0.5056
<b>Group 2</b>				
08/03/21 to 07/04/21	0.2743	0.2094	0.4837	0.4748
08/04/21 to 07/05/21	0.2132	0.3136	0.5268	0.5032
08/05/21 to 07/06/21	0.2339	0.2461	0.4800	0.4881
08/06/21 to 07/07/21	0.2002	0.2836	0.4838	0.5380
08/07/21 to 07/08/21	0.2259	0.2341	0.4600	0.5047
08/08/21 to 07/09/21	0.2195	0.2921	0.5116	0.5056
<b>Total distributions in the period</b>			<b>2.9459</b>	<b>3.0144</b>

Group 2: shares purchased during a distribution period.

## Threadneedle High Yield Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Gross income shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	42.35	41.65	41.53	42.38	41.68	41.57
Return before operating charges (p)	1.29	2.81	2.36	1.29	2.81	2.36
Operating charges (p)	(0.28)	(0.54)	(0.57)	(0.28)	(0.54)	(0.57)
Return after operating charges (p)*	1.01	2.27	1.79	1.01	2.27	1.79
Distributions (p)	(0.76)	(1.57)	(1.67)	(0.76)	(1.57)	(1.68)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	42.60	42.35	41.65	42.63	42.38	41.68
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.38	5.45	4.31	2.38	5.45	4.31
<b>Other information</b>						
Closing net asset value (£000)	20,789	46,299	65,253	6,068	6,684	7,869
Closing number of shares	48,802,656	109,312,689	156,682,843	14,234,524	15,769,622	18,880,847
Operating charges (%)**	1.33 <sup>†</sup>	1.33	1.33	1.33 <sup>†</sup>	1.33	1.34
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	42.91	42.86	43.18	42.94	42.89	43.22
Lowest share price (p)	42.44	34.24	41.60	42.47	34.27	41.64
	Class 1 USD Hedged – Gross income shares <sup>5</sup>			Class 1 – Gross accumulation shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	72.99	75.59	73.54	126.46	119.69	114.75
Return before operating charges (p)	2.35	1.28	6.17	3.87	8.36	6.53
Operating charges (p)	(0.49)	(0.99)	(1.04)	(0.86)	(1.59)	(1.59)
Return after operating charges (p)*	1.86	0.29	5.13	3.01	6.77	4.94
Distributions (p)	(1.30)	(2.89)	(3.08)	(2.29)	(4.60)	(4.71)
Retained distributions on accumulation shares (p)	–	–	–	2.29	4.60	4.71
Closing net asset value per share (p)	73.55	72.99	75.59	129.47	126.46	119.69
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.55	0.38	6.98	2.38	5.66	4.31
<b>Other information</b>						
Closing net asset value (£000)	12,585	12,274	6,116	793	852	844
Closing number of shares	17,111,321	16,815,727	8,091,370	612,802	673,787	704,496
Operating charges (%)**	1.33 <sup>†</sup>	1.33	1.33	1.33 <sup>†</sup>	1.33	1.33
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	74.75	78.47	83.96	129.84	127.47	123.70
Lowest share price (p)	71.21	69.39	73.40	126.72	98.40	114.93

## Threadneedle High Yield Bond Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Income shares			Class 2 – Gross income shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	62.05	60.73	60.29	53.40	52.27	51.89
Return before operating charges (p)	1.89	4.13	3.42	1.63	3.57	2.95
Operating charges (p)	(0.25)	(0.48)	(0.50)	(0.22)	(0.42)	(0.43)
Return after operating charges (p)*	1.64	3.65	2.92	1.41	3.15	2.52
Distributions (p)	(1.14)	(2.33)	(2.48)	(0.98)	(2.02)	(2.14)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	62.55	62.05	60.73	53.83	53.40	52.27
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.64	6.01	4.84	2.64	6.03	4.86
<b>Other information</b>						
Closing net asset value (£000)	4,944	4,953	6,606	833	861	1,107
Closing number of shares	7,904,751	7,982,991	10,878,864	1,546,658	1,612,953	2,117,240
Operating charges (%)**	0.81 <sup>†</sup>	0.81	0.81	0.81 <sup>†</sup>	0.81	0.81
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	62.99	62.77	62.95	54.20	54.02	54.19
Lowest share price (p)	62.18	49.94	60.39	53.51	42.99	51.98
	Class 2 – Gross accumulation shares <sup>5</sup>			Class X – Gross income shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	203.37	191.47	182.61	103.26	100.37	98.90
Return before operating charges (p)	6.24	13.46	10.41	3.15	6.88	5.62
Operating charges (p)	(0.84)	(1.56)	(1.55)	(0.03)	(0.06)	(0.06)
Return after operating charges (p)*	5.40	11.90	8.86	3.12	6.82	5.56
Distributions (p)	(3.76)	(7.52)	(7.66)	(1.90)	(3.93)	(4.09)
Retained distributions on accumulation shares (p)	3.76	7.52	7.66	–	–	–
Closing net asset value per share (p)	208.77	203.37	191.47	104.48	103.26	100.37
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.66	6.22	4.85	3.02	6.79	5.62
<b>Other information</b>						
Closing net asset value (£000)	362,638	316,501	296,173	6,823	6,968	2,948
Closing number of shares	173,703,704	155,625,473	154,682,281	6,530,318	6,747,781	2,936,664
Operating charges (%)**	0.81 <sup>†</sup>	0.81	0.81	0.06 <sup>†</sup>	0.06	0.06
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	209.36	204.95	197.84	105.15	104.39	104.02
Lowest share price (p)	203.80	157.46	182.90	103.48	82.58	99.07

## Threadneedle High Yield Bond Fund

### Comparative Table Disclosure

(continued)

	Class X – Gross accumulation shares <sup>5</sup>			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	135.43	126.56	119.80	103.96	101.61	100.72
Return before operating charges (p)	4.16	8.95	6.84	3.17	6.93	5.71
Operating charges (p)	(0.04)	(0.08)	(0.08)	(0.38)	(0.73)	(0.75)
Return after operating charges (p)*	4.12	8.87	6.76	2.79	6.20	4.96
Distributions (p)	(2.51)	(4.99)	(5.04)	(1.87)	(3.85)	(4.07)
Retained distributions on accumulation shares (p)	2.51	4.99	5.04	–	–	–
Closing net asset value per share (p)	139.55	135.43	126.56	104.88	103.96	101.61
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	3.04	7.01	5.64	2.68	6.10	4.92
<b>Other information</b>						
Closing net asset value (£000)	138,139	125,339	115,450	292,297	300,612	266,458
Closing number of shares	98,989,735	92,548,539	91,223,235	278,706,441	289,161,149	262,241,834
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.73 <sup>†</sup>	0.73	0.73
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	139.94	136.44	130.73	105.59	105.15	105.32
Lowest share price (p)	135.72	104.11	120.00	104.18	83.56	100.89
	Class Z – Accumulation shares			Class Z – Gross income shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	131.84	124.03	118.21	101.25	98.97	98.11
Return before operating charges (p)	4.04	8.72	6.72	3.08	6.74	5.57
Operating charges (p)	(0.49)	(0.91)	(0.90)	(0.37)	(0.71)	(0.74)
Return after operating charges (p)*	3.55	7.81	5.82	2.71	6.03	4.83
Distributions (p)	(2.39)	(4.78)	(4.87)	(1.82)	(3.75)	(3.97)
Retained distributions on accumulation shares (p)	2.39	4.78	4.87	–	–	–
Closing net asset value per share (p)	135.39	131.84	124.03	102.14	101.25	98.97
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.69	6.30	4.92	2.68	6.09	4.92
<b>Other information</b>						
Closing net asset value (£000)	32,916	26,470	24,074	26,789	27,557	32,842
Closing number of shares	24,311,512	20,076,709	19,409,718	26,227,516	27,217,256	33,185,019
Operating charges (%)**	0.73 <sup>†</sup>	0.73	0.73	0.73 <sup>†</sup>	0.73	0.73
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	135.78	132.86	128.16	102.84	102.41	102.58
Lowest share price (p)	132.12	102.00	118.40	101.46	81.39	98.26

## Threadneedle High Yield Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Gross accumulation shares <sup>§</sup>		
	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	162.63	153.01	145.82
Return before operating charges (p)	4.98	10.75	8.31
Operating charges (p)	(0.61)	(1.13)	(1.12)
Return after operating charges (p)*	4.37	9.62	7.19
Distributions (p)	(2.95)	(5.90)	(6.00)
Retained distributions on accumulation shares (p)	2.95	5.90	6.00
Closing net asset value per share (p)	167.00	162.63	153.01
*after direct transaction costs of (p)	–	–	–
<b>Performance</b>			
Return after charges (%)	2.69	6.29	4.93
<b>Other information</b>			
Closing net asset value (£000)	58,223	55,564	33,333
Closing number of shares	34,863,217	34,166,360	21,785,459
Operating charges (%)**	0.73 <sup>†</sup>	0.73	0.73
Direct transaction costs (%)***	–	–	–
<b>Prices</b>			
Highest share price (p)	167.48	163.88	158.09
Lowest share price (p)	162.97	125.83	146.05

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

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

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

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

# Threadneedle High Yield Bond Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	109,312,689
Shares issued	2,687,447
Shares redeemed	(5,518,074)
Net conversions	(57,679,406)
Closing shares	48,802,656
<b>Class 1 – Gross income shares</b>	
Opening shares	15,769,622
Shares issued	17,502
Shares redeemed	(1,498,585)
Net conversions	(54,015)
Closing shares	14,234,524
<b>Class 1 USD Hedged – Gross income shares</b>	
Opening shares	16,815,727
Shares issued	295,594
Shares redeemed	–
Net conversions	–
Closing shares	17,111,321
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	673,787
Shares issued	1,494
Shares redeemed	(30,863)
Net conversions	(31,616)
Closing shares	612,802
<b>Class 2 – Income shares</b>	
Opening shares	7,982,991
Shares issued	135,493
Shares redeemed	(198,551)
Net conversions	(15,182)
Closing shares	7,904,751
<b>Class 2 – Gross income shares</b>	
Opening shares	1,612,953
Shares issued	4,434
Shares redeemed	(70,729)
Net conversions	–
Closing shares	1,546,658
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	155,625,473
Shares issued	22,050,249
Shares redeemed	(3,972,018)
Net conversions	–
Closing shares	173,703,704
<b>Class X – Gross income shares</b>	
Opening shares	6,747,781
Shares issued	–
Shares redeemed	(217,463)
Net conversions	–
Closing shares	6,530,318

	2021
<b>Class X – Gross accumulation shares</b>	
Opening shares	92,548,539
Shares issued	11,852,217
Shares redeemed	(5,411,021)
Net conversions	–
Closing shares	98,989,735
<b>Class Z – Income shares</b>	
Opening shares	289,161,149
Shares issued	2,719,112
Shares redeemed	(36,647,648)
Net conversions	23,473,828
Closing shares	278,706,441
<b>Class Z – Accumulation shares</b>	
Opening shares	20,076,709
Shares issued	4,861,376
Shares redeemed	(632,041)
Net conversions	5,468
Closing shares	24,311,512
<b>Class Z – Gross income shares</b>	
Opening shares	27,217,256
Shares issued	759,821
Shares redeemed	(1,726,427)
Net conversions	(23,134)
Closing shares	26,227,516
<b>Class Z – Gross accumulation shares</b>	
Opening shares	34,166,360
Shares issued	1,646,620
Shares redeemed	(990,208)
Net conversions	40,445
Closing shares	34,863,217

## Threadneedle Global Select Fund

### Investment Report

#### Investment Objective and Policy

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

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

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

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

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

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

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

#### Performance of Net Accumulation Class 1 Shares\*

Over the six months to 7 September 2021, the published share price of the Threadneedle Global Select Fund has risen from 302.03p to 353.98p. Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +16.00% as compared to a median return of +15.33% over the same period. (For information the MSCI AC World Index returned +15.88% over the same period).

### Market Overview and Portfolio Activity

Global equities delivered solid positive returns over the six-month period in review. Sentiment was boosted by the successful rollout of COVID-19 vaccines in developed countries and the resulting optimism about the global economy. There were bouts of market volatility amid fears that a related rise in inflation could lead central banks to rein in their accommodative measures. However, major central banks were quick to paint these increases as transitory. The spread of the more contagious Delta variant of the coronavirus and the news of a regulatory crackdown by the Chinese government across various sectors weighed on sentiment. However, equities rallied following the Jackson Hole summit at the end of the August, when US Federal Reserve Chairman Jerome Powell indicated that the central bank would only act at a gradual pace.

In the US, shares were helped by strengthening economic data and robust corporate earnings. Sentiment was also helped by hopes of further fiscal stimulus, culminating in the bipartisan agreement of a \$1tn infrastructure investment package and a \$3.5tn supplementary spending bill; both measures were with the lower chamber of Congress for consideration at the end of the review period.

In continental Europe, the rise in COVID-19 cases during the summer months appeared to have little impact on the eurozone economy. Inflation rose, while some European Central Bank officials indicated that the bank should start scaling down its bond purchases. In the UK, GDP returned to growth in the second quarter after contracting in the prior three months. The majority of the Bank of England's policy committee signalled that the economic recovery had reached a point which justified discussions about raising interest rates. While new infections rose during the summer months with the spread of the Delta variant, the high inoculation rate meant that hospitalisations and deaths were significantly lower than in previous 'waves' of the virus. On this basis, the UK government pressed ahead with plans to remove most remaining restrictions in England in July.

In Japan, equities fell amid the spread of the Delta variant, which prompted the government to declare a COVID-19 emergency in Tokyo in July. Sentiment was later boosted by strong domestic earnings and positive economic indicators; data showed that the country's economy returned to growth in the second quarter. Elsewhere, emerging markets

(EMs) were lifted by the ongoing commodities rally and a weaker US dollar early in the period. However, rising caseloads of the Delta variant and the slow pace of vaccinations in many EM countries was a headwind. New additions over the period included PayPal and MercadoLibre.

PayPal is a leading digital payments firm offering exposure to e-commerce – an area where growth has accelerated as a result of COVID-19. We also favour the firm for its strong brand recognition and global scale. Revenues should be further enhanced by an improving product portfolio and a well-established installed base of users.

MercadoLibre is a leading Latin American digital-payments platform. We believe the company presents a unique combination of leadership in e-commerce coupled with accelerating growth in fintech. MercadoLibre is well placed to benefit from the growth of e-commerce in the region, which remains significantly under-penetrated relative to more developed markets such as the US and Western Europe.

To help fund these purchases, we closed our position in Visa, as we felt that better opportunities exist elsewhere. We also sold Reckitt Benckiser following recent strong performance.

While prospects for the global economy are looking more positive for 2021, it is likely that we will see lacklustre economic growth over the medium term. A low-growth world does not benefit the average company, but it does make those companies with structural growth opportunities look even more attractive. Therefore, while there will be companies for which the reopening of economies represents the end to temporary headwinds, there are many others for which this is short-term support.

Structural trends, such as digitisation and decarbonisation, continue to accelerate, creating an environment where companies exposed to these themes can thrive. While we are not thematic investors, we do have exposure to these themes through holdings in the portfolio, and we believe that we are well positioned for the medium to long term.

We remain firmly of the view that companies with the ability to sustain above-average growth rates will be attractive for investors. We therefore retain our focus on companies with durable competitive advantages, as we believe these are best placed to continue delivering high returns and earnings growth across a range of market conditions.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains	136,790	129,292
Revenue	7,368	7,443
Expenses	(3,948)	(3,548)
Net revenue before taxation	3,420	3,895
Taxation	(953)	(619)
Net revenue after taxation	2,467	3,276
Total return before equalisation	139,257	132,568
Equalisation	(1,286)	95
Change in net assets attributable to shareholders from investment activities	137,971	132,663

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	933,813	1,203,903
<b>Current assets:</b>		
Debtors	3,578	7,862
Cash and bank balances	267	6,401
Cash equivalents**	12,515	8,688
Total assets	950,173	1,226,854
<b>Liabilities:</b>		
<b>Investment liabilities</b>		(4)
<b>Creditors:</b>		
Bank overdrafts	–	(1,168)
Distribution payable	–	(4)
Other creditors	(5,677)	(20,380)
Total liabilities	(5,677)	(21,556)
<b>Net assets attributable to shareholders</b>	<b>944,496</b>	<b>1,205,298</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Opening net assets attributable to shareholders	1,205,298	987,713
Amounts receivable on the issue of shares	52,089	83,376
Amounts payable on the cancellation of shares	(450,863)	(66,014)
	(398,774)	17,362
Dilution adjustment	1	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	137,971	132,663
Closing net assets attributable to shareholders	944,496	1,137,738

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

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

## Threadneedle Global Select Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	305.79	255.03	223.00	446.29	370.08	321.74
Return before operating charges (p)	49.47	55.39	36.13	72.33	80.59	52.23
Operating charges (p)	(2.69)	(4.63)	(4.10)	(2.56)	(4.38)	(3.89)
Return after operating charges (p)*	46.78	50.76	32.03	69.77	76.21	48.34
Distributions (p)	–	–	–	–	–	(0.33)
Retained distributions on accumulation shares (p)	–	–	–	–	–	0.33
Closing net asset value per share (p)	352.57	305.79	255.03	516.06	446.29	370.08
*after direct transaction costs of (p)	0.08	0.12	0.13	0.12	0.18	0.19
<b>Performance</b>						
Return after charges (%)	15.30	19.90	14.36	15.63	20.59	15.02
<b>Other information</b>						
Closing net asset value (£000)	310,675	310,284	296,819	45,534	41,453	38,481
Closing number of shares	88,117,870	101,470,265	116,385,509	8,823,432	9,288,527	10,398,051
Operating charges (%)**	1.63 <sup>†</sup>	1.63	1.63	1.06 <sup>†</sup>	1.06	1.06
Direct transaction costs (%)***	0.05	0.04	0.06	0.05	0.04	0.06
<b>Prices</b>						
Highest share price (p)	353.98	319.52	283.30	518.11	465.93	411.00
Lowest share price (p)	304.83	219.11	221.19	444.90	318.00	319.13
	Class X – Accumulation shares			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	240.71	197.62	170.11	253.33	210.03	182.77
Return before operating charges (p)	39.10	43.22	27.63	41.07	45.78	29.65
Operating charges (p)	(0.08)	(0.13)	(0.12)	(1.17)	(2.01)	(1.78)
Return after operating charges (p)*	39.02	43.09	27.51	39.90	43.77	27.87
Distributions (p)	–	(2.21)	(2.12)	–	(0.47)	(0.61)
Retained distributions on accumulation shares (p)	–	2.21	2.12	–	–	–
Closing net asset value per share (p)	279.73	240.71	197.62	293.23	253.33	210.03
*after direct transaction costs of (p)	0.06	0.10	0.10	0.07	0.10	0.11
<b>Performance</b>						
Return after charges (%)	16.21	21.80	16.17	15.75	20.84	15.25
<b>Other information</b>						
Closing net asset value (£000)	315,980	626,658	486,283	2,737	2,218	1,635
Closing number of shares	112,958,049	260,332,551	246,064,523	933,354	875,543	778,688
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.85 <sup>†</sup>	0.85	0.85
Direct transaction costs (%)***	0.05	0.04	0.06	0.05	0.04	0.06
<b>Prices</b>						
Highest share price (p)	280.85	251.03	219.38	294.40	264.89	233.93
Lowest share price (p)	239.97	169.86	168.73	252.54	180.49	181.29

## Threadneedle Global Select Fund

### Comparative Table Disclosure

(continued)

	Class Z – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	323.65	267.83	232.35
Return before operating charges (p)	52.47	58.38	37.73
Operating charges (p)	(1.49)	(2.56)	(2.25)
Return after operating charges (p)*	50.98	55.82	35.48
Distributions (p)	–	(0.60)	(0.78)
Retained distributions on accumulation shares (p)	–	0.60	0.78
Closing net asset value per share (p)	374.63	323.65	267.83
*after direct transaction costs of (p)	0.09	0.13	0.14
<b>Performance</b>			
Return after charges (%)	15.75	20.84	15.27
<b>Other information</b>			
Closing net asset value (£000)	269,570	224,685	164,495
Closing number of shares	71,956,344	69,422,164	61,417,341
Operating charges (%)**	0.85 <sup>†</sup>	0.85	0.85
Direct transaction costs (%)***	0.05	0.04	0.06
<b>Prices</b>			
Highest share price (p)	376.13	337.79	297.39
Lowest share price (p)	322.65	230.16	230.47

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

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

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

# Threadneedle Global Select Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Accumulation shares</b>	
Opening shares	101,470,265
Shares issued	4,729,100
Shares redeemed	(11,080,573)
Net conversions	(7,000,922)
Closing shares	<u>88,117,870</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	9,288,527
Shares issued	330,718
Shares redeemed	(793,500)
Net conversions	(2,313)
Closing shares	<u>8,823,432</u>
<b>Class X – Accumulation shares</b>	
Opening shares	260,332,551
Shares issued	11,983,822
Shares redeemed	(159,358,324)
Net conversions	–
Closing shares	<u>112,958,049</u>
<b>Class Z – Income shares</b>	
Opening shares	875,543
Shares issued	87,295
Shares redeemed	(41,650)
Net conversions	12,166
Closing shares	<u>933,354</u>
<b>Class Z – Accumulation shares</b>	
Opening shares	69,422,164
Shares issued	284,783
Shares redeemed	(4,341,307)
Net conversions	6,590,704
Closing shares	<u>71,956,344</u>

## Threadneedle Global Bond Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income with the prospect of some capital growth over the long term. It looks to outperform the JP Morgan Government Bond Index Global (GBI Global) over rolling 3-year periods, after the deduction of charges. The Fund is actively managed, and invests at least two-thirds of its assets in bonds issued or guaranteed by governments, government agencies or quasi-government entities worldwide. In addition, the Fund may invest in other bonds, including bonds issued by companies.

The Fund usually selects bonds that are investment grade, but may include some bonds with a lower credit rating in the portfolio, if this is considered appropriate. The bonds selected may be denominated in various currencies.

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

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

The GBI Global is regarded as a good performance measure of local currency bonds issued by developed market governments. It provides a suitable target benchmark against which Fund performance will be measured and evaluated over time.

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

Over the six months to 7 September 2021, the published share price of the Threadneedle Global Bond Fund has risen from 63.17p to 63.45p.

Looking at the sterling performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +1.67% as compared to a median return of +1.60% over the same period. (For information the JPM GBI Global Index gave a total return of +1.67% for the same period).

#### Market Overview and Portfolio Activity

Most risk markets posted positive returns over the review period, as the relatively smooth rollout of COVID-19 vaccines in developed countries and resulting optimism about the global economy buoyed sentiment. The 'risk on' mood was also boosted by anticipation of further US fiscal stimulus. However, global markets were periodically unsettled by fears that rising inflation due to the economic revival and increased US fiscal stimulus could lead key central banks

to rein in their accommodative measures. Concerns about the rapid spread of the more contagious Delta variant of the coronavirus also weighed on sentiment.

Core government bond yields drifted lower over much of the review period, despite concerns about rising global inflation. This was due in part to reassurances from the US Federal Reserve and other central banks that they would not rush to tighten monetary policy, and that prevailing inflationary pressures were a temporary phenomenon.

Nevertheless, later in the period, core bonds gave back some of their earlier gains, as further signs of inflationary pressure stoked fears that major central banks could soon start to rein in their ultra-loose policies. Minutes from the July meeting of the Federal Open Market Committee suggested that asset purchases could be tapered this year. Chairman Jerome Powell reiterated this view at the Jackson Hole symposium but reassured investors that any rate hikes would require a "substantially more stringent test", which led Treasury yields to retrace some of their earlier rise. Meanwhile, the US Senate approved a bipartisan \$1tn infrastructure investment package as well as a \$3.5tn proposal focused on areas including education and healthcare; both measures moving to the lower chamber of Congress for consideration.

In Europe, the rise in COVID-19 cases during the summer months appeared to have little impact on the eurozone economy. As in the US, the recovering economy has also led to price pressures; August inflation was the highest in almost a decade, and well above the European Central Bank's 2% target. In response, some of the bank's officials made some hawkish comments suggesting that bond purchases should be scaled back. In the UK, GDP returned to growth in the second quarter after contracting in the prior three months. The majority of the Bank of England's policy committee signalled that the economic recovery had reached a point which justified discussions about raising interest rates.

Over the period as a whole, the yields of UK government bonds (gilts) and German government bonds (bunds) fell 2 basis points (bps) and 5 bps respectively. Meanwhile, US Treasury yields were significantly lower, with the benchmark 10-year rate down 22 basis points to finish around 1.37%. In the eurozone periphery, yields on 10-year Italian and Spanish sovereigns edged slightly higher over the period, while those on Portuguese bonds were broadly unchanged. Sentiment towards peripheral debt was impacted by jitters about the Delta variant and central-bank tapering, along with expectations of higher supply.

Within government bonds, we fractionally increased our holding in the US and reduced the exposure to Spain, the UK, Japan and Italy. We exited the position in France.

Within agency/quasi-sovereign debt, new additions included Spanish state-owned lending organisation ICO, and the Community of Madrid (Spain). We also bought a floating-rate note in the Asian Development Bank. We increased holdings in the European Investment Bank, the International Bank for Reconstruction and Development and CDP Financial, a subsidiary of Quebec pension fund La Caisse. We sold out of the Federal Home Loan Bank and reduced the holdings in the Tennessee Valley Authority and FADE. Elsewhere, we initiated positions in Dexia Credit Local and University College London and reduced the holdings of Microsoft.

Economic activity so far in 2021 has been exceptionally vigorous – particularly in the US and the UK – fired by the rapid rollout of COVID-19 vaccines and the progressive removal of social distancing measures. Healthy household balance sheets have also helped support impressive sequential growth rates. In parallel, disruption to the supply side – notably in manufacturing inputs and in labour markets – together with significant base effects, has led to above-target annual inflation rates. Such developments naturally invite anxiety around a potentially inflationary future, though we expect the majority of current price pressures to prove transitory in nature.

Rates markets continue to focus on the Fed's reaction function, specifically on the bank's willingness to look through the inflation figures. While the FOMC's inflation objective appears to have been achieved – for the moment, at least – sustainable progress towards its employment goals is harder to discern. Recent communications suggest that asset-purchase tapering will begin towards the end of the year, but also indicate that markets should draw no inference of an imminent start to a hiking cycle. This may continue to limit yields at the longer end of the Treasury curve, especially if the peak in post-pandemic growth momentum has now passed. The prevalence of the Delta variant of the virus poses an additional downside risk to the labour-market recovery.

Hopes for a return to a higher-growth path (and, thus, a sustainably higher level of real interest rates) rest on the ability of the Democrat majority in Congress to effect a permanent shift in favour of more expansive fiscal policy directed towards increasing the potential growth rate through investments in infrastructure. Likewise, in the eurozone, medium-term hopes for a higher rate of GDP growth depend on an eventual rotation away from pro-cyclicality in member states' budget policies, as embodied in the eurozone's fiscal framework.

We reserve judgement on the success of these projects, which makes us inclined to become more positive towards duration in portfolios when longer-dated yields approach estimates of 'neutral' interest rates.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains/(losses)	5,332	(3,319)
Revenue	2,749	3,448
Expenses	(655)	(815)
Interest payable and similar charges	(5)	(7)
Net revenue before taxation	2,089	2,626
Taxation	–	(2)
Net revenue after taxation	2,089	2,624
<b>Total return before distributions</b>	<b>7,421</b>	<b>(695)</b>
Distributions	(2,576)	(3,267)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>4,845</b>	<b>(3,962)</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	530,517	522,175
<b>Current assets:</b>		
Debtors	7,552	6,159
Cash and bank balances	8,436	5,364
Cash equivalents**	6,890	18,835
<b>Total assets</b>	<b>553,395</b>	<b>552,533</b>
<b>Liabilities:</b>		
<b>Investment liabilities</b>	(33)	(2,117)
<b>Creditors:</b>		
Bank overdrafts	(830)	(1,204)
Distribution payable	(85)	(171)
Other creditors	(6,322)	(2,270)
<b>Total liabilities</b>	<b>(7,270)</b>	<b>(5,762)</b>
<b>Net assets attributable to shareholders</b>	<b>546,125</b>	<b>546,771</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>546,771</b>	<b>468,463</b>
Amounts receivable on the issue of shares	35,611	217,969
Amounts payable on the cancellation of shares	(43,607)	(136,324)
	(7,996)	81,645
Dilution adjustment	9	115
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	4,845	(3,962)
Retained distribution on accumulation shares	2,496	3,239
<b>Closing net assets attributable to shareholders</b>	<b>546,125</b>	<b>549,500</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Interest distribution in pence per share

#### Class 1 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.2789	–	0.2789	0.4187
<b>Group 2</b> 08/03/21 to 07/09/21	0.1484	0.1305	0.2789	0.4187
<b>Total distributions in the period</b>			<b>0.2789</b>	<b>0.4187</b>

#### Class 1 – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.2816	–	0.2816	0.4197
<b>Group 2</b> 08/03/21 to 07/09/21	0.1516	0.1300	0.2816	0.4197
<b>Total distributions in the period</b>			<b>0.2816</b>	<b>0.4197</b>

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

## Threadneedle Global Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class 1 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.3912	–	0.3912	0.5747
<b>Group 2</b> 08/03/21 to 07/09/21	0.2716	0.1196	0.3912	0.5747
<b>Total distributions in the period</b>			<b>0.3912</b>	<b>0.5747</b>

#### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.5938	–	0.5938	0.8814
<b>Group 2</b> 08/03/21 to 07/09/21	0.3531	0.2407	0.5938	0.8814
<b>Total distributions in the period</b>			<b>0.5938</b>	<b>0.8814</b>

#### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.3415	–	0.3415	0.5008
<b>Group 2</b> 08/03/21 to 07/09/21	0.0709	0.2706	0.3415	0.5008
<b>Total distributions in the period</b>			<b>0.3415</b>	<b>0.5008</b>

#### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.5358	–	0.5358	0.7769
<b>Group 2</b> 08/03/21 to 07/09/21	0.3073	0.2285	0.5358	0.7769
<b>Total distributions in the period</b>			<b>0.5358</b>	<b>0.7769</b>

#### Class X – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.5747	–	0.5747	0.8271
<b>Group 2</b> 08/03/21 to 07/09/21	0.2904	0.2843	0.5747	0.8271
<b>Total distributions in the period</b>			<b>0.5747</b>	<b>0.8271</b>

#### Class Z – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.4872	–	0.4872	0.7298
<b>Group 2</b> 08/03/21 to 07/09/21	0.3486	0.1386	0.4872	0.7298
<b>Total distributions in the period</b>			<b>0.4872</b>	<b>0.7298</b>

#### Class Z – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.4872	–	0.4872	0.7423
<b>Group 2</b> 08/03/21 to 07/09/21	0.4029	0.0843	0.4872	0.7423
<b>Total distributions in the period</b>			<b>0.4872</b>	<b>0.7423</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.5951	–	0.5951	0.8794
<b>Group 2</b> 08/03/21 to 07/09/21	0.1979	0.3972	0.5951	0.8794
<b>Total distributions in the period</b>			<b>0.5951</b>	<b>0.8794</b>

Group 2: shares purchased during a distribution period.

## Threadneedle Global Bond Fund

### Comparative Table Disclosure

	Class 1 – Income shares			Class 1 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	62.85	69.14	61.35	63.45	69.11	60.16
Return before operating charges (p)	0.92	(4.72)	10.02	0.94	(4.79)	9.85
Operating charges (p)	(0.35)	(0.87)	(0.92)	(0.36)	(0.87)	(0.90)
Return after operating charges (p)*	0.57	(5.59)	9.10	0.58	(5.66)	8.95
Distributions (p)	(0.28)	(0.70)	(1.31)	(0.28)	(0.70)	(1.29)
Retained distributions on accumulation shares (p)	–	–	–	0.28	0.70	1.29
Closing net asset value per share (p)	63.14	62.85	69.14	64.03	63.45	69.11
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	0.91	(8.09)	14.83	0.91	(8.19)	14.88
<b>Other information</b>						
Closing net asset value (£000)	1,221	2,057	2,377	2,125	2,730	2,386
Closing number of shares	1,933,527	3,272,606	3,437,869	3,319,628	4,301,880	3,453,192
Operating charges (%)**	1.13 <sup>†</sup>	1.25	1.38	1.13 <sup>†</sup>	1.24	1.38
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	64.71	73.25	73.31	65.34	73.19	71.88
Lowest share price (p)	60.99	62.44	61.10	61.58	62.77	59.92
	Class 1 – Gross income shares <sup>§</sup>			Class 1 – Gross accumulation shares <sup>§</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	85.85	94.44	83.79	133.81	145.67	126.86
Return before operating charges (p)	1.26	(6.39)	13.66	1.97	(10.03)	20.71
Operating charges (p)	(0.48)	(1.24)	(1.22)	(0.76)	(1.83)	(1.90)
Return after operating charges (p)*	0.78	(7.63)	12.44	1.21	(11.86)	18.81
Distributions (p)	(0.39)	(0.96)	(1.79)	(0.59)	(1.47)	(2.72)
Retained distributions on accumulation shares (p)	–	–	–	0.59	1.47	2.72
Closing net asset value per share (p)	86.24	85.85	94.44	135.02	133.81	145.67
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	0.91	(8.08)	14.85	0.90	(8.14)	14.83
<b>Other information</b>						
Closing net asset value (£000)	4	4	30	28,385	29,792	30,664
Closing number of shares	4,572	4,554	32,165	21,022,999	22,263,932	21,049,695
Operating charges (%)**	1.11 <sup>†</sup>	1.30	1.40	1.13 <sup>†</sup>	1.25	1.38
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	88.40	100.06	100.13	137.78	154.34	151.59
Lowest share price (p)	83.32	85.30	83.46	129.86	132.36	126.36

## Threadneedle Global Bond Fund

### Comparative Table Disclosure

(continued)

	Class 2 – Income shares			Class 2 – Gross accumulation shares <sup>5</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	70.86	77.67	68.57	111.18	120.49	104.33
Return before operating charges (p)	1.05	(5.34)	11.23	1.63	(8.33)	17.08
Operating charges (p)	(0.29)	(0.63)	(0.60)	(0.45)	(0.98)	(0.92)
Return after operating charges (p)*	0.76	(5.97)	10.63	1.18	(9.31)	16.16
Distributions (p)	(0.34)	(0.84)	(1.53)	(0.54)	(1.31)	(2.33)
Retained distributions on accumulation shares (p)	–	–	–	0.54	1.31	2.33
Closing net asset value per share (p)	71.28	70.86	77.67	112.36	111.18	120.49
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	1.07	(7.69)	15.50	1.06	(7.73)	15.49
<b>Other information</b>						
Closing net asset value (£000)	228	255	264	72,223	69,165	99,497
Closing number of shares	319,533	360,174	340,401	64,276,222	62,211,964	82,574,940
Operating charges (%)**	0.81 <sup>†</sup>	0.81	0.81	0.81 <sup>†</sup>	0.81	0.80
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	73.05	82.31	82.16	114.61	127.69	125.02
Lowest share price (p)	68.81	70.42	68.30	107.96	109.96	103.93
	Class X – Gross accumulation shares <sup>5</sup>			Class Z – Income shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	119.03	128.03	110.04	109.65	119.88	105.57
Return before operating charges (p)	1.77	(8.92)	18.06	1.62	(8.26)	17.30
Operating charges (p)	(0.04)	(0.08)	(0.07)	(0.35)	(0.76)	(0.72)
Return after operating charges (p)*	1.73	(9.00)	17.99	1.27	(9.02)	16.58
Distributions (p)	(0.57)	(1.39)	(2.47)	(0.49)	(1.21)	(2.27)
Retained distributions on accumulation shares (p)	0.57	1.39	2.47	–	–	–
Closing net asset value per share (p)	120.76	119.03	128.03	110.43	109.65	119.88
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	1.45	(7.03)	16.35	1.16	(7.52)	15.71
<b>Other information</b>						
Closing net asset value (£000)	422,119	404,073	319,493	16,812	35,380	12,502
Closing number of shares	349,550,425	339,462,337	249,536,544	15,224,084	32,267,332	10,428,908
Operating charges (%)**	0.06 <sup>†</sup>	0.06	0.06	0.63 <sup>†</sup>	0.63	0.63
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	123.05	135.74	132.35	113.11	127.05	126.61
Lowest share price (p)	115.76	117.71	109.63	106.52	108.92	105.16

## Threadneedle Global Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Gross income shares <sup>§</sup>			Class Z – Gross accumulation shares <sup>§</sup>		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	109.63	119.87	105.55	133.92	144.90	125.24
Return before operating charges (p)	1.62	(8.26)	17.30	1.97	(10.07)	20.52
Operating charges (p)	(0.35)	(0.76)	(0.72)	(0.42)	(0.91)	(0.86)
Return after operating charges (p)*	1.27	(9.02)	16.58	1.55	(10.98)	19.66
Distributions (p)	(0.49)	(1.22)	(2.26)	(0.60)	(1.46)	(2.70)
Retained distributions on accumulation shares (p)	–	–	–	0.60	1.46	2.70
Closing net asset value per share (p)	110.41	109.63	119.87	135.47	133.92	144.90
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	1.16	(7.52)	15.71	1.16	(7.58)	15.70
<b>Other information</b>						
Closing net asset value (£000)	966	1,147	366	2,042	2,168	884
Closing number of shares	874,673	1,046,237	305,729	1,507,077	1,618,997	609,932
Operating charges (%)**	0.63 <sup>†</sup>	0.63	0.63	0.63 <sup>†</sup>	0.63	0.63
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	113.09	127.04	126.59	138.15	153.55	150.19
Lowest share price (p)	106.50	108.90	105.15	130.10	132.45	124.76

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

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

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

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

# Threadneedle Global Bond Fund

## Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

#### (b) Notes

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

### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Income shares</b>	
Opening shares	3,272,606
Shares issued	52,636
Shares redeemed	(1,122,296)
Net conversions	(269,419)
Closing shares	<u>1,933,527</u>
<b>Class 1 – Accumulation shares</b>	
Opening shares	4,301,880
Shares issued	358,414
Shares redeemed	(1,340,666)
Net conversions	–
Closing shares	<u>3,319,628</u>
<b>Class 1 – Gross income shares</b>	
Opening shares	4,554
Shares issued	18
Shares redeemed	–
Net conversions	–
Closing shares	<u>4,572</u>
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	22,263,932
Shares issued	917,366
Shares redeemed	(2,158,299)
Net conversions	–
Closing shares	<u>21,022,999</u>
<b>Class 2 – Income shares</b>	
Opening shares	360,174
Shares issued	10,504
Shares redeemed	(50,509)
Net conversions	(636)
Closing shares	<u>319,533</u>
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	62,211,964
Shares issued	4,433,540
Shares redeemed	(2,369,282)
Net conversions	–
Closing shares	<u>64,276,222</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	339,462,337
Shares issued	23,557,405
Shares redeemed	(13,469,317)
Net conversions	–
Closing shares	<u>349,550,425</u>
<b>Class Z – Income shares</b>	
Opening shares	32,267,332
Shares issued	305,511
Shares redeemed	(17,348,759)
Net conversions	–
Closing shares	<u>15,224,084</u>

	2021
<b>Class Z – Gross income shares</b>	
Opening shares	1,046,237
Shares issued	66,434
Shares redeemed	(392,596)
Net conversions	154,598
Closing shares	<u>874,673</u>
<b>Class Z – Gross accumulation shares</b>	
Opening shares	1,618,997
Shares issued	547,737
Shares redeemed	(659,657)
Net conversions	–
Closing shares	<u>1,507,077</u>

## Threadneedle UK Institutional Fund

### Investment Report

#### Investment Objective and Policy

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

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

The Fund selects companies that are considered to have good prospects for share price growth, from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on the larger companies included in the FTSE All-Share Index.

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

The Fund typically invests in fewer than 130 companies, which may include shares of some companies not within the Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

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

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

#### Performance of Net Accumulation Class 1 Shares\*

Over the six months to 7 September 2021, the published share price of the Threadneedle UK Institutional Fund has risen from 163.13p to 179.41p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +11.52% as compared to a median return of +13.81% over the same period. (For information the FTSE All-Share Total Return Index returned +13.34% over the same period).

#### Market Overview and Portfolio Activity

The FTSE All-Share index rallied over the six months under review. Sentiment was boosted by the swift roll-out of COVID-19 vaccination

programmes, both in the UK and elsewhere, and hopes that an economic recovery was in progress. The UK stock market also benefited from several takeover and private-equity bids for London-listed companies, some of them at a premium to the prevailing share price. UK small-cap stocks outperformed, helped by improved prospects for the country's economy and the resulting strength in sterling.

Nonetheless, global markets experienced unsettled periods as stronger economic growth also drove inflation higher in the UK and other countries. This led to concern that central banks in developed nations might respond by withdrawing monetary stimulus and raising interest rates.

In the UK, fewer COVID-19 cases and a successful vaccination programme led to the easing of lockdown restrictions, with the government removing nearly all social-distancing measures in England on 19 July. While COVID-19 cases rose in June as the more contagious Delta variant spread, the success of the vaccination programme meant fewer people were hospitalised or died than during previous waves of the virus.

As restrictions eased, consumer and business sentiment improved, leading to a strong rebound in UK GDP growth during the second quarter. At the same time, though, the economic recovery put upward pressure on wages and prices. Furthermore, during the last two months of the period, economic activity slowed due to supply bottlenecks and labour shortages, with many workers forced to isolate due to COVID-19.

We added two new large-cap investments to the portfolio during the period, in Quilter and SSE. Both businesses have the potential for long-term growth. Quilter is a leading provider of financial advice in the UK, with a strong advisory platform. The shares are cheaper than rivals due to concerns about weak inflows and teething problems caused by a new technology platform. However, we feel these concerns have passed and Quilter is now experiencing stronger inflows and benefiting from a management team focused on cutting costs.

SSE is a leading developer and operator of renewable energy and low-carbon infrastructure in electricity transmission and distribution. The firm mainly specialises in wind energy, a growing market with high barriers to entry. The prevailing mood is likely to ensure that climate change remains high on the political agenda, and renewable-energy targets are likely to increase. SSE plans to treble its renewable electricity output by 2030, which bodes well for growth prospects over the longer term.

We also added to some existing holdings, including Royal Dutch Shell, Tate & Lyle and Hiscox.

We profitably sold both RSA Insurance and Aggreko ahead of their takeovers. The position in British American Tobacco was also closed, as we feel that return on capital is likely to be constrained over the long term unless the company cuts dividends or reduces its debt.

New small-cap investments made during the period included legal-services firm Hill & Smith and LSL Property Services. Hill & Smith manufactures road barriers and utility equipment, and provides galvanising services used in road, rail and utility infrastructure. The firm is set to benefit from a significant increase in infrastructure spending in the US and Europe. The new management team has refocused the allocation of capital, which should improve returns.

LSL is one of the UK's leading providers of property services, offering estate agency, surveying and conveyancing to retail customers. The company is using its strong market position to expand its financial services business, both organically and through acquisitions. The division currently accounts for around a third of revenues.

Portfolio sales during the period included Arrow Global, Domino's Pizza and Genus.

Despite the rally this year, UK equities are still priced at a significant discount to global averages. We feel that this gap should start to narrow as uncertainty surrounding Brexit has largely disappeared, and the UK and global economies are showing signs of recovery. Also, the UK's low exposure to global technology giants should help close the valuation gap between the London market, and, for example, US equities; some of the extremely high valuations of US technology stocks are likely to correct as 'normal' economic activity resumes. Meanwhile, so long as the UK stock market discount persists, we expect London-listed companies to remain attractive targets for foreign and private-equity bidders, as the country's economic prospects become more certain.

We are very positive on the outlook for UK small caps. We believe the asset class still offers good value relative to European and US equities, and we expect the factors driving superior equity returns from the small-cap space when compared with the wider market to continue. High-quality businesses are likely to emerge from the crisis even stronger, and this underappreciated area of the UK market could perform well as the domestic and global economies recover.

Overall, our focus remains on company fundamentals to deliver solid, risk-adjusted returns.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains/(losses)	94,258	(110,209)
Revenue	17,514	14,310
Expenses	(4,208)	(3,834)
Net revenue before taxation	13,306	10,476
Taxation	–	–
Net revenue after taxation	13,306	10,476
<b>Total return before distributions</b>	<b>107,564</b>	<b>(99,733)</b>
Distributions	(13,306)	(10,476)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>94,258</b>	<b>(110,209)</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	1,032,189	984,286
<b>Current assets:</b>		
Debtors	9,350	9,682
Cash and bank balances	1	10,976
Cash equivalents**	36,553	3,003
<b>Total assets</b>	<b>1,078,093</b>	<b>1,007,947</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Bank overdrafts	(24,655)	–
Other creditors	(2,877)	(18,789)
<b>Total liabilities</b>	<b>(27,532)</b>	<b>(18,789)</b>
<b>Net assets attributable to shareholders</b>	<b>1,050,561</b>	<b>989,158</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>989,158</b>	<b>1,101,362</b>
Amounts receivable on the issue of shares	59,096	89,884
Amounts payable on the cancellation of shares	(105,066)	(159,041)
	(45,970)	(69,157)
Dilution adjustment	147	225
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	94,258	(110,209)
Retained distribution on accumulation shares	12,968	10,167
<b>Closing net assets attributable to shareholders</b>	<b>1,050,561</b>	<b>932,388</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Dividend distribution in pence per share

#### Class 1 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.6401	–	1.6401	0.9038
<b>Group 2</b> 08/03/21 to 07/09/21	1.0465	0.5936	1.6401	0.9038
<b>Total distributions in the period</b>	<b>1.6401</b>	<b>0.9038</b>	<b>1.6401</b>	<b>0.9038</b>

#### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	2.5734	–	2.5734	1.7048
<b>Group 2</b> 08/03/21 to 07/09/21	1.3189	1.2545	2.5734	1.7048
<b>Total distributions in the period</b>	<b>2.5734</b>	<b>1.7048</b>	<b>2.5734</b>	<b>1.7048</b>

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

## Threadneedle UK Institutional Fund

### DISTRIBUTION TABLE

(continued)

#### Class X – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2021	Gross Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.8820	–	1.8820	1.2609
<b>Group 2</b> 08/03/21 to 07/09/21	1.8820	–	1.8820	1.2609
<b>Total distributions in the period</b>			<b>1.8820</b>	<b>1.2609</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Institutional Fund

### Comparative Table Disclosure

	Class 1 – Accumulation shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	161.96	149.80	159.50	186.60	171.28	180.88
Return before operating charges (p)	18.62	14.37	(7.01)	21.49	16.61	(8.08)
Operating charges (p)	(1.28)	(2.21)	(2.69)	(0.80)	(1.29)	(1.52)
Return after operating charges (p)*	17.34	12.16	(9.70)	20.69	15.32	(9.60)
Distributions (p)	(1.64)	(1.57)	(3.38)	(2.57)	(3.05)	(5.39)
Retained distributions on accumulation shares (p)	1.64	1.57	3.38	2.57	3.05	5.39
Closing net asset value per share (p)	179.30	161.96	149.80	207.29	186.60	171.28
*after direct transaction costs of (p)	0.12	0.03	0.16	0.13	0.03	0.18
<b>Performance</b>						
Return after charges (%)	10.71	8.12	(6.08)	11.09	8.94	(5.31)
<b>Other information</b>						
Closing net asset value (£000)	22,705	16,649	18,431	1,027,855	972,508	1,073,709
Closing number of shares	12,663,123	10,279,794	12,303,689	495,843,167	521,181,657	626,860,113
Operating charges (%)**	1.48 <sup>†</sup>	1.54	1.64	0.80 <sup>†</sup>	0.80	0.81
Direct transaction costs (%)***	0.13	0.12	0.09	0.13	0.12	0.09
<b>Prices</b>						
Highest share price (p)	179.49	163.14	177.28	207.50	187.96	202.38
Lowest share price (p)	162.67	110.54	150.25	187.43	126.42	171.79
<b>Class X – Gross accumulation shares<sup>§</sup></b>						
	07/09/2021	07/03/2021	07/03/2020 <sup>†</sup>			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	103.68	94.43	100.00			
Return before operating charges (p)	11.97	9.30	(5.52)			
Operating charges (p)	–	(0.05)	(0.05)			
Return after operating charges (p)*	11.97	9.25	(5.57)			
Distributions (p)	(1.88)	(2.38)	(2.92)			
Retained distributions on accumulation shares (p)	1.88	2.38	2.92			
Closing net asset value per share (p)	115.65	103.68	94.43			
*after direct transaction costs of (p)	0.07	0.02	0.10			
<b>Performance</b>						
Return after charges (%)	11.55	9.80	(5.57)			
<b>Other information</b>						
Closing net asset value (£000)	1	1	9,222			
Closing number of shares	1,000	1,000	9,765,765			
Operating charges (%)**	– <sup>†</sup>	0.06	0.06 <sup>†</sup>			
Direct transaction costs (%)***	0.13	0.12	0.09			
<b>Prices</b>						
Highest share price (p)	115.76	104.43	111.41			
Lowest share price (p)	104.15	69.72	94.71			

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

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

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

<sup>†</sup>Commenced 9 May 2019.

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

## Threadneedle UK Institutional Fund

### Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

##### (b) Notes

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

#### 2 RECONCILIATION OF SHARES

	2021
<b>Class 1 – Accumulation shares</b>	
Opening shares	10,279,794
Shares issued	5,463,415
Shares redeemed	(3,055,818)
Net conversions	(24,268)
Closing shares	<u>12,663,123</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	521,181,657
Shares issued	24,934,941
Shares redeemed	(50,294,446)
Net conversions	21,015
Closing shares	<u>495,843,167</u>
<b>Class X – Gross accumulation shares</b>	
Opening shares	1,000
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>1,000</u>

## Threadneedle UK Equity Opportunities Fund

### Investment Report

#### Investment Objective and Policy

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

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

The Fund selects companies that are considered to provide good opportunities for share price growth, from any industry or economic sector, and whilst there is no restriction on size, investment tends to focus on the larger companies included in the FTSE All-Share Index.

The FTSE All-Share Index is regarded as an appropriate performance measure of the UK stock market, with over 600 companies currently included. It provides a helpful benchmark against which the performance of the Fund can be measured and evaluated over time.

The Fund is relatively concentrated, and typically invests in fewer than 55 companies, which may include the shares of some companies not within the Index. The Fund may invest in other securities (including fixed interest securities) and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.

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

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

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

Over the six months to 7 September 2021, the published share price of the Threadneedle UK Equity Opportunities Fund has risen from 116.45p to 126.56p.

Looking at performance within its peer group, the total return on the fund for the six months ending 31 August 2021, including net reinvested income, is +10.61% as compared to a median return of +13.81% over the same period. (For information the FTSE All-Share Total Return Index returned +13.34% over the same period).

#### Market Overview and Portfolio Activity

The FTSE All-Share index rallied over the six months under review. Sentiment was boosted by the rollout of vaccines in the UK and globally, and the resulting hopes of an economic recovery. The UK stock market also benefited from several takeover and private-equity bids for UK-listed companies; a large number of these were at premiums to the shares in question. However, global markets were periodically unsettled by fears that rising inflation due to the economic revival and increased US fiscal stimulus could lead key central banks to rein in their accommodative measures.

In the UK, falling COVID-19 caseloads, together with the country's successful vaccination programme, paved the way for lockdown restrictions to be rolled back, with the government removing nearly all social distancing measures in England on 19 July. While COVID-19 caseloads rose in June owing to the spread of the more contagious Delta variant, the high level of inoculations meant that hospitalisations and deaths rose significantly less than in previous 'waves' of the virus. The relaxation of pandemic control measures fuelled improvements in consumer and business sentiment, which led to a strong rebound in the UK's GDP growth over the second quarter. Less positively, the recovering economy has also led to some price and wage pressures. Furthermore, the last two months of the period saw some slowing in economic activity due to supply bottlenecks and labour shortages as a result of swathes of workers being forced to isolate by rising COVID-19 cases.

We initiated new positions in financial-services provider Legal & General and packaging company DS Smith.

Legal & General reported higher operating profits for the first half of this year, with gains from the retirement segment outweighing the impact of

higher insurance payouts. The company has several favourable drivers for growth.

In our view, DS Smith should be able to improve the quality of its earnings and balance sheet. The sector should benefit from the cyclical economic recovery currently underway, as well as the increased demand for e-commerce and sustainability – trends that have been accelerated by the pandemic. The drive towards e-commerce has also resulted in packaging becoming more design-intensive, which should help DS Smith increase market share, given its expertise in this area.

Over the review period, we also added to some existing holdings such as Restaurant Group, Wood Group and Imperial Brands.

We profitably closed our position in Aggreko ahead of the company's takeover. Other sales included Prudential and M&G.

Despite the rally this year, UK equities remain deeply discounted relative to global averages, partly due to the earlier uncertainty around Brexit and COVID-19. But the outlook is now more positive due to the country's successful vaccination programme.

Additionally, the UK market offers global exposure alongside attractive governance factors. As such, mergers and acquisitions have taken off, and we expect this trend to continue. Meanwhile, valuations within the market remain polarised. In our view, there are many favourable opportunities in stocks which cannot be clearly delineated as either COVID-19 winners or clear reopening beneficiaries, and we believe it is important to maintain optionality within the portfolio.

Our focus remains on company fundamentals to target strong, risk-adjusted returns.

### STATEMENT OF TOTAL RETURN

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Income		
Net capital gains/(losses)	6,589	(9,577)
Revenue	1,053	975
Expenses	(547)	(502)
Net revenue before taxation	506	473
Taxation	–	–
Net revenue after taxation	506	473
<b>Total return before distributions</b>	<b>7,095</b>	<b>(9,104)</b>
Distributions	(546)	(473)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>6,549</b>	<b>(9,577)</b>

### BALANCE SHEET

as at 7 September 2021

	2021 £000	March 2021 £000
<b>Assets:</b>		
<b>Fixed assets:</b>		
Investments	76,497	72,518
<b>Current assets:</b>		
Debtors	1,672	418
Cash and bank balances	83	665
<b>Total assets</b>	<b>78,252</b>	<b>73,601</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(536)	(223)
Other creditors	(1,445)	(415)
<b>Total liabilities</b>	<b>(1,981)</b>	<b>(638)</b>
<b>Net assets attributable to shareholders</b>	<b>76,271</b>	<b>72,963</b>

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

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
<b>Opening net assets attributable to shareholders</b>	<b>72,963</b>	<b>77,631</b>
Amounts receivable on the issue of shares	721	7,982
Amounts payable on the cancellation of shares	(3,962)	(12,721)
	(3,241)	(4,739)
Dilution adjustment	–	3
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	6,549	(9,577)
<b>Closing net assets attributable to shareholders</b>	<b>76,271</b>	<b>63,318</b>

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 7 March 2021 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 7 September 2020.

\*In pound Sterling and against UK peer group (See Performance summary on page 221).

### DISTRIBUTION TABLE

for the accounting period 8 March 2021 to 7 September 2021

Dividend distribution in pence per share

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.7286	–	0.7286	0.6505
<b>Group 2</b> 08/03/21 to 07/09/21	0.4853	0.2433	0.7286	0.6505
<b>Total distributions in the period</b>	<b>0.7286</b>	<b>0.2433</b>	<b>0.7286</b>	<b>0.6505</b>

#### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2021	Revenue Accumulated 2020
<b>Group 1</b> 08/03/21 to 07/09/21	0.6592	–	0.6592	0.6166
<b>Group 2</b> 08/03/21 to 07/09/21	0.6592	–	0.6592	0.6166
<b>Total distributions in the period</b>	<b>0.6592</b>	<b>–</b>	<b>0.6592</b>	<b>0.6166</b>

## Threadneedle UK Equity Opportunities Fund

### DISTRIBUTION TABLE

(continued)

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2021	Distribution Paid 2020
<b>Group 1</b> 08/03/21 to 07/09/21	1.1459	–	1.1459	0.9737
<b>Group 2</b> 08/03/21 to 07/09/21	0.5387	0.6072	1.1459	0.9737
<b>Total distributions in the period</b>			<b>1.1459</b>	<b>0.9737</b>

Group 2: shares purchased during a distribution period.

## Threadneedle UK Equity Opportunities Fund

### Comparative Table Disclosure

	Class 2 – Income shares			Class 2 – Accumulation shares		
	07/09/2021	07/03/2021	07/03/2020	07/09/2021	07/03/2021	07/03/2020
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	115.18	109.06	122.98	104.53	98.08	107.98
Return before operating charges (p)	12.26	8.66	(9.13)	11.13	7.88	(8.18)
Operating charges (p)	(0.97)	(1.58)	(1.97)	(0.88)	(1.43)	(1.72)
Return after operating charges (p)*	11.29	7.08	(11.10)	10.25	6.45	(9.90)
Distributions (p)	(0.73)	(0.96)	(2.82)	(0.66)	(0.89)	(2.61)
Retained distributions on accumulation shares (p)	–	–	–	0.66	0.89	2.61
Closing net asset value per share (p)	125.74	115.18	109.06	114.78	104.53	98.08
*after direct transaction costs of (p)	0.03	0.04	0.09	0.03	0.03	0.08
<b>Performance</b>						
Return after charges (%)	9.80	6.49	(9.03)	9.81	6.58	(9.17)
<b>Other information</b>						
Closing net asset value (£000)	47,933	63,196	76,629	29	26	12
Closing number of shares	38,119,714	54,866,141	70,260,257	25,334	25,334	12,138
Operating charges (%)**	1.58 <sup>†</sup>	1.59	1.58	1.58 <sup>†</sup>	1.58	1.56
Direct transaction costs (%)***	0.05	0.04	0.07	0.05	0.04	0.07
<b>Prices</b>						
Highest share price (p)	126.64	116.45	133.69	114.93	105.40	119.23
Lowest share price (p)	115.95	78.22	110.23	105.23	70.46	98.31
<b>Class Z – Income shares</b>						
	07/09/2021	07/03/2021	07/03/2020			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	115.05	108.90	122.86			
Return before operating charges (p)	12.27	8.70	(9.07)			
Operating charges (p)	(0.56)	(0.92)	(1.12)			
Return after operating charges (p)*	11.71	7.78	(10.19)			
Distributions (p)	(1.15)	(1.63)	(3.77)			
Retained distributions on accumulation shares (p)	–	–	–			
Closing net asset value per share (p)	125.61	115.05	108.90			
*after direct transaction costs of (p)	0.03	0.04	0.09			
<b>Performance</b>						
Return after charges (%)	10.18	7.14	(8.29)			
<b>Other information</b>						
Closing net asset value (£000)	28,309	9,741	990			
Closing number of shares	22,536,401	8,466,337	908,841			
Operating charges (%)**	0.90 <sup>†</sup>	0.91	0.90			
Direct transaction costs (%)***	0.05	0.04	0.07			
<b>Prices</b>						
Highest share price (p)	126.84	116.66	133.83			
Lowest share price (p)	115.82	78.13	110.49			

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

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

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

## Threadneedle UK Equity Opportunities Fund

### Notes to the financial statements

for the accounting period 8 March 2021 to 7 September 2021

#### 1 ACCOUNTING POLICIES

##### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2021 and are described in those financial statements.

##### (b) Notes

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

#### 2 RECONCILIATION OF SHARES

	2021
<b>Class 2 – Income shares</b>	
Opening shares	54,866,141
Shares issued	531,809
Shares redeemed	(2,781,227)
Net conversions	(14,497,009)
Closing shares	<u>38,119,714</u>
<b>Class 2 – Accumulation shares</b>	
Opening shares	25,334
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	<u>25,334</u>
<b>Class Z – Income shares</b>	
Opening shares	8,466,337
Shares issued	68,218
Shares redeemed	(478,906)
Net conversions	14,480,752
Closing shares	<u>22,536,401</u>



## Threadneedle UK Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>TECHNOLOGY 2.14% (1.85%)*</b>			
<b>Software and Computer Services 2.14% (1.85%)*</b>			
5,309,732	Sage Group	40,142	2.14
	<b>Total Technology</b>	<b>40,142</b>	<b>2.14</b>
<b>TELECOMMUNICATIONS 2.52% (2.35%)</b>			
<b>Telecommunications Service Providers 2.52% (2.35%)</b>			
28,408,163	BT Group	47,229	2.52
	<b>Total Telecommunications</b>	<b>47,229</b>	<b>2.52</b>
<b>COLLECTIVE INVESTMENT SCHEMES 0.69% (0.58%)</b>			
<b>Liquidity Funds 0.69% (0.58%)<sup>1</sup></b>			
13,018,069	BlackRock Institutional Cash Series Sterling Liquidity Platinum	13,018	0.69
22,408	Insight Liquidity Funds - ILF GBP Liquidity Class 3	22	–
	<b>Total Collective Investment Schemes</b>	<b>13,040</b>	<b>0.69</b>
	<b>Total value of investments<sup>2</sup></b>	<b>1,869,290</b>	<b>99.56</b>
	<b>Net other assets/(liabilities) (-0.44%)</b>	<b>8,190</b>	<b>0.44</b>
	<b>Net assets</b>	<b>1,877,480</b>	<b>100.00</b>

March 2021 comparatives in brackets.

<sup>1</sup>Alternative Investment Market.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

\*During the period there has been a change in sector names and as a consequence of this the comparative percentage figures at 7 March 2021 may have been amended.

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	356,948	415,601
Total sales for the period	404,740	545,169



## Threadneedle UK Select Fund

### Portfolio Statement

*(continued)*

Holding	Investment	Value £000	% of Net Asset Value
<b>Total Purchases and Sales</b>			
<i>for the accounting period 8 March 2021 to 7 September 2021</i>			
		<b>2021</b>	<b>2020</b>
		<b>£000</b>	<b>£000</b>
Total purchases for the period		45,844	157,659
Total sales for the period		112,056	143,655



## Threadneedle UK Smaller Companies Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>TECHNOLOGY 24.26% (17.02%)* (continued)</b>			
1,415,496	<sup>1</sup> Blanco Technology	3,468	1.29
665,939	<sup>1</sup> Blue Prism Group	8,364	3.10
223,524	<sup>1</sup> First Derivatives	5,432	2.02
332,363	<sup>1</sup> Instem	2,892	1.07
4,968,031	<sup>1</sup> IQGEO Group	5,962	2.21
4,615,750	Microlise Group	10,478	3.89
7,294,757	<sup>1</sup> Mirriad Advertising	2,407	0.89
<b>Technology Hardware and Equipment 3.39% (2.72%)*</b>			
492,892	Discoverie Group	5,865	2.18
1,137,918	TT electronics	3,249	1.21
	<b>Total Technology</b>	<b>65,408</b>	<b>24.26</b>
<b>TELECOMMUNICATIONS 1.19% (1.34%)*</b>			
<b>Telecommunications Equipment 1.19% (1.34%)*</b>			
1,083,621	Spirent Communications	3,214	1.19
	<b>Total Telecommunications</b>	<b>3,214</b>	<b>1.19</b>
<b>COLLECTIVE INVESTMENT SCHEMES 0.00% (1.55%)</b>			
<b>Liquidity Funds 0.00% (1.55%)<sup>1</sup></b>			
9,119	BlackRock Institutional Cash Series		
	Sterling Liquidity Platinum	9	—
	<b>Total Collective Investment Schemes</b>	<b>9</b>	<b>—</b>
<b>DERIVATIVES 0.00% (0.00%)</b>			
<b>Forward Foreign Exchange Contracts 0.00% (0.00%)</b>			
	Sell GBP 1,468		
	Buy CHF 1,839 J.P. Morgan <sup>2</sup>	—	—
	Sell GBP 31		
	Buy CHF 39 J.P. Morgan <sup>2</sup>	—	—
	Sell GBP 33		
	Buy CHF 41 J.P. Morgan <sup>2</sup>	—	—
	<b>Total Derivatives</b>	<b>—</b>	<b>—</b>
<b>Total value of investments<sup>3</sup></b>		<b>269,373</b>	<b>99.97</b>
<b>Net other assets/(liabilities) (-0.46%)</b>		<b>69</b>	<b>0.03</b>
<b>Net assets</b>		<b>269,442</b>	<b>100.00</b>

March 2021 comparatives in brackets.

<sup>1</sup>Alternative Investment Market.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

\*The comparative percentage figures at 7 March 2021 have been amended due to change in sector names.

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	76,817	66,956
Total sales for the period	127,101	35,051

## Threadneedle UK Growth & Income Fund

### Portfolio Statement

as at 7 September 2021

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>BASIC MATERIALS 2.11% (2.57%)</b>				624,473	GlaxoSmithKline	9,232	3.97
	<b>Chemicals 2.11% (2.57%)*</b>			<b>Total Health Care</b>			
166,757	Johnson Matthey	4,899	2.11			<b>27,141</b>	<b>11.67</b>
	<b>Total Basic Materials</b>	<b>4,899</b>	<b>2.11</b>	<b>INDUSTRIALS 30.58% (29.72%)*</b>			
<b>CONSUMER DISCRETIONARY 20.95% (21.33%)*</b>					<b>Aerospace and Defence 2.61% (2.58%)</b>		
	<b>Consumer Services 1.81% (2.15%)*</b>			733,292	BAE Systems	4,111	1.77
284,797	Compass Group	4,218	1.81	1,729,179	Rolls-Royce Holdings	1,955	0.84
	<b>Media 7.14% (7.35%)</b>				<b>Electronic and Electrical Equipment 2.47% (2.08%)*</b>		
3,300,911	ITV	3,852	1.66	183,267	IMI	3,299	1.42
811,798	Pearson	6,181	2.66	591,050	Morgan Advanced Materials	2,453	1.05
297,809	RELX (London Listing)	6,549	2.82		<b>General Industrials 5.60% (6.16%)*</b>		
	<b>Retailers 1.75% (1.53%)</b>			1,081,154	DS Smith	4,978	2.14
2,155,565	Marks & Spencer Group	4,077	1.75	1,949,462	Melrose Industries	3,720	1.60
	<b>Travel and Leisure 10.25% (10.30%)*</b>			302,673	Smiths Group	4,321	1.86
4,073,022	Firstgroup	3,629	1.56		<b>Industrial Support Services 17.07% (16.20%)</b>		
475,329	J D Wetherspoon	5,143	2.21	1,423,130	Electrocomponents	15,640	6.72
2,797,604	Rank Group	4,829	2.08	76,738	Ferguson	8,207	3.53
7,819,197	Restaurant Group	9,336	4.01	2,253,326	Hays	3,716	1.60
1,296,124	Stagecoach Group	905	0.39	2,070,119	Rentokil Initial	12,143	5.22
	<b>Total Consumer Discretionary</b>	<b>48,719</b>	<b>20.95</b>		<b>Industrial Transportation 2.83% (2.70%)</b>		
<b>CONSUMER STAPLES 14.21% (13.53%)*</b>				1,648,332	Wincanton	6,593	2.83
	<b>Food Producers 2.19% (2.61%)</b>				<b>Total Industrials</b>	<b>71,136</b>	<b>30.58</b>
713,017	Tate & Lyle	5,084	2.19	<b>TELECOMMUNICATIONS 6.96% (6.19%)*</b>			
	<b>Personal Care, Drug and Grocery Stores 9.16% (8.01%)*</b>				<b>Telecommunications Equipment 5.41% (4.69%)*</b>		
1,611,066	Tesco	4,161	1.79	4,247,185	Spirent Communications	12,597	5.41
167,428	Unilever	6,691	2.88		<b>Telecommunications Service Providers 1.55% (1.50%)</b>		
3,579,810	WM Morrison Supermarkets	10,446	4.49	2,167,494	BT Group	3,603	1.55
	<b>Tobacco 2.86% (2.91%)</b>				<b>Total Telecommunications</b>	<b>16,200</b>	<b>6.96</b>
428,960	Imperial Brands	6,664	2.86	<b>UTILITIES 3.27% (3.16%)</b>			
	<b>Total Consumer Staples</b>	<b>33,046</b>	<b>14.21</b>		<b>Gas, Water and Multi-utilities 3.27% (3.16%)</b>		
<b>ENERGY 0.00% (2.15%)</b>				6,314,432	Centrica	3,296	1.42
	<b>Oil, Gas and Coal 0.00% (2.15%)</b>			163,069	Pennon Group	2,043	0.88
	<b>Total Energy</b>	<b>-</b>	<b>-</b>	213,340	United Utilities Group	2,256	0.97
<b>FINANCIALS 10.07% (9.94%)*</b>					<b>Total Utilities</b>	<b>7,595</b>	<b>3.27</b>
	<b>Banks 0.97% (0.77%)</b>			<b>COLLECTIVE INVESTMENT SCHEMES 0.67% (5.30%)</b>			
181,115	Secure Trust Bank	2,264	0.97		<b>Liquidity Funds 0.67% (5.30%)*<sup>1</sup></b>		
	<b>Investment Banking and Brokerage Services 4.76% (4.55%)*</b>			1,564,907	BlackRock Institutional Cash Series		
672,183	3i Group	8,954	3.85		Sterling Liquidity Platinum	1,565	0.67
3,417,083	Sherborne Investors Guernsey	2,119	0.91		<b>Total Collective Investment Schemes</b>	<b>1,565</b>	<b>0.67</b>
	<b>Life Insurance 2.12% (2.36%)</b>			<b>Total value of investments<sup>2</sup></b>			
1,736,647	Legal & General Group	4,918	2.12			<b>233,725</b>	<b>100.49</b>
	<b>Non-life Insurance 2.22% (2.26%)</b>					<b>(1,138)</b>	<b>(0.49)</b>
549,652	Hiscox	5,169	2.22			<b>232,587</b>	<b>100.00</b>
	<b>Total Financials</b>	<b>23,424</b>	<b>10.07</b>	<b>Net other liabilities (-4.67%)</b>			
<b>HEALTH CARE 11.67% (10.78%)</b>							
	<b>Pharmaceuticals and Biotechnology 11.67% (10.78%)</b>					<b>232,587</b>	<b>100.00</b>
209,019	AstraZeneca	17,909	7.70	<b>Net assets</b>			

March 2021 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

\*The comparative percentage figures at 31 Mar 2021 have been amended due to change in sector names.

## Threadneedle UK Growth & Income Fund

### Portfolio Statement

*(continued)*

Holding	Investment	Value £000	% of Net Asset Value
<b>Total Purchases and Sales</b>			
<i>for the accounting period 8 March 2021 to 7 September 2021</i>			
		<b>2021</b>	<b>2020</b>
		<b>£000</b>	<b>£000</b>
Total purchases for the period		22,384	40,647
Total sales for the period		45,413	15,000



## Threadneedle UK Equity Income Fund

### Portfolio Statement

*(continued)*

<b>Holding</b>	<b>Investment</b>	<b>Value £000</b>	<b>% of Net Asset Value</b>
<b>Total Purchases and Sales</b>			
<i>for the accounting period 8 March 2021 to 7 September 2021</i>			
		<b>2021</b>	<b>2020</b>
		<b>£000</b>	<b>£000</b>
Total purchases for the period		324,708	198,068
Total sales for the period		298,832	281,617

## Threadneedle UK Monthly Income Fund

### Portfolio Statement

as at 7 September 2021

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value	
<b>BASIC MATERIALS 6.50% (8.52%)</b>				<b>FINANCIALS 21.53% (21.68%)*</b>				
	<b>Chemicals 2.73% (2.78%)</b>				<b>Banks 2.73% (2.53%)</b>			
145,000	Johnson Matthey	4,260	1.07	285,000	Close Brothers Group	4,546	1.14	
1,235,000	Synthomer	6,582	1.66	2,950,000	NatWest Group	6,340	1.59	
	<b>Industrial Metals and Mining 3.77% (5.74%)</b>				<b>Closed End Investments 0.39% (0.23%)</b>			
100,000	Antofagasta	1,409	0.35	112,133	Electra Private Equity	657	0.17	
645,000	BHP Group	13,616	3.42	510,000	HICL Infrastructure	876	0.22	
	<b>Total Basic Materials</b>	<b>25,867</b>	<b>6.50</b>		<b>Investment Banking and Brokerage Services 6.65% (5.60%)</b>			
<b>CONSUMER DISCRETIONARY 14.53% (15.77%)*</b>					770,000	3i Group	10,256	2.58
	<b>Consumer Services 0.00% (0.74%)*</b>			975,000	AJ Bell	4,150	1.04	
	<b>Household Goods and Home Construction 1.81% (1.81%)*</b>			2,090,000	M&G	4,259	1.07	
1,705,000	Crest Nicholson Holdings	7,178	1.81	4,302,702	Sherborne Investors Guernsey	2,668	0.67	
	<b>Media 6.34% (6.45%)</b>			4,275,000	Sherborne Investors Guernsey B <sup>1</sup>	—	—	
4,415,000	ITV	5,152	1.30	305,000	St James's Place	5,122	1.29	
570,000	RELX (London Listing)	12,534	3.15		<b>Life Insurance 10.86% (12.76%)</b>			
755,000	WPP	7,532	1.89	565,000	Aviva	2,342	0.59	
	<b>Personal Goods 1.34% (0.99%)*</b>			3,147,128	Chesnara	9,646	2.43	
270,000	Burberry Group	5,318	1.34	3,625	Jackson Financial	76	0.02	
	<b>Retailers 1.33% (1.07%)</b>			6,205,000	Legal & General Group	17,573	4.42	
1,475,000	Marks & Spencer Group	2,790	0.70	1,775,000	Phoenix Group Holdings	11,314	2.84	
845,000	ScS Group	2,510	0.63	145,000	Prudential	2,245	0.56	
	<b>Travel and Leisure 3.71% (4.71%)*</b>				<b>Non-life Insurance 0.90% (0.56%)</b>			
435,000	Fuller Smith & Turner	3,132	0.79	555,000	Lancashire Holdings	3,582	0.90	
240,000	Go-Ahead Group	2,251	0.57		<b>Total Financials</b>	<b>85,652</b>	<b>21.53</b>	
3,117,400	Rank Group	5,381	1.35		<b>HEALTH CARE 9.16% (9.05%)</b>			
3,150,000	Stagecoach Group	2,200	0.55		<b>Pharmaceuticals and Biotechnology 9.16% (9.05%)</b>			
55,000	Whitbread	1,782	0.45	195,000	AstraZeneca	16,708	4.20	
	<b>Total Consumer Discretionary</b>	<b>57,760</b>	<b>14.53</b>	1,335,000	GlaxoSmithKline	19,737	4.96	
					<b>Total Health Care</b>	<b>36,445</b>	<b>9.16</b>	
<b>CONSUMER STAPLES 13.14% (13.01%)*</b>				<b>INDUSTRIALS 17.88% (16.69%)</b>				
	<b>Beverages 3.66% (3.08%)</b>				<b>Aerospace and Defence 1.78% (1.67%)</b>			
225,000	Diageo	7,946	2.00	1,265,000	BAE Systems	7,092	1.78	
1,685,000	Stock Spirits Group	6,580	1.66		<b>Construction and Materials 2.65% (2.57%)*</b>			
	<b>Food Producers 0.37% (0.00%)</b>			1,045,000	Forterra	3,124	0.78	
205,000	Tate & Lyle	1,462	0.37	9,185,000	Severfield	7,458	1.87	
	<b>Personal Care, Drug and Grocery Stores 4.44% (4.41%)*</b>				<b>Electronic and Electrical Equipment 3.90% (3.11%)</b>			
1,875,000	J Sainsbury	5,644	1.42	160,000	Halma	4,861	1.22	
35,000	Reckitt Benckiser Group	2,008	0.51	175,000	Oxford Instruments	4,611	1.16	
250,000	Unilever	9,991	2.51	150,000	Spectris	6,024	1.52	
	<b>Tobacco 4.67% (5.52%)</b>				<b>General Industrials 3.05% (2.73%)</b>			
105,000	British American Tobacco	2,863	0.72	1,660,000	DS Smith	7,643	1.92	
1,010,000	Imperial Brands	15,690	3.95	1,759,500	Melrose Industries	3,357	0.84	
	<b>Total Consumer Staples</b>	<b>52,184</b>	<b>13.14</b>	80,000	Smiths Group	1,142	0.29	
<b>ENERGY 1.91% (2.10%)</b>					<b>Industrial Support Services 6.02% (5.98%)</b>			
	<b>Oil, Gas and Coal 1.91% (2.10%)</b>			1,020,000	Electrocomponents	11,210	2.82	
525,000	Royal Dutch Shell 'B' Shares	7,575	1.91	750,000	Essentra	2,216	0.56	
	<b>Total Energy</b>	<b>7,575</b>	<b>1.91</b>	85,000	Ferguson	9,091	2.29	
				2,000,000	Speedy Hire	1,394	0.35	

## Threadneedle UK Monthly Income Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>INDUSTRIALS 17.88% (16.69%) (continued)</b>			
<b>Industrial Transportation 0.48% (0.63%)</b>			
200,000	James Fisher & Sons	1,906	0.48
<b>Total Industrials</b>		<b>71,129</b>	<b>17.88</b>
<b>REAL ESTATE 6.86% (5.91%)*</b>			
<b>Real Estate Investment and Services 1.31% (1.03%)</b>			
1,560,000	Grainger	5,195	1.31
<b>Real Estate Investment Trusts 5.55% (4.88%)</b>			
860,000	Capital & Counties Properties	1,535	0.39
110,000	Derwent London	4,202	1.06
3,765,000	Empiric Student Property REIT	3,648	0.92
2,585,000	Londonmetric Property REIT	6,680	1.68
2,565,000	Supermarket Income REIT	3,014	0.76
1,835,000	<sup>1</sup> Warehouse REIT	2,958	0.74
<b>Total Real Estate</b>		<b>27,232</b>	<b>6.86</b>
<b>TELECOMMUNICATIONS 2.19% (1.84%)</b>			
<b>Telecommunications Service Providers 2.19% (1.84%)</b>			
5,230,000	BT Group	8,695	2.19
<b>Total Telecommunications</b>		<b>8,695</b>	<b>2.19</b>
<b>UTILITIES 4.16% (5.04%)</b>			
<b>Electricity 2.45% (2.29%)</b>			
595,000	SSE	9,746	2.45
<b>Gas, Water and Multi-utilities 1.71% (2.75%)</b>			
2,100,000	Centrica	1,096	0.28
206,666	Pennon Group	2,589	0.65
110,000	Severn Trent	3,082	0.78
<b>Total Utilities</b>		<b>16,513</b>	<b>4.16</b>
<b>COLLECTIVE INVESTMENT SCHEMES 1.49% (0.55%)</b>			
<b>Liquidity Funds 1.49% (0.55%)<sup>2</sup></b>			
5,912,324	BlackRock Institutional Cash Series Sterling Liquidity Platinum	5,912	1.49
<b>Total Collective Investment Schemes</b>		<b>5,912</b>	<b>1.49</b>
<b>Total value of investments<sup>3</sup></b>		<b>394,964</b>	<b>99.35</b>
<b>Net other assets/(liabilities) (-0.16%)</b>		<b>2,597</b>	<b>0.65</b>
<b>Net assets</b>		<b>397,561</b>	<b>100.00</b>

March 2021 comparatives in brackets.

<sup>1</sup>Alternative Investment Market.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Cash equivalents.

<sup>4</sup>Includes Cash equivalents.

\*The comparative percentage figures at 7 March 2021 have been amended due to change in sector names.

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	29,348	64,851
Total sales for the period	42,360	72,775

## Threadneedle Monthly Extra Income Fund

### Portfolio Statement

as at 7 September 2021

		Value	% of			Value	% of		
Holding	Investment	£000	Net Asset Value	Holding	Investment	£000	Net Asset Value		
<b>AUSTRALIA 0.71% (0.79%)</b>				<b>GERMANY 0.30% (0.17%)</b>					
<b>Corporate Bonds 0.71% (0.79%)</b>				<b>Corporate Bonds 0.30% (0.17%)</b>					
GBP	111,000	APT Pipelines 2.5% 15/03/2036	114	0.05	EUR	200,000	ADLER Real Estate 3% 27/04/2026	176	0.08
GBP	200,000	APT Pipelines 3.125% 18/07/2031	219	0.10	GBP	200,000	*Deutsche Bank Variable 22/12/2028	201	0.10
GBP	395,000	Asciano Finance 5% 19/09/2023	424	0.20	EUR	100,000	Gruenthal 3.625% 15/11/2026	89	0.04
GBP	287,000	*Australia and New Zealand Banking Group Variable 16/09/2031	289	0.14	EUR	200,000	Mahle 2.375% 14/05/2028	171	0.08
GBP	151,000	*BHP Billiton Finance 6.5% 22/10/2077	160	0.07			<b>Total Germany</b>	<b>637</b>	<b>0.30</b>
USD	400,000	SGSP Australia Assets 3.25% 29/07/2026	314	0.15					
		<b>Total Australia</b>	<b>1,520</b>	<b>0.71</b>					
<b>BELGIUM 0.18% (0.17%)</b>				<b>GUERNSEY 0.56% (0.52%)</b>					
<b>Corporate Bonds 0.18% (0.17%)</b>				<b>Investment Banking and Brokerage Services 0.56% (0.52%)**</b>					
GBP	350,000	Anheuser-Busch InBev 2.85% 25/05/2037	388	0.18	1,948,958	Sherborne Investors Guernsey	1,208	0.56	
		<b>Total Belgium</b>	<b>388</b>	<b>0.18</b>	2,007,695	Sherborne Investors Guernsey B <sup>1</sup>	–	–	
						<b>Total Guernsey</b>	<b>1,208</b>	<b>0.56</b>	
<b>BERMUDA 1.77% (1.70%)</b>				<b>ITALY 0.09% (0.04%)</b>					
<b>Corporate Bonds 0.21% (0.20%)</b>				<b>Corporate Bonds 0.09% (0.04%)</b>					
USD	550,000	Bacardi 4.7% 15/05/2028	464	0.21	GBP	100,000	Intesa Sanpaolo 2.625% 11/03/2036	103	0.05
		<b>Non-life Insurance 1.56% (1.50%)</b>			EUR	100,000	Nexi 1.625% 30/04/2026	87	0.04
	356,691	Hiscox	3,354	1.56			<b>Total Italy</b>	<b>190</b>	<b>0.09</b>
		<b>Total Bermuda</b>	<b>3,818</b>	<b>1.77</b>					
<b>CAYMAN ISLANDS 0.38% (0.40%)</b>				<b>JERSEY 2.85% (2.59%)</b>					
<b>Corporate Bonds 0.38% (0.40%)</b>				<b>Corporate Bonds 0.59% (0.56%)</b>					
GBP	195,000	Phoenix Group Holdings 5.625% 28/04/2031	239	0.11	GBP	100,000	AA Bond 3.25% 31/07/2028	102	0.05
GBP	148,000	Southern Water Services 2.375% 28/05/2028	155	0.07	GBP	100,000	Gatwick Funding 2.5% 15/04/2030	101	0.05
GBP	300,000	Southern Water Services 3% 28/05/2037	333	0.16	GBP	125,000	Gatwick Funding 2.625% 07/10/2046	119	0.05
GBP	100,000	*Trafford Centre Finance FRN 28/07/2035 A3	84	0.04	GBP	134,000	Glencore Finance Europe 3.125% 26/03/2026	143	0.07
		<b>Total Cayman Islands</b>	<b>811</b>	<b>0.38</b>	GBP	160,000	Hastings Group Finance 3% 24/05/2025	170	0.08
					GBP	170,000	Heathrow Funding 2.75% 09/08/2049	172	0.08
					GBP	185,000	Heathrow Funding 4.625% 31/10/2046	248	0.11
					GBP	175,000	Porterbrook Rail Finance 4.625% 04/04/2029	208	0.10
							<b>Industrial Support Services 2.26% (2.03%)**</b>		
					45,421	Ferguson	4,858	2.26	
						<b>Total Jersey</b>	<b>6,121</b>	<b>2.85</b>	
<b>DENMARK 0.10% (0.04%)</b>				<b>LUXEMBOURG 0.33% (0.40%)</b>					
<b>Corporate Bonds 0.10% (0.04%)</b>				<b>Corporate Bonds 0.33% (0.40%)</b>					
GBP	200,000	*Danske Bank Variable 14/01/2028	206	0.10	GBP	399,000	Aroundtown 3% 16/10/2029	430	0.20
		<b>Total Denmark</b>	<b>206</b>	<b>0.10</b>	GBP	175,000	Aroundtown 3.25% 18/07/2027	191	0.09
					EUR	100,000	Becton Dickinson Euro Finance 1.336% 13/08/2041	84	0.04
							<b>Total Luxembourg</b>	<b>705</b>	<b>0.33</b>
<b>FRANCE 0.98% (1.25%)</b>				<b>MEXICO 0.16% (0.21%)</b>					
<b>Corporate Bonds 0.98% (1.25%)</b>				<b>Corporate Bonds 0.11% (0.11%)</b>					
GBP	200,000	Banque Fédérative du Crédit Mutuel 0.875% 07/12/2027	196	0.09	GBP	248,000	Petroleos Mexicanos 3.75% 16/11/2025	241	0.11
GBP	100,000	BNP Paribas 1.875% 14/12/2027	103	0.05			<b>Government Bonds 0.05% (0.10%)</b>		
GBP	200,000	BNP Paribas 2% 13/09/2036	198	0.09	GBP	102,000	United Mexican States 5.625% 19/03/2114	114	0.05
GBP	100,000	Credit Agricole 1.25% 02/10/2024	102	0.05			<b>Total Mexico</b>	<b>355</b>	<b>0.16</b>
GBP	100,000	*Credit Agricole Variable 09/12/2031	101	0.05					
GBP	100,000	Electricite de France 5.125% 22/09/2050	158	0.07					
GBP	400,000	Electricite de France 5.5% 17/10/2041	603	0.28					
GBP	100,000	Electricite de France 6% 23/01/2114	185	0.09					
GBP	300,000	Orange 3.25% 15/01/2032	343	0.16					
GBP	100,000	WPP Finance 3.75% 19/05/2032	116	0.05					
		<b>Total France</b>	<b>2,105</b>	<b>0.98</b>					
					<b>NETHERLANDS 1.58% (1.42%)</b>				
					<b>Corporate Bonds 1.58% (1.42%)</b>				
					GBP	200,000	ABN AMRO Bank 1.375% 16/01/2025	204	0.09

## Threadneedle Monthly Extra Income Fund

### Portfolio Statement

(continued)

	Value	% of		Value	% of				
Holding	Investment	£000	Net Asset Value	Holding	Investment				
				Value	Net Asset Value				
				£000					
<b>NETHERLANDS 1.58% (1.42%) (continued)</b>									
GBP	300,000	Co-operative Rabobank 4.625% 23/05/2029	358	0.17	GBP	220,000	Broadgate Finance 5.098% 05/04/2033	232	0.11
GBP	340,000	E.ON International Finance 6.375% 07/06/2032	485	0.23	GBP	176,000	Bunzl Finance 1.5% 30/10/2030	174	0.08
GBP	500,000	*ING Groep Variable 07/12/2028	493	0.23	GBP	100,000	Bupa Finance 5% 08/12/2026	117	0.05
GBP	750,000	Innogy Finance 6.25% 03/06/2030	1,021	0.47	GBP	200,000	Cadent Finance 2.25% 10/10/2035	202	0.09
GBP	120,000	Shell International Finance 1.75% 10/09/2052	107	0.05	GBP	100,000	Cadent Finance 2.625% 22/09/2038	105	0.05
EUR	300,000	*Telefonica Europe Variable 14/03/2168	281	0.13	GBP	160,000	Cadent Finance 2.75% 22/09/2046	171	0.08
GBP	300,000	Volkswagen International Finance 3.375% 16/11/2026	332	0.15	GBP	138,000	Catalyst Housing 3.125% 31/10/2047	169	0.08
EUR	100,000	Volkswagen International Finance 4.125% 16/11/2038	121	0.06	GBP	240,000	DS Smith 2.875% 26/07/2029	255	0.12
		<b>Total Netherlands</b>	<b>3,402</b>	<b>1.58</b>	GBP	150,000	Eastern Power Networks 1.875% 01/06/2035	151	0.07
<b>REPUBLIC OF IRELAND 0.42% (0.29%)</b>									
		<b>Corporate Bonds 0.42% (0.29%)</b>			GBP	124,000	Eversholt Funding 2.742% 30/06/2040	128	0.06
EUR	150,000	*AIB Group Variable 30/05/2031	139	0.06	GBP	150,000	Eversholt Funding 3.529% 07/08/2042	171	0.08
EUR	100,000	*Bank of Ireland Variable 11/08/2031	86	0.04	GBP	100,000	Experian Finance 3.25% 07/04/2032	115	0.05
GBP	490,000	GE Capital UK Funding 5.875% 18/01/2033	679	0.32	GBP	200,000	GKN Holdings 5.375% 19/09/2022	208	0.10
		<b>Total Republic of Ireland</b>	<b>904</b>	<b>0.42</b>	GBP	233,000	GlaxoSmithkline Capital 1.25% 12/10/2028	235	0.11
<b>SWEDEN 0.32% (0.31%)</b>									
		<b>Corporate Bonds 0.32% (0.31%)</b>			GBP	188,000	GlaxoSmithkline Capital 1.625% 12/05/2035	186	0.09
GBP	430,000	Akelius Residential 2.375% 15/08/2025	450	0.21	GBP	100,000	Home Group 3.125% 27/03/2043	118	0.06
EUR	280,000	Sagax 1.125% 30/01/2027	248	0.11	GBP	90,000	HSBC Bank 4.75% 24/03/2046	126	0.06
		<b>Total Sweden</b>	<b>698</b>	<b>0.32</b>	GBP	600,000	HSBC Bank 5.375% 22/08/2033	805	0.37
<b>SWITZERLAND 0.30% (0.29%)</b>									
		<b>Corporate Bonds 0.30% (0.29%)</b>			GBP	316,000	*HSBC Holdings Variable 24/07/2027	319	0.15
GBP	285,000	*Credit Suisse Group Variable 09/06/2028	294	0.14	GBP	175,000	Imperial Brand Finance 8.125% 15/03/2024	204	0.11
USD	425,000	*UBS Group 7% 29/12/2049	355	0.16	GBP	275,000	Imperial Brands Finance 5.5% 28/09/2026	325	0.15
		<b>Total Switzerland</b>	<b>649</b>	<b>0.30</b>	GBP	375,000	Land Securities Capital Markets 2.375% 29/03/2029	397	0.19
<b>UNITED KINGDOM 85.12% (85.45%)</b>									
		<b>Corporate Bonds 8.84% (9.40%)</b>			GBP	225,000	*Legal & General Group 5.5% 27/06/2064	293	0.14
GBP	135,000	Anglian Water Osprey 2% 31/07/2028	136	0.06	GBP	178,000	*Legal & General Group Variable 14/11/2048	210	0.10
GBP	180,000	Anglian Water Services Financing 2.625% 15/06/2027	195	0.09	GBP	210,000	Lloyds Bank 6.5% 17/09/2040	366	0.17
GBP	150,000	Anglian Water Services Financing 2.75% 26/10/2029	167	0.08	GBP	230,000	Lloyds Bank 7.625% 22/04/2025	283	0.13
GBP	118,000	Aster Treasury 1.405% 27/01/2036	114	0.05	GBP	275,000	*M&G Variable 20/10/2051	331	0.15
GBP	281,000	*Aviva 4.375% 12/09/2049	319	0.15	GBP	212,000	Marks & Spencer 6% 12/06/2025	238	0.11
GBP	100,000	*Aviva 5.125% 04/06/2050	119	0.06	GBP	104,000	*Marstons Issuer 5.1576% 15/10/2027	83	0.04
GBP	100,000	Barclays 3.25% 12/02/2027	109	0.05	GBP	272,000	Mitchells & Butlers Finance 5.574% 15/12/2030	104	0.05
GBP	203,000	Barclays Bank 5.75% 14/09/2026	246	0.11	GBP	260,000	Motability Operations Group 1.5% 20/01/2041	246	0.11
GBP	450,000	BAT International Finance 2.25% 26/06/2028	454	0.21	GBP	175,000	National Grid Electricity Transmission 1.125% 07/07/2028	172	0.08
GBP	100,000	BAT International Finance 6% 24/11/2034	132	0.06	GBP	100,000	National Grid Electricity Transmission 2% 17/04/2040	100	0.05
GBP	100,000	Blend Funding 2.922% 05/04/2054	119	0.06	GBP	196,000	Nats En Route 1.375% 31/03/2031	198	0.09
GBP	100,000	Blend Funding 2.922% 05/04/2054 (TEMP)	119	0.06	GBP	200,000	*NatWest Group 5.125% 12/11/2067	217	0.10
GBP	285,000	*BP Capital Markets Variable 22/06/2169 GBP	305	0.14	GBP	175,000	*NatWest Group Variable 28/03/2027	188	0.09
GBP	180,000	British Telecommunications 3.125% 21/11/2031	195	0.09	GBP	100,000	*NatWest Group Variable 14/08/2030	107	0.05
					GBP	168,000	*NatWest Group Variable 28/11/2031	170	0.08
					GBP	250,000	Newriver REIT 3.5% 07/03/2028	261	0.12
					GBP	600,000	*NGG Finance 5.625% 18/06/2073	670	0.31
					GBP	170,000	NIE Finance 2.5% 27/10/2025 (London Listing)	180	0.08
					GBP	132,000	Northern Powergrid 1.875% 16/06/2062	130	0.06
					GBP	100,000	Northern Powergrid 5.125% 04/05/35	137	0.06
					GBP	250,000	Northumbrian Water Finance 2.375% 05/10/2027	266	0.12
					GBP	100,000	Optivo Finance 2.857% 07/10/2035	113	0.05
					GBP	110,000	Orbit Capital 2% 24/11/2038	111	0.05
					GBP	211,000	Paragon Treasury 2% 07/05/2036	217	0.10

## Threadneedle Monthly Extra Income Fund

### Portfolio Statement

(continued)

			Value	% of			Value	% of	
	Holding	Investment	£000	Net Asset Value		Holding	Investment	£000	Net Asset Value
<b>UNITED KINGDOM 85.12% (85.45%) (continued)</b>									
GBP	150,000	Pension Insurance 5.625% 20/09/2030	185	0.09	2,170,604	ITV		2,533	1.18
GBP	100,000	RHP Finance 3.25% 05/02/2048	123	0.06	642,930	Pearson		4,895	2.28
GBP	130,000	Santander UK 10.0625% 06/04/2169	229	0.11	214,258	RELX (London Listing)		4,712	2.19
GBP	200,000	Scottish Hydro Electric 2.25% 27/09/2035							
			207	0.10					
GBP	100,000	Severn Trent Utilities Finance 2% 02/06/2040	101	0.05	1,447,146	Marks & Spencer Group		2,737	1.27
GBP	577,000	Severn Trent Utilities Finance 3.625% 16/01/2026	644	0.30	2,319,752	Firstgroup		2,067	0.96
GBP	100,000	Stonewater Funding 1.625% 10/09/2036	99	0.05	175,604	J D Wetherspoon		1,900	0.88
GBP	123,000	*Telereal Securitisation 1.9632% 10/12/2033	125	0.06	824,401	Rank Group		1,423	0.66
GBP	287,000	Telereal Securitisation 4.9741% 10/09/2027	168	0.08	1,459,679	Stagecoach Group		1,020	0.47
GBP	390,000	Tesco Property Finance 6 5.4111% 13/07/2044	479	0.22	524,716	Tate & Lyle		3,741	1.74
GBP	130,000	Thames Water Kemble Finance 4.625% 19/05/2026	134	0.06	826,548	Tesco		2,135	0.99
GBP	325,000	Thames Water Utilities 2.375% 03/05/2023	329	0.15	119,388	Unilever		4,771	2.22
GBP	500,000	Thames Water Utilities Cayman Finance 2.625% 24/01/2032	536	0.25	2,597,525	WM Morrison Supermarkets		7,580	3.53
GBP	150,000	Unite Group 3.5% 15/10/2028	167	0.08	463,148	Imperial Brands		7,195	3.35
GBP	253,000	United Utilities Water Finance 1.875% 03/06/2042	253	0.12					
GBP	100,000	University College London 1.625% 04/06/2061	105	0.05	155,444	Secure Trust Bank		1,943	0.90
GBP	100,000	University of Oxford 2.544% 08/12/2117 (London Listing)	135	0.06					
GBP	155,000	*Virgin Money UK Variable 22/06/2025	163	0.08	51,586	Electra Private Equity		302	0.14
GBP	100,000	*Virgin Money UK Variable 11/12/2030	112	0.05					
GBP	126,000	*Virgin Money UK Variable 19/08/2031	128	0.06					
GBP	250,000	Vodafone Group 3% 12/08/2056	276	0.13	496,091	3i Group		6,608	3.07
GBP	100,000	Wellcome Trust 1.5% 14/07/2071	101	0.05					
GBP	200,000	Western Power Distribution 1.625% 07/10/2035	192	0.09	610,388	Chesnara		1,871	0.87
GBP	200,000	Western Power Distribution 1.75% 09/09/2031	201	0.09	1,316,643	Legal & General Group		3,729	1.73
GBP	250,000	Western Power Distribution 3.5% 16/10/2026	277	0.13	1,032,045	Phoenix Group Holdings		6,578	3.06
GBP	300,000	Yorkshire Water Finance 1.75% 26/11/2026	310	0.14	1,247,413	Direct Line Insurance Group		3,921	1.82
GBP	132,000	Yorkshire Water Finance 1.75% 27/10/2032	133	0.06	163,130	AstraZeneca		13,977	6.50
					557,084	GlaxoSmithKline		8,236	3.83
<b>Government Bonds 0.95% (0.91%)</b>									
GBP	330,000	United Kingdom Gilt 0.125% 31/01/2028	323	0.15	609,555	BAE Systems		3,417	1.59
GBP	281,000	United Kingdom Gilt 0.25% 31/07/2031	268	0.12					
GBP	310,000	United Kingdom Gilt 0.625% 31/07/2035	297	0.14					
GBP	205,000	United Kingdom Gilt 0.625% 22/10/2050	182	0.08	180,822	IMI		3,255	1.51
GBP	420,000	United Kingdom Gilt 1.75% 07/09/2022	427	0.20	288,718	Morgan Advanced Materials		1,198	0.56
GBP	43,000	United Kingdom Gilt 1.75% 07/09/2037	48	0.02					
GBP	235,000	United Kingdom Gilt 2.75% 07/09/2024	253	0.12	758,408	DS Smith		3,492	1.62
GBP	180,000	United Kingdom Gilt 4.5% 07/09/2034	261	0.12	884,164	Melrose Industries		1,687	0.78
					179,872	Smiths Group		2,568	1.19
	73,591	Johnson Matthey	2,162	1.01					
<b>Chemicals 1.01% (1.25%)</b>									
<b>Consumer Services 1.35% (1.63%)**</b>									
	196,743	Compass Group	2,914	1.35	982,227	Electrocomponents		10,795	5.02
					<b>Media 5.65% (5.83%)</b>				
					<b>Retailers 1.27% (1.13%)</b>				
					<b>Travel and Leisure 2.97% (3.73%)**</b>				
					<b>Food Producers 1.74% (1.95%)</b>				
					<b>Personal Care, Drug and Grocery Stores 6.74% (5.74%)**</b>				
					<b>Tobacco 3.35% (3.36%)</b>				
					<b>Oil, Gas and Coal 0.00% (1.63%)</b>				
					<b>Banks 0.90% (0.68%)</b>				
					<b>Closed End Investments 0.14% (0.00%)</b>				
					<b>Investment Banking and Brokerage Services 3.07% (2.97%)</b>				
					<b>Life Insurance 5.66% (6.81%)</b>				
					<b>Non-life Insurance 1.82% (1.50%)</b>				
					<b>Pharmaceuticals and Biotechnology 10.33% (9.44%)</b>				
					<b>Aerospace and Defence 1.59% (1.56%)</b>				
					<b>Electronic and Electrical Equipment 2.07% (1.72%)**</b>				
					<b>General Industrials 3.59% (3.99%)</b>				
					<b>Industrial Support Services 10.14% (9.93%)</b>				

## Threadneedle Monthly Extra Income Fund

### Portfolio Statement

(continued)

			Value	% of			Value	% of	
	Holding	Investment	£000	Net Asset Value		Holding	Investment	£000	Net Asset Value
<b>UNITED KINGDOM 85.12% (85.45%) (continued)</b>									
	1,875,251	Hays	3,092	1.44	GBP	375,000	Wells Fargo 2.5% 02/05/2029	399	0.19
	1,349,161	Rentokil Initial	7,914	3.68	GBP	375,000	Welltower 4.8% 20/11/2028	453	0.21
							<b>Total United States of America</b>	<b>7,283</b>	<b>3.39</b>
		<b>Industrial Transportation 0.90% (0.89%)</b>			<b>DERIVATIVES 0.01% (0.00%)</b>				
	482,289	Wincanton	1,929	0.90			<b>Forward Foreign Exchange Contracts 0.01% (0.00%)</b>		
		<b>Real Estate Investment Trusts 2.77% (1.59%)</b>					Sell GBP 1,676,870		
	1,570,061	Londonmetric Property REIT	4,057	1.89			Buy EUR 1,957,737 J.P. Morgan	10	–
	1,617,458	Supermarket Income REIT	1,900	0.88			Sell GBP 11,001		
		<b>Telecommunications Equipment 4.34% (3.64%)**</b>					Buy EUR 12,844 J.P. Morgan <sup>1</sup>	–	–
	3,147,638	Spirent Communications	9,336	4.34			Sell GBP 11,260		
		<b>Telecommunications Service Providers 1.40% (1.32%)**</b>					Buy EUR 13,146 J.P. Morgan <sup>1</sup>	–	–
	1,805,356	BT Group	3,001	1.40			Sell GBP 38,441		
		<b>Gas, Water and Multi-utilities 2.53% (2.85%)</b>					Buy EUR 44,741 J.P. Morgan <sup>1</sup>	–	–
	2,901,286	Centrica	1,514	0.70			Sell USD 1,811,367		
	177,439	Pennon Group	2,223	1.03			Buy GBP 1,329,566 Bank of Scotland	16	0.01
	163,439	United Utilities Group	1,728	0.80			Sell EUR 14,765		
		<b>Total United Kingdom</b>	<b>183,060</b>	<b>85.12</b>			Buy GBP 12,694 J.P. Morgan <sup>1</sup>	–	–
							Sell EUR 2,359,337		
							Buy GBP 2,024,117 Barclays	(8)	–
							Sell EUR 10,788		
							Buy GBP 9,276 J.P. Morgan <sup>1</sup>	–	–
							<b>Total Derivatives</b>	<b>18</b>	<b>0.01</b>
<b>UNITED STATES OF AMERICA 3.39% (3.65%)</b>							<b>Total value of investments</b>	<b>214,078</b>	<b>99.55</b>
		<b>Corporate Bonds 3.39% (3.65%)</b>					<b>Net other assets (0.31%)</b>	<b>971</b>	<b>0.45</b>
USD	180,000	AbbVie 4.25% 21/11/2049	156	0.07			<b>Net assets</b>	<b>215,049</b>	<b>100.00</b>
EUR	100,000	Ardagh Metal Packaging 2% 01/09/2028	87	0.04					
GBP	635,000	AT&T 4.25% 01/06/2043	813	0.38					
GBP	610,000	*Bank of America Variable 02/06/2029	617	0.29					
GBP	211,000	Digital Stout Holding 3.75% 17/10/2030	243	0.11					
GBP	325,000	Fidelity National Information Services 3.36% 21/05/2031	370	0.17					
GBP	25,000	Fidelity National Information Services 3.36% 21/05/2031 (Berlin Exchange)	28	0.01					
GBP	325,000	Fiserv 3% 01/07/2031	361	0.17					
GBP	212,000	Ford Motor Credit 4.535% 06/03/2025	228	0.11					
GBP	370,000	Goldman Sachs Group 1.5% 07/12/2027	371	0.17					
GBP	102,000	Goldman Sachs Group 1.875% 16/12/2030	103	0.05					
EUR	141,000	Iqvia 1.75% 15/03/2026	123	0.06					
GBP	227,000	*JPMorgan Chase & Company Variable 28/04/2033	232	0.11					
GBP	100,000	McDonald's 2.95% 15/03/2034	113	0.05					
GBP	100,000	Met Life Global Funding 0.625% 08/12/2027	97	0.04					
GBP	285,000	Metropolitan Life Global Funding 1.625% 21/09/2029	293	0.14					
EUR	230,000	Netflix 3.625% 15/06/2030	237	0.11					
GBP	230,000	New York Life Global Funding 1.25% 17/12/2026	234	0.11					
GBP	450,000	The Kraft Heinz 4.125% 01/07/2027	506	0.24					
GBP	125,000	Time Warner Cable 5.25% 15/07/2042	170	0.08					
GBP	100,000	Time Warner Cable 5.75% 02/06/2031	130	0.06					
GBP	175,000	Verizon Communications 1.875% 19/09/2030	178	0.08					
GBP	375,000	Verizon Communications 1.875% 03/11/2038	365	0.17					
GBP	150,000	Wells Fargo 2% 28/07/2025	155	0.07					
GBP	215,000	Wells Fargo 2.125% 24/09/2031	221	0.10					

March 2021 comparatives in brackets.

\*Variable rate bonds.

\*\*During the period there has been a change in sector names and as a consequence of this the comparative percentage figures at 7 March 2021 may have been amended.

<sup>1</sup>Less than £500, rounded to nil.

### ANALYSIS OF INVESTMENTS BY ASSET CLASS

	Value	% of
	£000	Net Asset Value
Fixed interest	35,187	16.44
Floating rate notes	7,397	3.46
Derivatives	18	0.01
Equity	171,476	80.10
<b>Total value of investments</b>	<b>214,078</b>	<b>100.00</b>

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021	2020
	£000	£000
Total purchases for the period	14,823	42,798
Total sales for the period	46,850	70,004

## Threadneedle Sterling Corporate Bond Fund

### Portfolio Statement

as at 7 September 2021

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 81.86% (86.92%)</b>					<b>A 3.06% (3.04%)</b>				
		<b>AAA 8.92% (7.67%)</b>							
GBP	5,000,000	BNG Bank 0.375% 15/12/2025	4,964	0.48	GBP	4,900,000	ABN AMRO Bank 1.375% 16/01/2025	4,994	0.48
GBP	14,800,000	European Investment Bank 0.75% 15/11/2024	14,966	1.43	GBP	5,900,000	Banque Fédérative du Crédit Mutuel 0.875% 07/12/2027	5,791	0.55
GBP	3,000,000	European Investment Bank 4.625% 12/10/2054	5,707	0.55	EUR	3,000,000	Motability Operations Group 0.125% 20/07/2028	2,578	0.25
GBP	26,600,000	International Bank for Reconstruction and Development 0.25% 23/09/2027	25,982	2.49	GBP	4,960,000	Motability Operations Group 1.5% 20/01/2041	4,701	0.45
GBP	12,000,000	KFW 0.125% 30/12/2026	11,720	1.12	GBP	1,071,000	Northern Powergrid 1.875% 16/06/2062	1,055	0.10
GBP	23,000,000	KFW 0.875% 15/09/2026	23,412	2.24	GBP	5,068,000	Paragon Treasury 2% 07/05/2036	5,209	0.50
GBP	3,100,000	KFW 1.375% 09/12/2024	3,195	0.31	GBP	6,958,000	UNITE USAF II 3.921% 30/06/2025	7,587	0.73
GBP	3,121,000	Wellcome Trust 1.5% 14/07/2071	3,144	0.30					
		<b>AA+ 0.51% (0.86%)</b>			GBP	2,404,000	Blend Funding 2.922% 05/04/2054	2,862	0.27
GBP	5,475,000	New York Life Global Fund 0.75% 14/12/2028	5,331	0.51					
		<b>Aa1 0.31% (0.28%)</b>			GBP	843,000	Catalyst Housing 3.125% 31/10/2047	1,033	0.10
GBP	2,369,000	University of Oxford 2.544% 08/12/2117 (London Listing)	3,195	0.31	GBP	3,025,000	Home Group 3.125% 27/03/2043	3,573	0.34
		<b>AA 0.93% (1.77%)</b>			USD	4,008,000	SGSP Australia Assets 3.25% 29/07/2026	3,150	0.30
GBP	2,675,000	Broadgate Finance 4.999% 05/10/2031	3,071	0.29	GBP	7,449,000	Yorkshire Water Finance 1.75% 26/11/2026	7,689	0.74
GBP	6,305,000	Land Securities Capital Markets 2.375% 29/03/2029	6,672	0.64					
		<b>AA- 0.44% (0.73%)</b>			GBP	832,000	Optivo Finance 2.857% 07/10/2035	942	0.09
GBP	4,745,000	Met Life Global Funding 0.625% 08/12/2027	4,611	0.44	GBP	2,265,000	Orbit Capital 2% 24/11/2038	2,289	0.22
		<b>Aa3 0.25% (0.00%)</b>							
GBP	2,458,000	University College London 1.625% 04/06/2061	2,593	0.25					
		<b>Aa3u 4.19% (4.65%)</b>							
GBP	19,840,000	United Kingdom Gilt 0.625% 31/07/2035	19,016	1.82	USD	3,613,000	AbbVie 4.25% 21/11/2049	3,131	0.30
GBP	2,400,000	United Kingdom Gilt 0.875% 31/01/2046	2,285	0.22	GBP	5,775,000	Anheuser-Busch InBev 2.85% 25/05/2037	6,400	0.61
GBP	12,579,000	United Kingdom Gilt 1.25% 22/10/2041	13,004	1.24	EUR	2,625,000	Anheuser-Busch InBev 3.7% 02/04/2040	3,079	0.29
GBP	2,870,000	United Kingdom Gilt 1.25% 31/07/2051	2,990	0.29	GBP	6,176,000	Aroundtown 3% 16/10/2029	6,650	0.64
GBP	5,591,348	United Kingdom Gilt 1.75% 22/01/2049	6,482	0.62	GBP	181,000	Aroundtown 3.25% 18/07/2027	197	0.02
		<b>A+ 3.87% (2.67%)</b>			GBP	2,817,000	Aroundtown 3.625% 10/04/2031	3,171	0.30
GBP	4,104,000	Aster Treasury 1.405% 27/01/2036	3,974	0.38	USD	3,179,000	Aroundtown 5.375% 21/03/2029	2,725	0.26
GBP	4,095,000	Broadgate Finance 5.098% 05/04/2033	4,327	0.41	GBP	8,611,000	BAT International Finance 2.25% 26/06/2028	8,689	0.83
GBP	4,305,000	Canary Wharf Finance II 6.8% 22/04/2030	2,807	0.27	GBP	4,850,000	BAT International Finance 4% 04/09/2026	5,377	0.51
GBP	4,974,000	Credit Suisse London 1.125% 15/12/2025	4,967	0.48	GBP	3,667,000	Bunzl Finance 1.5% 30/10/2030	3,621	0.35
GBP	1,472,000	Lloyds Bank 6.5% 17/09/2040	2,563	0.25	GBP	5,520,000	Cadent Finance 2.625% 22/09/2038	5,812	0.56
GBP	2,200,000	LVMH Moët Hennessy Vuitton 1.125% 11/02/2027	2,228	0.21	GBP	4,510,000	Cadent Finance 2.75% 22/09/2046	4,827	0.46
GBP	3,574,000	Nats En Route 1.375% 31/03/2031	3,604	0.34	GBP	2,225,000	Citigroup 1.75% 23/10/2026	2,283	0.22
GBP	1,424,000	RHP Finance 3.25% 05/02/2048	1,746	0.17	GBP	7,200,000	Co-operative Rabobank 4.625% 23/05/2029	8,595	0.82
GBP	2,530,000	Shell International Finance 1.75% 10/09/2052	2,254	0.22	GBP	1,200,000	Electricite de France 5.125% 22/09/2050	1,890	0.18
GBP	2,426,000	Stonewater Funding 1.625% 10/09/2036	2,393	0.23	GBP	5,700,000	Electricite de France 5.5% 17/10/2041	8,594	0.82
USD	5,800,000	Tencent Holdings 3.595% 19/01/2028	4,553	0.44	GBP	2,500,000	Electricite de France 6% 23/01/2114	4,630	0.44
EUR	5,683,000	UBS London 0.5% 31/03/2031	4,894	0.47	GBP	10,781,000	GE Capital UK Funding 5.875% 18/01/2033	14,947	1.43
					GBP	815,000	General Electric 5.375% 18/12/2040	1,181	0.11
					GBP	6,569,000	Goldman Sachs Group 1.5% 07/12/2027	6,590	0.63
					GBP	2,411,000	Goldman Sachs Group 1.875% 16/12/2030	2,435	0.23
					GBP	3,400,000	Heathrow Funding 2.75% 09/08/2049	3,439	0.33
					GBP	3,151,000	Heathrow Funding 2.75% 13/10/2029	3,297	0.32
					GBP	1,480,000	Heathrow Funding 4.625% 31/10/2046	1,983	0.19





## Threadneedle Sterling Corporate Bond Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value		Value £000	% of Investment
<b>FLOATING RATE NOTES 15.88% (12.70%) (continued)</b>				<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>		
GBP	2,158,000	*NatWest Group Variable 14/08/2030	2,304	0.22		
GBP	2,644,000	*NatWest Group Variable 28/11/2031	2,676	0.26		
EUR	3,417,000	*Tennet Holding Perpetual Variable	3,088	0.30	Fixed interest	855,349 83.82
EUR	3,500,000	*Tennet Holding Variable 2.995% 01/06/2167	3,185	0.30	Floating rate notes	165,802 16.25
USD	5,861,000	*UBS Group 7% 29/12/2049	4,898	0.47	Derivatives	(725) (0.07)
					<b>Total value of investments</b>	<b>1,020,426 100.00</b>
		<b>BB 1.16% (0.81%)</b>			<b>ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS</b>	
EUR	3,043,000	*AIB Group Variable 19/11/2029	2,693	0.26		<b>Value £000</b>
EUR	3,595,000	*AIB Group Variable 30/05/2031	3,321	0.32	UBS EURO -Bobl Future Expiring December 2021	(15,045)
EUR	2,764,000	*Bank of Ireland Variable 11/08/2031	2,381	0.23	UBS EURO -Bond Future Expiring December 2021	(36,368)
EUR	3,900,000	*Telefonica Europe Variable 14/03/2168	3,653	0.35	UBS EURO -Buxl 30 Year Bnd Future Expiring December 2021	(4,289)
		<b>B+ 0.16% (0.16%)</b>			UBS US Treasury Future Expiring December 2021	(13,026)
GBP	1,543,000	*NatWest Group 5.125% 12/11/2067	1,675	0.16	UBS US Treasury Future Expiring December 2021	(1,175)
		<b>Not Rated 0.00% (0.33%)</b>			UBS US Treasury Future Expiring December 2021	(15,376)
		<b>Total Floating Rate Notes</b>	<b>165,802</b>	<b>15.87</b>	UBS US Treasury Future Expiring December 2021	(993)
					UBS Long Gilt Future Expiring December 2021	(87,561)
					UBS US Treasury Future Expiring December 2021	(8,871)
					<b>Total net exposure</b>	<b>(182,704)</b>
<b>DERIVATIVES -0.07% (0.05%)</b>				<i>March 2021 comparatives in brackets.</i>		
		<b>Credit Default Swaps -0.13% (-0.09%)</b>			<b>Total Purchases and Sales</b>	
EUR	2,500,000	J.P. Morgan Glencore Finance Credit Default Swap Sell Protection 20/06/2026 Spread 500	402	0.04	<i>for the accounting period 8 March 2021 to 7 September 2021</i>	
EUR	16,500,000	Morgan Stanley Itraxx Crossover Credit Default Swap Index Sell Protection 20/06/2026 Spread 500	(1,743)	(0.17)		<b>2021 £000</b>
		<b>Futures and Options 0.11% (0.10%)</b>			Total purchases for the period	325,540
EUR	(129)	UBS EURO -Bobl Future Expiring December 2021	39	-	Total sales for the period	574,919
EUR	(246)	UBS EURO -Bond Future Expiring December 2021	186	0.02		<b>2020 £000</b>
EUR	(24)	UBS EURO -Buxl 30 Year Bnd Future Expiring December 2021	50	-		461,152
GBP	(683)	UBS Long Gilt Future Expiring December 2021	693	0.07		
USD	(99)	UBS US Treasury 0.5% Future Expiring December 2021	3	-		
USD	(144)	UBS US Treasury 1.625% Future Expiring December 2021	129	0.01		
USD	(135)	UBS US Treasury 2.875% Future Expiring December 2021	54	0.01		
USD	(7)	UBS US Treasury 3% Future Expiring December 2021	17	-		
USD	(10)	UBS US Treasury 5% Future Expiring December 2021	14	-		
		<b>Forward Foreign Exchange Contracts -0.05% (0.04%)</b>				
		Sell USD 66,518,673				
		Buy GBP 48,420,461 Lloyds	190	0.02		
		Sell EUR 93,365,078				
		Buy GBP 79,647,806 Barclays	(759)	(0.07)		
		<b>Total Derivatives</b>	<b>(725)</b>	<b>(0.07)</b>		
		<b>Total value of investments<sup>2</sup></b>	<b>1,020,426</b>	<b>97.66</b>		
		<b>Net other assets (0.33%)</b>	<b>24,453</b>	<b>2.34</b>		
		<b>Net assets</b>	<b>1,044,879</b>	<b>100.00</b>		

March 2021 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

\*Variable rate bonds.

## Threadneedle Sterling Bond Fund

### Portfolio Statement

as at 7 September 2021

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 97.41% (97.19%)</b>					<b>FLOATING RATE NOTES 2.10% (1.95%)</b>				
		<b>AAA 3.22% (2.49%)</b>					<b>AAA 0.63% (0.58%)</b>		
GBP	2,500,000	CPPIB Capital 1.125% 14/12/2029	2,534	0.48	GBP	3,255,000	*Export Development Canada FRN 29/05/2024	3,267	0.63
GBP	3,265,000	European Investment Bank 1% 21/09/2026	3,343	0.64			<b>Aaa 1.47% (1.37%)</b>		
GBP	3,740,000	International Bank for Reconstruction and Development 0.625% 14/07/2028	3,717	0.71	GBP	7,450,000	*European Investment Bank FRN 08/09/2025	7,707	1.47
GBP	5,675,000	KFW 1% 15/12/2022	5,732	1.09			<b>Total Floating Rate Notes</b>	<b>10,974</b>	<b>2.10</b>
GBP	1,575,000	Wellcome Trust 1.5% 14/07/2071	1,587	0.30			<b>Total value of investments<sup>2</sup></b>	<b>521,287</b>	<b>99.51</b>
		<b>Aaa 0.51% (0.47%)</b>					<b>Net other assets (0.86%)</b>	<b>2,576</b>	<b>0.49</b>
GBP	2,650,000	Royal Bank of Canada 1.125% 22/12/2021	2,657	0.51			<b>Net assets</b>	<b>523,863</b>	<b>100.00</b>
		<b>AA+ 1.30% (1.22%)</b>					<i>March 2021 comparatives in brackets.</i>		
GBP	2,190,000	Municipality Finance 1.25% 07/12/2022	2,213	0.42			<i>*Variable rate bonds.</i>		
GBP	1,235,000	Oesterreichische Kontrollbank 1.125% 15/12/2022	1,247	0.24			<i><sup>1</sup>Cash equivalents.</i>		
GBP	3,300,000	Oesterreichische Kontrollbank 1.25% 15/12/2023	3,360	0.64			<i><sup>2</sup>Includes Cash equivalents.</i>		
		<b>AA 0.61% (0.57%)</b>			<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>				
GBP	2,540,000	LCR Finance 4.5% 07/12/2028	3,201	0.61			<b>Value</b>	<b>% of</b>	
		<b>Aa3 0.29% (0.00%)</b>					<b>£000</b>	<b>Investment</b>	
GBP	1,440,000	University College London 1.625% 04/06/2061	1,519	0.29			510,313	97.89	
		<b>Aa3u 82.34% (31.64%)</b>					10,974	2.11	
GBP	10,297,000	United Kingdom Gilt 0.125% 31/01/2023	10,299	1.97			<b>Total value of investments<sup>2</sup></b>	<b>521,287</b>	<b>100.00</b>
GBP	39,732,000	United Kingdom Gilt 0.125% 31/01/2024	39,669	7.57			<b>Total Purchases and Sales</b>		
GBP	42,706,000	United Kingdom Gilt 0.125% 31/01/2028	41,811	7.98			<i>for the accounting period 8 March 2021 to 7 September 2021</i>		
GBP	26,570,000	United Kingdom Gilt 0.25% 31/07/2031	25,368	4.84			<b>2021</b>	<b>2020</b>	
GBP	17,602,000	United Kingdom Gilt 0.375% 22/10/2026	17,608	3.36			<b>£000</b>	<b>£000</b>	
GBP	2,897,000	United Kingdom Gilt 0.375% 22/10/2030	2,826	0.54			Total purchases for the period	439,951	484,938
GBP	30,630,000	United Kingdom Gilt 0.5% 22/07/2022	30,742	5.87			Total sales for the period	492,191	500,149
GBP	25,339,000	United Kingdom Gilt 0.5% 22/10/2061	21,324	4.07					
GBP	66,319,000	United Kingdom Gilt 0.625% 31/07/2035	63,565	12.13					
GBP	5,795,000	United Kingdom Gilt 0.625% 22/10/2050	5,149	0.98					
GBP	38,995,000	United Kingdom Gilt 0.875% 31/01/2046	37,133	7.09					
GBP	45,482,000	United Kingdom Gilt 1.25% 22/10/2041	47,018	8.97					
GBP	51,072,000	United Kingdom Gilt 1.25% 31/07/2051	53,214	10.16					
GBP	12,756,000	United Kingdom Gilt 1.625% 22/10/2054	14,760	2.82					
GBP	3,505,000	United Kingdom Gilt 1.625% 22/10/2071	4,536	0.87					
GBP	5,221,000	United Kingdom Gilt 1.75% 07/09/2022	5,308	1.01					
GBP	6,743,000	United Kingdom Gilt 1.75% 22/07/2057	8,206	1.57					
GBP	1,837,000	United Kingdom Gilt 2.5% 22/07/2065	2,838	0.54					
		<b>A+ 0.91% (0.85%)</b>							
GBP	2,280,000	Transport for London 2.125% 24/04/2025	2,386	0.46					
GBP	2,300,000	Transport for London 2.25% 09/08/2022	2,336	0.45					
		<b>Not Rated 7.53% (59.52%)</b>							
GBP	24,513,000	United Kingdom Gilt 0.25% 31/01/2025	24,511	4.68					
GBP	4,123,000	United Kingdom Gilt 0.5% 31/01/2029	4,100	0.78					
GBP	10,690,000	United Kingdom Gilt 1.125% 31/01/2039	10,823	2.07					
		<b>Liquidity Funds 0.70% (0.43%)<sup>1</sup></b>							
GBP	3,672,727	BlackRock Institutional Cash Series Sterling Liquidity Platinum	3,673	0.70					
		<b>Total Fixed Interest</b>	<b>510,313</b>	<b>97.41</b>					

## Threadneedle Sterling Short-Term Money Market Fund

### Portfolio Statement

as at 7 September 2021

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 89.65% (80.39%)</b>					<b>Total Purchases and Sales</b>				
<b>Government Bonds 7.23% (4.18%)</b>					<i>for the accounting period 8 March 2021 to 7 September 2021</i>				
GBP	9,200,000	United Kingdom Gilt 0% 13/09/2021	9,200	2.29				<b>2021</b>	<b>2020</b>
GBP	2,860,000	United Kingdom Gilt 0% 20/09/2021	2,860	0.71				<b>£000</b>	<b>£000</b>
GBP	6,000,000	United Kingdom Gilt 0% 27/09/2021	6,000	1.49	Total purchases for the period			620,489	490,887
GBP	7,000,000	United Kingdom Gilt 0% 04/10/2021	7,000	1.74	Total sales for the period			547,949	618,377
GBP	1,000,000	United Kingdom Gilt 0% 08/11/2021	1,000	0.25					
GBP	2,000,000	United Kingdom Gilt 0% 22/11/2021	2,000	0.50					
GBP	1,000,000	United Kingdom Gilt 0% 06/12/2021	1,000	0.25					
<b>Certificate of Deposit 63.84% (54.04%)</b>									
GBP	15,000,000	Bank of America 0.08% 19/01/2022	15,000	3.73					
GBP	7,000,000	Banque Federative du Credit Mutuel 0% 08/10/2021	7,000	1.74					
GBP	15,000,000	BNP Paribas 0.08% 14/10/2021	15,000	3.73					
GBP	18,000,000	BNP Paribas 0.08% 19/10/2021	18,000	4.47					
GBP	16,800,000	Citibank 0.04% 10/09/2021	16,800	4.18					
GBP	25,000,000	Credit Agricole 0.07% 22/11/2021	25,000	6.21					
GBP	15,000,000	DNB Bank 0.07% 20/10/2021	15,000	3.73					
GBP	15,000,000	Handelsbanken 0.06% 26/11/2021	15,000	3.73					
GBP	11,000,000	Landesbank Baden-Württemberg 0.065% 16/09/2021	11,000	2.73					
GBP	7,000,000	Landesbank Baden-Württemberg 0.07% 23/09/2021	7,000	1.74					
GBP	15,000,000	National Australia Bank 0.05% 07/12/2021	15,000	3.73					
GBP	18,000,000	Nordea Bank 0.04% 05/11/2021	18,000	4.47					
GBP	10,000,000	Oversea-Chinese Bank 0.08% 12/10/2021	10,000	2.49					
GBP	5,000,000	Oversea-Chinese Banking 0% 16/02/2022	5,000	1.24					
GBP	15,000,000	Qatar National Bank 0% 09/11/2021	15,000	3.73					
GBP	17,000,000	Royal Bank of Canada 0.07% 19/11/2021	17,000	4.23					
GBP	15,000,000	Skandinaviska Enskilda 0.03% 29/11/2021	15,000	3.73					
GBP	2,000,000	Skandinaviska Enskilda 0.05% 24/12/2021	2,000	0.50					
GBP	15,000,000	Toronto-Dominion Bank 0.04% 19/11/2021	15,000	3.73					
<b>Euro commercial paper 11.19% (18.95%)</b>									
GBP	8,000,000	Agence Centrale des Organismes de Securite Sociale 0% 17/11/2021	7,999	1.99					
GBP	14,500,000	Agence Centrale des Organismes de Securite Sociale 0% 19/11/2021	14,498	3.60					
GBP	10,000,000	Banque Federative du Credit Mutuel 0% 22/11/2021	9,999	2.49					
GBP	12,500,000	KFW 0% 01/10/2021	12,499	3.11					
<b>Liquidity Funds 7.39% (3.22%)<sup>1</sup></b>									
GBP	17,061,384	BlackRock Institutional Cash Series Sterling Liquidity Platinum	17,061	4.24					
GBP	12,666,628	Insight Liquidity Funds - ILF GBP Liquidity Class 3	12,667	3.15					
<b>Total Fixed Interest</b>			<b>360,583</b>	<b>89.65</b>					
<b>Total value of investments<sup>2</sup></b>			<b>360,583</b>	<b>89.65</b>					
<b>Net other assets (19.61%)</b>			<b>41,633</b>	<b>10.35</b>					
<b>Net assets</b>			<b>402,216</b>	<b>100.00</b>					

March 2021 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

## Threadneedle European Fund

### Portfolio Statement

as at 7 September 2021

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>BELGIUM 2.42% (2.12%)</b>									
		<b>Banks 2.42% (2.12%)</b>							
	352,545	KBC Groep	21,928	2.42		20,653	Kering	12,538	1.38
		<b>Total Belgium</b>	<b>21,928</b>	<b>2.42</b>					
<b>DENMARK 5.45% (5.89%)</b>									
		<b>Industrial Transportation 1.10% (2.20%)</b>							
	51,475	DSV Panalpina	9,917	1.10					
		<b>Non-life Insurance 1.92% (1.76%)</b>							
	978,695	Tryg	17,411	1.92					
		<b>Pharmaceuticals and Biotechnology 2.43% (1.93%)</b>							
	299,423	Novo Nordisk	22,053	2.43		130,811	Dassault Systems	5,539	0.61
		<b>Total Denmark</b>	<b>49,381</b>	<b>5.45</b>			<b>Total France</b>	<b>290,641</b>	<b>32.05</b>
<b>FINLAND 2.05% (2.36%)</b>									
		<b>Industrial Materials 2.05% (2.36%)</b>							
	618,295	UPM	18,627	2.05					
		<b>Total Finland</b>	<b>18,627</b>	<b>2.05</b>					
<b>FRANCE 32.05% (22.40%)</b>									
		<b>Aerospace and Defence 2.03% (0.00%)</b>							
	206,168	Safran	18,394	2.03					
		<b>Banks 2.86% (2.44%)</b>							
	555,069	BNP Paribas	25,922	2.86					
		<b>Chemicals 2.84% (2.26%)</b>							
	198,738	Air Liquide	25,790	2.84					
		<b>Construction and Materials 2.30% (0.62%)</b>							
	266,588	Vinci	20,869	2.30					
		<b>Electronic and Electrical Equipment 2.23% (2.71%)</b>							
	152,877	Schneider Electric	20,250	2.23					
		<b>Health Care Providers 0.00% (0.51%)</b>							
		<b>Industrial Support Services 6.31% (4.52%)</b>							
	356,068	Edenred	14,513	1.60					
	74,395	Teleperformance	24,366	2.69					
	293,286	Worldline	18,298	2.02					
		<b>Investment Banking and Brokerage Services 1.36% (1.79%)</b>							
	179,268	Amundi	12,348	1.36					
		<b>Leisure Goods 0.00% (0.67%)</b>							
		<b>Media 0.95% (0.00%)</b>							
	177,980	Publicis Groupe	8,643	0.95					
		<b>Non-life Insurance 2.51% (2.75%)</b>							
	1,117,536	AXA	22,780	2.51					
		<b>Oil, Gas and Coal 2.97% (0.00%)</b>							
	831,351	Totalenergies	26,900	2.97					
		<b>Personal Goods 3.70% (3.63%)</b>							
	40,418	L'Oreal	13,734	1.52					
	34,974	LVMH Moet Hennessy Vuitton	19,757	2.18					
<b>GERMANY 13.48% (20.79%)</b>									
		<b>Retailers 1.38% (0.00%)</b>							
		<b>Software and Computer Services 0.61% (0.50%)</b>							
		<b>Automobiles and Parts 3.23% (2.85%)</b>							
		<b>Chemicals 2.29% (2.12%)</b>							
		<b>Industrial Transportation 0.00% (1.34%)</b>							
		<b>Investment Banking and Brokerage Services 1.80% (2.95%)</b>							
		<b>Non-life Insurance 2.02% (2.49%)</b>							
		<b>Personal Goods 1.99% (3.81%)</b>							
		<b>Retailers 0.00% (0.90%)</b>							
		<b>Technology Hardware and Equipment 0.63% (3.19%)</b>							
		<b>Telecommunications Service Providers 1.52% (1.14%)</b>							
		<b>Total Germany</b>	<b>122,263</b>	<b>13.48</b>					
<b>ITALY 6.67% (5.39%)</b>									
		<b>Banks 2.54% (1.43%)</b>							
		<b>Electricity 1.62% (1.26%)</b>							
		<b>Industrial Support Services 1.61% (1.51%)</b>							
		<b>Personal Goods 0.90% (1.19%)</b>							
		<b>Total Italy</b>	<b>60,510</b>	<b>6.67</b>					
<b>LUXEMBOURG 0.69% (1.00%)</b>									
		<b>Medical Equipment and Services 0.69% (1.00%)</b>							
		<b>Total Luxembourg</b>	<b>6,272</b>	<b>0.69</b>					
<b>NETHERLANDS 13.60% (17.32%)</b>									
		<b>Aerospace and Defence 0.98% (0.00%)</b>							
		<b>Banks 3.41% (3.30%)</b>							
		<b>Total Netherlands</b>	<b>30,888</b>	<b>3.41</b>					

## Threadneedle European Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>NETHERLANDS 13.60% (17.32%) (continued)</b>				<b>General Industrials 0.57% (0.90%)</b>			
	<b>Chemicals 3.37% (3.06%)*</b>			230,836	SIG Combibloc Group	5,176	0.57
227,003	Akzo Nobel	19,652	2.17		<b>Investment Banking and Brokerage Services 1.88% (1.03%)</b>		
74,938	IMCD Group	10,885	1.20	4,037	Partners Group Holdings	5,253	0.58
	<b>Food Producers 0.50% (0.46%)*</b>			970,197	UBS Group	11,832	1.30
29,453	Koninklijke DSM	4,529	0.50		<b>Pharmaceuticals and Biotechnology 1.97% (1.99%)</b>		
	<b>Industrial Support Services 0.00% (0.96%)</b>			124,037	Novartis	8,164	0.90
	<b>Investment Banking and Brokerage Services 0.00% (0.32%)</b>			33,415	Roche	9,675	1.07
	<b>Media 0.83% (0.85%)</b>				<b>Total Switzerland</b>	<b>77,872</b>	<b>8.59</b>
89,419	Wolters Kluwer	7,483	0.83	<b>DERIVATIVES -0.15% (0.06%)</b>			
	<b>Medical Equipment and Services 0.73% (0.95%)</b>			<b>Forward Foreign Exchange Contracts -0.15% (0.06%)</b>			
188,671	Koninklijke Philips	6,655	0.73		Sell GBP 9,215,866		
	<b>Software and Computer Services 0.00% (0.93%)</b>				Buy EUR 10,724,978 J.P. Morgan	23	-
	<b>Technology Hardware and Equipment 3.78% (6.49%)</b>				Sell GBP 420,942		
54,421	ASML	34,318	3.78		Buy EUR 490,000 Barclays	1	-
	<b>Total Netherlands</b>	<b>123,304</b>	<b>13.60</b>		Sell EUR 275,445		
					Buy GBP 235,924 J.P. Morgan	(1)	-
					Sell EUR 284,872,208		
					Buy GBP 244,003,017 J.P. Morgan	(1,380)	(0.15)
					<b>Total Derivatives</b>	<b>(1,357)</b>	<b>(0.15)</b>
<b>NORWAY 2.21% (2.43%)</b>				<b>Total value of investments<sup>2</sup></b>			
	<b>Banks 2.21% (2.43%)</b>					<b>899,886</b>	<b>99.24</b>
1,258,150	DNB Bank	20,007	2.21	<b>Net other assets (0.33%)</b>			
	<b>Total Norway</b>	<b>20,007</b>	<b>2.21</b>			<b>6,855</b>	<b>0.76</b>
				<b>Net assets</b>			
						<b>906,741</b>	<b>100.00</b>
<b>REPUBLIC OF IRELAND 7.65% (6.96%)</b>				<i>March 2021 comparatives in brackets.</i>			
	<b>Chemicals 2.00% (1.83%)</b>			<i><sup>1</sup>Cash equivalents.</i>			
78,566	Linde (Germany listing)	18,159	2.00	<i><sup>2</sup>Includes Cash equivalents.</i>			
	<b>Construction and Materials 3.98% (3.82%)</b>			<i>*The comparative percentage figures at 7 March 2021 have been amended due to change in sector names.</i>			
604,411	CRH (Dublin Listing)	22,976	2.54	<b>Total Purchases and Sales</b>			
160,431	Kingspan Group	13,056	1.44	<i>for the accounting period 8 March 2021 to 7 September 2021</i>			
	<b>Travel and Leisure 0.95% (0.97%)</b>					<b>2021</b>	<b>2020</b>
616,879	Ryanair Holdings (Dublin Listing)	8,634	0.95			<b>£000</b>	<b>£000</b>
	<b>Liquidity Funds 0.72% (0.34%)<sup>1</sup></b>						
6,516,341	BlackRock Institutional Cash Series Sterling Liquidity Platinum	6,516	0.72			Total purchases for the period	334,191
	<b>Total Republic of Ireland</b>	<b>69,341</b>	<b>7.65</b>			Total sales for the period	435,906
							667,629
<b>SPAIN 1.61% (0.00%)</b>							
	<b>Retailers 1.61% (0.00%)</b>						
571,342	Inditex	14,630	1.61				
	<b>Total Spain</b>	<b>14,630</b>	<b>1.61</b>				
<b>SWEDEN 2.92% (5.27%)</b>							
	<b>Industrial Engineering 2.92% (5.27%)</b>						
175,950	Atlas Copco 'A' Shares	8,823	0.97				
928,452	Sandvik	17,644	1.95				
	<b>Total Sweden</b>	<b>26,467</b>	<b>2.92</b>				
<b>SWITZERLAND 8.59% (7.68%)</b>							
	<b>Construction and Materials 3.22% (2.83%)</b>						
111,494	Sika	29,168	3.22				
	<b>Food Producers 0.95% (0.93%)</b>						
93,961	Nestle	8,604	0.95				

## Threadneedle European Select Fund

### Portfolio Statement

as at 7 September 2021

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>DENMARK 9.09% (7.34%)</b>				<b>Beverages 2.30% (2.46%)</b>			
223,356	Industrial Transportation 2.16% (2.07%) DSV Panalpina	43,033	2.16	4,478,778	Davide Campari-Milano	45,928	2.30
3,905,741	Non-life Insurance 3.48% (2.26%) Tryg	69,484	3.48	1,451,170	Industrial Support Services 1.14% (1.13%) Nexi	22,671	1.14
936,166	Pharmaceuticals and Biotechnology 3.45% (3.01%) Novo Nordisk	68,949	3.45	<b>Total Italy</b>			
<b>Total Denmark</b>				<b>91,517 4.59</b>			
<b>181,466 9.09</b>				<b>NETHERLANDS 17.81% (17.50%)</b>			
<b>FINLAND 0.00% (0.76%)</b>				<b>Chemicals 4.29% (3.57%)*</b>			
<b>Industrial Engineering 0.00% (0.76%)</b>				437,929	Akzo Nobel	37,913	1.90
<b>Total Finland</b>				328,421	IMCD Group	47,703	2.39
<b>– –</b>				<b>Food Producers 2.51% (2.03%)*</b>			
<b>FRANCE 21.74% (25.21%)</b>				325,651	Koninklijke DSM	50,077	2.51
<b>Beverages 3.50% (3.59%)</b>				<b>Industrial Support Services 1.24% (0.73%)</b>			
439,337	Pernod Ricard	69,923	3.50	10,694	Adyen	24,750	1.24
131,749	Chemicals 0.86% (1.33%) Air Liquide	17,097	0.86	<b>Medical Equipment and Services 1.75% (3.83%)</b>			
240,988	Electronic and Electrical Equipment 4.10% (3.42%) Legrand	20,280	1.02	991,741	Koninklijke Philips	34,980	1.75
464,510	Schneider Electric	61,527	3.08	<b>Software and Computer Services 1.00% (1.07%)</b>			
<b>Industrial Support Services 4.12% (6.85%)</b>				279,805	Just Eat Takeaway.com	19,842	1.00
1,316,613	Worldline	82,141	4.12	<b>Technology Hardware and Equipment 7.02% (6.27%)</b>			
<b>Leisure Goods 0.00% (0.83%)</b>				180,862	ASML	114,051	5.72
<b>Personal Goods 7.39% (7.29%)</b>				793,473	STMicroelectronics	26,039	1.30
163,556	L'Oréal	55,575	2.78	<b>Total Netherlands</b>			
162,968	LVMH Moët Hennessy Vuitton	92,061	4.61	<b>355,355 17.81</b>			
<b>Software and Computer Services 1.77% (1.90%)</b>				<b>REPUBLIC OF IRELAND 0.75% (0.73%)</b>			
834,071	Dassault Systems	35,318	1.77	<b>Liquidity Funds 0.75% (0.73%)*</b>			
<b>Total France</b>				175,275	BlackRock Institutional Cash Series	14,881	0.75
<b>433,922 21.74</b>				<b>Euro Liquidity Platinum</b>			
<b>GERMANY 16.07% (17.45%)</b>				<b>Total Republic of Ireland</b>			
<b>Chemicals 4.77% (5.06%)</b>				<b>14,881 0.75</b>			
1,293,155	Brenntag	95,241	4.77	<b>SPAIN 5.77% (5.60%)</b>			
<b>Industrial Transportation 0.00% (2.50%)</b>				<b>Retailers 4.77% (4.23%)</b>			
<b>Medical Equipment and Services 4.00% (2.36%)</b>				3,721,243	Inditex	95,287	4.77
1,564,448	Siemens Healthineers	79,877	4.00	<b>Software and Computer Services 1.00% (1.37%)</b>			
<b>Personal Goods 0.00% (2.38%)</b>				445,588	Amadeus IT Group	19,942	1.00
<b>Retailers 3.38% (1.53%)</b>				<b>Total Spain</b>			
812,273	Zalando	67,321	3.38	<b>115,229 5.77</b>			
<b>Software and Computer Services 3.92% (3.62%)</b>				<b>SWEDEN 6.30% (5.98%)</b>			
712,341	SAP	78,175	3.92	<b>Industrial Engineering 4.68% (5.98%)</b>			
<b>Total Germany</b>				943,896	Atlas Copco 'A' Shares	47,332	2.37
<b>320,614 16.07</b>				1,058,547	Epiroc A	17,442	0.87
<b>ITALY 4.59% (3.59%)</b>				1,512,529	Sandvik	28,744	1.44
<b>Banks 1.15% (0.00%)</b>				<b>Software and Computer Services 1.62% (0.00%)</b>			
1,714,521	FincoBank	22,918	1.15	1,902,219	Sinch	32,296	1.62
<b>NETHERLANDS 17.81% (17.50%)</b>				<b>Total Sweden</b>			
<b>Chemicals 4.29% (3.57%)*</b>				<b>125,814 6.30</b>			
<b>Food Producers 2.51% (2.03%)*</b>				<b>SWITZERLAND 16.36% (15.76%)</b>			
<b>Industrial Support Services 1.24% (0.73%)</b>				<b>Construction and Materials 2.66% (2.46%)</b>			
<b>Medical Equipment and Services 1.75% (3.83%)</b>				202,934	Sika	53,090	2.66
<b>Software and Computer Services 1.00% (1.07%)</b>				<b>Electronic and Electrical Equipment 1.86% (1.25%)*</b>			
<b>Technology Hardware and Equipment 7.02% (6.27%)</b>				114,464	VAT Group	37,202	1.86
<b>Total Netherlands</b>				<b>37,202 1.86</b>			
<b>355,355 17.81</b>				<b>REPUBLIC OF IRELAND 0.75% (0.73%)</b>			
<b>Liquidity Funds 0.75% (0.73%)*</b>				<b>Liquidity Funds 0.75% (0.73%)*</b>			
<b>Euro Liquidity Platinum</b>				<b>BlackRock Institutional Cash Series</b>			
<b>Total Republic of Ireland</b>				<b>Euro Liquidity Platinum</b>			
<b>14,881 0.75</b>				<b>Total Republic of Ireland</b>			
<b>14,881 0.75</b>				<b>14,881 0.75</b>			
<b>SPAIN 5.77% (5.60%)</b>				<b>SPAIN 5.77% (5.60%)</b>			
<b>Retailers 4.77% (4.23%)</b>				<b>Retailers 4.77% (4.23%)</b>			
<b>Inditex</b>				<b>Inditex</b>			
<b>95,287 4.77</b>				<b>95,287 4.77</b>			
<b>Software and Computer Services 1.00% (1.37%)</b>				<b>Software and Computer Services 1.00% (1.37%)</b>			
<b>Amadeus IT Group</b>				<b>Amadeus IT Group</b>			
<b>19,942 1.00</b>				<b>19,942 1.00</b>			
<b>Total Spain</b>				<b>Total Spain</b>			
<b>115,229 5.77</b>				<b>115,229 5.77</b>			
<b>SWEDEN 6.30% (5.98%)</b>				<b>SWEDEN 6.30% (5.98%)</b>			
<b>Industrial Engineering 4.68% (5.98%)</b>				<b>Industrial Engineering 4.68% (5.98%)</b>			
<b>Atlas Copco 'A' Shares</b>				<b>Atlas Copco 'A' Shares</b>			
<b>47,332 2.37</b>				<b>47,332 2.37</b>			
<b>Epiroc A</b>				<b>Epiroc A</b>			
<b>17,442 0.87</b>				<b>17,442 0.87</b>			
<b>Sandvik</b>				<b>Sandvik</b>			
<b>28,744 1.44</b>				<b>28,744 1.44</b>			
<b>Software and Computer Services 1.62% (0.00%)</b>				<b>Software and Computer Services 1.62% (0.00%)</b>			
<b>Sinch</b>				<b>Sinch</b>			
<b>32,296 1.62</b>				<b>32,296 1.62</b>			
<b>Total Sweden</b>				<b>Total Sweden</b>			
<b>125,814 6.30</b>				<b>125,814 6.30</b>			
<b>SWITZERLAND 16.36% (15.76%)</b>				<b>SWITZERLAND 16.36% (15.76%)</b>			
<b>Construction and Materials 2.66% (2.46%)</b>				<b>Construction and Materials 2.66% (2.46%)</b>			
<b>Sika</b>				<b>Sika</b>			
<b>53,090 2.66</b>				<b>53,090 2.66</b>			
<b>Electronic and Electrical Equipment 1.86% (1.25%)*</b>				<b>Electronic and Electrical Equipment 1.86% (1.25%)*</b>			
<b>VAT Group</b>				<b>VAT Group</b>			
<b>37,202 1.86</b>				<b>37,202 1.86</b>			

## Threadneedle European Select Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>SWITZERLAND 16.36% (15.76%) (continued)</b>			
<b>Food Producers 4.51% (4.37%)</b>			
983,926	Nestle	90,096	4.51
<b>Industrial Engineering 1.80% (1.89%)*</b>			
152,765	Schindler Holding	35,868	1.80
<b>Pharmaceuticals and Biotechnology 5.53% (5.79%)</b>			
96,820	Lonza	59,478	2.98
175,445	Roche	50,799	2.55
<b>Total Switzerland</b>		<b>326,533</b>	<b>16.36</b>
<b>UNITED KINGDOM 1.43% (0.00%)</b>			
<b>Finance and Credit Services 1.43% (0.00%)</b>			
1,929,325	Allfunds Group	28,539	1.43
<b>Total United Kingdom</b>		<b>28,539</b>	<b>1.43</b>
<b>DERIVATIVES 0.00% (0.00%)</b>			
<b>Forward Foreign Exchange Contracts 0.00% (0.00%)</b>			
	Sell USD 19,469		
	Buy EUR 16,444 J.P. Morgan <sup>2</sup>	–	–
	Sell EUR 264,000		
	Buy GBP 226,788 Barclays <sup>2</sup>	–	–
	Sell EUR 441,000		
	Buy GBP 378,924 Barclays	(1)	–
	Sell EUR 5,300,030		
	Buy USD 6,229,179 J.P. Morgan	(49)	–
<b>Total Derivatives</b>		<b>(50)</b>	<b>–</b>
<b>Total value of investments<sup>3</sup></b>		<b>1,993,820</b>	<b>99.91</b>
<b>Net other assets (0.08)%</b>		<b>1,801</b>	<b>0.09</b>
<b>Net assets</b>		<b>1,995,621</b>	<b>100.00</b>

March 2021 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

\*The comparative percentage figures at 7 March 2021 have been amended due to change in sector names.

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	400,661	467,369
Total sales for the period	502,855	512,973

## Threadneedle European Smaller Companies Fund

### Portfolio Statement

as at 7 September 2021

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>AUSTRIA 0.15% (0.39%)</b>				<b>FRANCE 11.70% (12.88%)</b>			
	<b>Travel &amp; Leisure 0.15% (0.39%)</b>			90,193	Edenred	3,676	0.66
14,698	Do & Co	854	0.15	469,910	Elis	6,182	1.11
	<b>Total Austria</b>	<b>854</b>	<b>0.15</b>	15,720	Teleperformance	5,149	0.93
<b>BELGIUM 3.51% (4.08%)</b>				31,184	Worldline	1,946	0.35
	<b>Chemicals 1.28% (1.38%)*</b>			<b>Leisure Goods 0.47% (0.67%)</b>			
151,394	Umicore	7,099	1.28	54,818	Ubisoft Entertainment	2,638	0.47
	<b>Technology Hardware &amp; Equipment 2.23% (2.70%)*</b>			<b>Real Estate Investment &amp; Services 0.66% (0.73%)</b>			
144,090	Melexis	12,400	2.23	96,929	Nexity	3,640	0.66
	<b>Total Belgium</b>	<b>19,499</b>	<b>3.51</b>	<b>Total France</b>			
<b>DENMARK 3.98% (3.26%)</b>						<b>64,930</b>	<b>11.70</b>
	<b>Industrial Transportation 0.00% (0.00%)</b>			<b>GERMANY 21.65% (22.30%)</b>			
88,321	OW Bunker (Delisted)	–	–	<b>Chemicals 2.21% (2.23%)</b>			
	<b>Nonlife Insurance 1.85% (1.15%)</b>			166,727	Brenntag	12,279	2.21
575,874	Tryg	10,245	1.85	<b>Electronic &amp; Electrical Equipment 0.40% (0.52%)</b>			
	<b>Software &amp; Computer Services 2.13% (2.11%)</b>			19,311	Varta	2,211	0.40
117,770	SimCorp	11,822	2.13	<b>Finance &amp; Credit Services 0.00% (0.34%)*</b>			
	<b>Total Denmark</b>	<b>22,067</b>	<b>3.98</b>	<b>Health Care Providers 2.13% (1.89%)*</b>			
<b>FINLAND 5.01% (6.08%)</b>				166,753	CompuGroup Medical	11,845	2.13
	<b>Electronic &amp; Electrical Equipment 0.92% (0.82%)</b>			<b>Industrial Engineering 0.87% (1.02%)*</b>			
134,908	Vaisala	5,099	0.92	132,622	Norma Group	4,826	0.87
	<b>General Industrials 1.65% (3.35%)*</b>			<b>Industrial Transportation 1.35% (1.68%)*</b>			
233,304	Huhtamaki	9,132	1.65	85,405	Knorr-Bremse	7,497	1.35
	<b>Industrial Transportation 1.31% (1.32%)</b>			<b>Investment Banking &amp; Brokerage Services 1.17% (1.06%)*</b>			
73,012	Cargotec	3,282	0.59	12,657	Hypoport	6,511	1.17
110,997	Konecranes	4,019	0.72	<b>Media 2.04% (2.51%)</b>			
	<b>Medical Equipment &amp; Services 0.62% (0.59%)</b>			231,969	CTS Eventim	11,297	2.04
62,552	Revenio Group	3,433	0.62	<b>Medical Equipment &amp; Services 6.24% (5.67%)*</b>			
	<b>Retailers 0.51% (0.00%)</b>			34,116	Carl Zeiss Meditec	5,759	1.04
98,910	Musti Group	2,805	0.51	87,006	Gerresheimer	6,933	1.25
	<b>Total Finland</b>	<b>27,770</b>	<b>5.01</b>	24,446	Sartorius	12,317	2.22
<b>FRANCE 11.70% (12.88%)</b>				78,907	Stratec	9,607	1.73
	<b>Beverages 1.12% (1.24%)</b>			<b>Personal Goods 1.17% (1.17%)</b>			
42,394	Remy Cointreau	6,198	1.12	71,743	Puma	6,501	1.17
	<b>Electronic &amp; Electrical Equipment 0.21% (0.21%)</b>			<b>Pharmaceuticals &amp; Biotechnology 0.66% (0.55%)</b>			
8,230	Somfy	1,178	0.21	52,742	Dermapharm Holding	3,676	0.66
	<b>General Industrials 1.17% (1.22%)</b>			<b>Retailers 0.00% (0.08%)</b>			
247,241	Verallia	6,480	1.17	<b>Software &amp; Computer Services 3.41% (3.58%)*</b>			
	<b>Health Care Providers 2.33% (2.55%)</b>			127,404	CANCOM	6,255	1.13
150,083	Korian	4,145	0.75	116,436	Nemetschek	8,660	1.56
93,373	Orpea	8,747	1.58	156,026	TeamViewer	3,983	0.72
	<b>Household Goods &amp; Home Construction 0.70% (0.84%)</b>			<b>Total Germany</b>			
32,645	SEB Group	3,893	0.70			<b>120,157</b>	<b>21.65</b>
	<b>Industrial Support Services 5.04% (5.42%)</b>			<b>ICELAND 1.21% (1.28%)</b>			
452,546	Bureau Veritas	11,058	1.99	<b>Industrial Engineering 1.21% (1.28%)</b>			
				1,215,884	Marel	6,721	1.21
				<b>Total Iceland</b>			
						<b>6,721</b>	<b>1.21</b>

## Threadneedle European Smaller Companies Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>ITALY 9.77% (10.91%)</b>				<b>Liquidity Funds 1.24% (0.59%)<sup>1</sup></b>			
836,495	Banks 2.01% (2.54%) FinecoBank	11,181	2.01	81,067	BlackRock Institutional Cash Series Euro Liquidity Platinum	6,882	1.24
703,955	Beverages 1.30% (1.39%) Davide Campari-Milano	7,219	1.30	<b>Total Republic of Ireland 26,839 4.84</b>			
379,517	General Industrials 0.96% (1.05%) GVS	5,339	0.96	<b>SPAIN 3.23% (2.84%)</b>			
502,292	Industrial Support Services 1.41% (1.34%) Nexi	7,847	1.41	459,783	Construction & Materials 2.66% (2.10%) Fluidra	14,746	2.66
56,446	Medical Equipment & Services 1.79% (1.70%) DiaSorin	9,914	1.79	444,539	Industrial Support Services 0.57% (0.74%) Applus Services	3,196	0.57
345,152	Personal Care, Drug & Grocery Stores 1.08% (1.21%) MARR	5,979	1.08	<b>Total Spain 17,942 3.23</b>			
790,906	Telecommunications Service Providers 1.22% (1.68%) Infrastrutture Wireless Italiane	6,744	1.22	<b>SWEDEN 6.91% (6.61%)</b>			
<b>Total Italy 54,223 9.77</b>				442,481	Banks 2.38% (2.66%)* Avanza Bank Holding	13,183	2.38
<b>LUXEMBOURG 3.81% (3.94%)</b>				243,552	Investment Banking & Brokerage Services 0.62% (0.68%)* Nordnet	3,418	0.62
76,337	Industrial Engineering 0.79% (0.87%) Stabilus	4,368	0.79	11,984	Leisure Goods 1.76% (1.62%) Mips	973	0.17
130,797	Medical Equipment & Services 2.50% (2.29%) Eurofins Scientific	13,881	2.50	328,420	Stillfront Group	1,776	0.32
308,552	Retailers 0.52% (0.49%) Global Fashion Group	2,872	0.52	174,703	Thule Group	7,061	1.27
<b>Software &amp; Computer Services 0.00% (0.29%)</b>				692,865	Medical Equipment & Services 1.16% (1.39%) Elekta 'B' Shares	6,463	1.16
<b>Total Luxembourg 21,121 3.81</b>				240,260	Software & Computer Services 0.99% (0.26%) Cint Group	2,342	0.42
<b>NETHERLANDS 7.41% (7.04%)</b>				74,176	Fortnox	3,150	0.57
109,870	Chemicals 2.88% (2.53%) IMCD Group	15,959	2.88	<b>Total Sweden 38,366 6.91</b>			
22,766	Personal Care, Drug & Grocery Stores 0.53% (0.76%) Shop Apotheke Europe	2,972	0.53	<b>SWITZERLAND 15.19% (13.60%)</b>			
80,966	Software & Computer Services 1.03% (1.43%) Just Eat Takeaway.com	5,741	1.03	35,260	Construction & Materials 4.49% (3.99%) Belimo Holding	13,975	2.52
54,698	Technology Hardware & Equipment 2.97% (2.32%) ASM International	16,460	2.97	41,862	Sika	10,952	1.97
<b>Total Netherlands 41,132 7.41</b>				5,068	Electronic & Electrical Equipment 5.31% (4.54%)* INFICON Holding	4,777	0.86
<b>REPUBLIC OF IRELAND 4.84% (4.46%)</b>				4,336	LEM Holding	8,257	1.49
132,599	Construction & Materials 1.95% (1.79%) Kingspan Group	10,791	1.95	50,543	VAT Group	16,427	2.96
1,601,086	Industrial Transportation 1.16% (1.38%)* Irish Continental Group	6,452	1.16	671,573	General Industrials 2.71% (2.44%) SIG Combibloc Group	15,059	2.71
889,274	Travel & Leisure 0.49% (0.70%)* Dalata Hotel Group	2,714	0.49	17,887	Industrial Engineering 0.91% (1.01%)* Burckhardt Compression	5,039	0.91
<b>UNITED KINGDOM 1.12% (0.00%)</b>				13,941	Medical Equipment & Services 1.18% (0.80%) Tecan Group	6,543	1.18
<b>Finance &amp; Credit Services 1.12% (0.00%)</b>				10,898	Personal Care, Drug & Grocery Stores 0.59% (0.82%) Zur Rose Group	3,256	0.59
<b>Allfunds Group 6,211 1.12</b>				<b>Total Switzerland 84,285 15.19</b>			
<b>Total United Kingdom 6,211 1.12</b>							

## Threadneedle European Smaller Companies Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>DERIVATIVES 0.00% (0.00%)</b>			
	Forward Foreign Exchange Contracts	0.00%	0.00%
	Sell EUR 236,000		
	Buy GBP 202,780 Barclays <sup>2</sup>	–	–
	<b>Total Derivatives</b>	<b>–</b>	<b>–</b>
<b>Total value of investments<sup>3</sup></b>		<b>552,117</b>	<b>99.49</b>
<b>Net other assets (0.33)%</b>		<b>2,817</b>	<b>0.51</b>
<b>Net assets</b>		<b>554,934</b>	<b>100.00</b>

March 2021 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

\*The comparative percentage figures at 7 March 2021 have been amended due to change in sector names.

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	28,416	45,822
Total sales for the period	49,623	63,221

## Threadneedle European Bond Fund

### Portfolio Statement

as at 7 September 2021

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>AUSTRALIA 1.64% (1.10%)</b>					<b>DENMARK 0.78% (0.67%)</b>				
		<b>A- 0.14% (0.12%)</b>					<b>A 0.46% (0.39%)</b>		
EUR	186,000	AusNet Services Holdings 0.625% 25/08/2030	162	0.14	EUR	621,000	Danske Bank 0.625% 26/05/2025	548	0.46
		<b>BBB+ 0.55% (0.48%)</b>					<b>BBB+ 0.25% (0.22%)</b>		
EUR	333,000	Aurizon Network 3.125% 01/06/2026	325	0.27	EUR	171,000	*Danske Bank Variable 09/06/2029	148	0.13
EUR	225,000	*Australia and New Zealand Banking Group Variable 05/05/2031	194	0.16	EUR	173,000	Nykredit Realkredit 0.375% 17/01/2028	148	0.12
EUR	164,000	Goodman Australia Finance 1.375% 27/09/2025	148	0.12			<b>BBB 0.07% (0.06%)</b>		
		<b>BBB 0.43% (0.50%)</b>			EUR	100,000	*Danske Bank Variable 15/05/2031	87	0.07
EUR	110,000	APT Pipelines 1.25% 15/03/2033	96	0.08			<b>Total Denmark</b>	<b>931</b>	<b>0.78</b>
EUR	469,000	Ausgrid Finance 1.25% 30/07/2025	421	0.35					
		<b>Total Australia</b>	<b>1,346</b>	<b>1.12</b>	<b>FINLAND 0.89% (0.85%)</b>				
<b>AUSTRIA 0.52% (0.42%)</b>							<b>AA- 0.70% (0.69%)</b>		
		<b>AA+ 0.52% (0.42%)</b>			EUR	315,000	Nordea Bank 0.5% 14/05/2027	279	0.23
EUR	766,000	Republic of Austria 0.85% 30/06/2120	623	0.52	EUR	657,000	OP Corporate Bank 0.1% 16/11/2027	567	0.47
		<b>Total Austria</b>	<b>623</b>	<b>0.52</b>			<b>A- 0.11% (0.10%)</b>		
<b>BELGIUM 1.06% (0.97%)</b>					EUR	150,000	*OP Corporate Bank 1.625% 09/06/2030	134	0.11
		<b>A- 0.28% (0.31%)</b>					<b>BBB+ 0.08% (0.06%)</b>		
EUR	200,000	Belfius Bank 0% 28/08/2026	172	0.14	EUR	100,000	*Sampo Variable 03/09/2052	92	0.08
EUR	200,000	Belfius Bank 0.125% 08/02/2028	172	0.14			<b>Total Finland</b>	<b>1,072</b>	<b>0.89</b>
		<b>BBB+ 0.38% (0.47%)</b>			<b>FRANCE 14.29% (18.88%)</b>				
EUR	302,000	Anheuser-Busch InBev 3.7% 02/04/2040	354	0.30			<b>AA 1.00% (0.86%)</b>		
EUR	100,000	Elia Transmission Belgium 0.875% 28/04/2030	90	0.08	EUR	800,000	Agence Française de Développement 0.5% 31/10/2025	714	0.60
		<b>BBB 0.22% (0.19%)</b>			EUR	600,000	Ville de Paris 0.45% 20/10/2045	479	0.40
EUR	300,000	Argenta Spaarbank 1% 13/10/2026	265	0.22			<b>Aa2 3.70% (4.06%)</b>		
		<b>Not Rated 0.18% (0.00%)</b>			EUR	1,100,000	SNCF Reseau 2.25% 20/12/2047	1,215	1.01
EUR	205,000	Belgium Government Bond 1.7% 22/06/2050	218	0.18	EUR	1,100,000	Societe du Grand Paris 0.7% 15/10/2060	836	0.70
		<b>Total Belgium</b>	<b>1,271</b>	<b>1.06</b>	EUR	2,700,000	UNEDIC 0.25% 25/11/2029	2,388	1.99
<b>BERMUDA 0.26% (0.22%)</b>							<b>Aa2u 0.00% (1.49%)</b>		
		<b>BBB- 0.26% (0.22%)</b>			EUR	900,000	Societe Nationale SNCF 1% 25/05/2040	783	0.65
EUR	343,000	Bacardi 2.75% 03/07/2023	309	0.26	EUR	1,000,000	Societe Nationale SNCF 1% 19/01/2061	751	0.63
		<b>Total Bermuda</b>	<b>309</b>	<b>0.26</b>			<b>Aa3 0.15% (0.20%)</b>		
<b>CAYMAN ISLANDS 0.31% (0.27%)</b>					EUR	200,000	Crédit Mutuel Arkéa 1.125% 23/05/2029	183	0.15
		<b>BBB+ 0.31% (0.27%)</b>					<b>A+ 0.23% (0.20%)</b>		
GBP	300,000	Southern Water Services Finance 6.64% 31/03/2026	369	0.31	EUR	300,000	Credit Agricole 1% 03/07/2029	274	0.23
		<b>Total Cayman Islands</b>	<b>369</b>	<b>0.31</b>			<b>A 0.66% (0.77%)</b>		
<b>CHILE 1.90% (1.65%)</b>					EUR	300,000	Banque Fédérative du Crédit Mutuel 0.25% 29/06/2028	260	0.22
		<b>A+ 0.00% (1.65%)</b>			EUR	300,000	Banque Fédérative du Crédit Mutuel 0.75% 08/06/2026	267	0.22
		<b>A 1.90% (0.00%)</b>			EUR	300,000	Réseau de Transport d'Électricité 0.625% 08/07/2032	262	0.22
EUR	2,500,000	Chile Government International Bond 1.625% 30/01/2025	2,273	1.90			<b>A- 0.14% (0.00%)</b>		
		<b>Total Chile</b>	<b>2,273</b>	<b>1.90</b>	EUR	200,000	Credit Agricole 0.375% 20/04/2028	172	0.14

## Threadneedle European Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FRANCE 14.29% (18.88%) (continued)</b>					<b>HUNGARY 0.44% (0.38%)</b>				
		<b>BBB+ 0.38% (0.39%)</b>					<b>Baa3 0.44% (0.38%)</b>		
EUR	300,000	Electricite de France 2% 09/12/2049	278	0.23	EUR	583,000	Hungarian Development Bank 1.375% 24/06/2025	526	0.44
EUR	200,000	*Total Variable 25/01/2170	175	0.15			<b>Total Hungary</b>	<b>526</b>	<b>0.44</b>
		<b>BBB 0.00% (0.18%)</b>							
		<b>BBB- 0.66% (0.46%)</b>			<b>INDONESIA 0.00% (1.65%)</b>				
EUR	100,000	*Engie Variable 30/11/2169	87	0.07			<b>BBB 0.00% (1.65%)</b>		
EUR	176,000	RCI Banque 2% 11/07/2024	159	0.13			<b>Total Indonesia</b>		
EUR	600,000	Sanef 1.875% 16/03/2026	554	0.46					
		<b>BB- 0.15% (0.00%)</b>			<b>ITALY 9.26% (10.66%)</b>				
EUR	200,000	*Electricite De France Variable 01/06/2170	176	0.15			<b>BBB+ 0.00% (0.19%)</b>		
		<b>B 0.10% (0.09%)</b>					<b>BBB 1.49% (1.53%)</b>		
EUR	130,000	Altice France 5.875% 01/02/2027	118	0.10	EUR	1,700,000	Cassa Depositi e Prestiti 1.5% 20/04/2023	1,507	1.26
		<b>Not Rated 5.84% (9.62%)</b>			EUR	100,000	*ENI Variable 13/10/2169	93	0.08
EUR	4,888,783	France Government Bond 0% 25/03/2025	4,298	3.59	EUR	100,000	*ENI Variable 11/05/2170	88	0.07
EUR	1,300,000	France Government Bond 0.5% 25/05/2040	1,119	0.93	EUR	100,000	Intesa Sanpaolo 1.75% 04/07/2029	93	0.08
EUR	1,882,000	France Government Bond 0.5% 25/06/2044	1,580	1.32			<b>BBB- 0.27% (0.00%)</b>		
		<b>Total France</b>	<b>17,128</b>	<b>14.29</b>	EUR	251,000	Aeroporti Di Roma 1.625% 08/06/2027	228	0.19
					EUR	100,000	Aeroporti Di Roma 1.75% 30/04/2031	90	0.08
<b>GERMANY 2.42% (3.14%)</b>							<b>Baa3 0.14% (0.12%)</b>		
		<b>AAA 0.10% (0.09%)</b>			EUR	160,000	*Assicurazioni 5% 08/06/2048	169	0.14
EUR	140,000	KFW 0% 15/09/2028	123	0.10			<b>Baa3u 1.29% (3.91%)</b>		
		<b>Aaau 0.00% (0.22%)</b>			EUR	1,786,000	Buoni Poliennali Del Tesoro 0.05% 15/01/2023	1,549	1.29
		<b>A+ 0.08% (0.00%)</b>					<b>BB+ 0.00% (0.22%)</b>		
EUR	100,000	*Allianz Variable 08/07/2050	93	0.08	EUR	105,000	Autostrade per l'Italia 1.75% EMTN 01/02/2027	94	0.08
		<b>A2 0.00% (0.07%)</b>					<b>BB- 0.00% (0.07%)</b>		
		<b>BBB+ 1.61% (1.14%)</b>					<b>Not Rated 5.99% (4.62%)</b>		
EUR	300,000	Alstria Office REIT 0.5% 26/09/2025	260	0.22	EUR	2,176,000	Buoni Poliennali Del Tesoro 0.95% 01/08/2030	1,928	1.61
EUR	253,000	Commerzbank 0.375% 01/09/2027	220	0.18	EUR	1,350,000	Buoni Poliennali Del Tesoro 1.8% 01/03/2041 (Italy listing)	1,228	1.02
EUR	587,000	Commerzbank 1% 04/03/2026	526	0.44	EUR	1,000,000	Buoni Poliennali Del Tesoro 2.15% 01/03/2072	854	0.71
EUR	630,000	*Deutsche Bank Variable 10/06/2026	570	0.48	EUR	1,125,000	Italian Government Bond 1.5% 30/04/2045	958	0.80
EUR	300,000	Eurogrid 0.741% 21/04/2033	262	0.22	EUR	2,389,000	Italian Government Bond 1.7% 01/09/2051	2,026	1.69
EUR	100,000	Vonovia 1.5% 14/06/2041	87	0.07	EUR	215,000	Italian Government Bond 1.8% 01/03/2041	196	0.16
		<b>Baa1u 0.00% (0.20%)</b>					<b>Total Italy</b>	<b>11,101</b>	<b>9.26</b>
		<b>BBB 0.39% (0.32%)</b>			<b>JAPAN 0.46% (0.39%)</b>				
EUR	300,000	Bayer 1% 12/01/2036	244	0.20			<b>Aaa 0.46% (0.39%)</b>		
EUR	265,000	E.On 0.6% 01/10/2032	228	0.19	EUR	632,000	Sumitomo Mitsui Banking 0.01% 10/09/2025	548	0.46
		<b>BBB- 0.08% (0.06%)</b>					<b>Total Japan</b>	<b>548</b>	<b>0.46</b>
EUR	100,000	*Deutsche Bank Variable 19/11/2030	91	0.08					
		<b>BB+ 0.16% (0.13%)</b>							
EUR	200,000	*Commerzbank Variable 05/12/2030	190	0.16					
		<b>Not Rated 0.00% (0.91%)</b>							
		<b>Total Germany</b>	<b>2,894</b>	<b>2.42</b>					

## Threadneedle European Bond Fund

### Portfolio Statement

(continued)

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>JERSEY 0.77% (0.58%)</b>					<b>A- 0.43% (0.43%)</b>				
		<b>BBB+ 0.77% (0.58%)</b>			EUR	300,000	*ING Groep Variable 01/02/2030	253	0.21
EUR	100,000	Heathrow Funding 1.125% 08/10/2030	86	0.07	EUR	301,000	Stedin Holding 0.5% 14/11/2029	264	0.22
EUR	325,000	Heathrow Funding 1.875% 14/03/2034	295	0.25			<b>BBB+ 0.81% (0.36%)</b>		
GBP	400,000	Heathrow Funding 4.625% 31/10/2046	536	0.45	EUR	253,000	Enel Finance International 0.5% 17/06/2030	219	0.18
		<b>Total Jersey</b>	<b>917</b>	<b>0.77</b>	EUR	450,000	RELX Finance 1% 22/03/2024	398	0.33
					EUR	300,000	Volkswagen International Finance 4.125% 16/11/2038	362	0.30
<b>LUXEMBOURG 3.19% (3.31%)</b>							<b>BBB 1.12% (1.62%)</b>		
		<b>AA 1.08% (0.94%)</b>			EUR	160,000	Akelius Residential 0.75% 22/02/2030	136	0.11
EUR	1,200,000	European Financial Stability Facility 1.7% 13/02/2043	1,291	1.08	EUR	188,000	Akelius Residential Property 1.125% 11/01/2029	166	0.14
		<b>AA- 0.39% (0.22%)</b>			EUR	100,000	Digital Dutch Finco 1.5% 15/03/2030	92	0.08
EUR	193,000	Nestle Finance International 0.625% 14/02/2034	168	0.14	EUR	450,000	Innogy Finance 6.125% 06/07/2039	703	0.59
EUR	354,000	Novartis Finance 0% 23/09/2028	303	0.25	EUR	265,000	*Stedin Holding Variable 31/03/2170	234	0.20
		<b>A 0.28% (0.24%)</b>					<b>BBB- 0.15% (0.20%)</b>		
EUR	381,000	Medtronic Global Holdings 1.375% 15/10/2040	338	0.28	EUR	200,000	*Iberdrola International Variable 09/02/2170	175	0.15
		<b>A- 0.24% (0.29%)</b>					<b>BB+ 0.37% (0.32%)</b>		
EUR	299,000	Prologis International Funding 1.625% 17/06/2032	280	0.24	EUR	338,000	*Tennet Holding Perpetual Variable	306	0.25
		<b>BBB+ 0.53% (0.78%)</b>			EUR	153,000	*Tennet Holding Variable 2.995% 01/06/2167	139	0.12
EUR	200,000	Aroundtown 1.45% 09/07/2028	181	0.15			<b>BB 0.47% (0.40%)</b>		
EUR	500,000	Aroundtown 1.625% 31/01/2028	457	0.38	EUR	600,000	*Telefonica Europe Variable 14/03/2168	562	0.47
		<b>BBB 0.67% (0.55%)</b>					<b>Not Rated 1.83% (3.32%)</b>		
EUR	601,000	Becton Dickinson Euro Finance 1.208% 04/06/2026	541	0.45	EUR	2,425,000	Netherlands Government Bond 0% 15/07/2030	2,142	1.79
EUR	100,000	Becton Dickinson Euro Finance 1.213% 12/02/2036	86	0.07	EUR	35,000	Netherlands Government Bond 2.75% 15/01/2047	50	0.04
EUR	211,000	Becton Dickinson Euro Finance 1.336% 13/08/2041	177	0.15			<b>Total Netherlands</b>	<b>9,229</b>	<b>7.70</b>
		<b>Baa2 0.00% (0.11%)</b>							
		<b>BBB- 0.00% (0.18%)</b>			<b>NORWAY 0.56% (0.56%)</b>				
		<b>Total Luxembourg</b>	<b>3,822</b>	<b>3.19</b>	EUR	462,000	DNB Bank 0.25% 09/04/2024	404	0.34
<b>NETHERLANDS 7.70% (8.75%)</b>							<b>A 0.22% (0.00%)</b>		
		<b>AAA 1.24% (1.08%)</b>			EUR	310,000	*DNB Bank Variable 23/02/2029	265	0.22
EUR	1,600,000	BNG Bank 0.875% 24/10/2036	1,492	1.24			<b>Total Norway</b>	<b>669</b>	<b>0.56</b>
		<b>Aa3 0.42% (0.36%)</b>			<b>PORTUGAL 0.82% (0.03%)</b>				
EUR	185,000	Enexis Holding 0.625% 17/06/2032	163	0.14	EUR	300,000	Banco Espirito Santo 4% 21/01/2019 (Defaulted)	28	0.02
EUR	368,000	Enexis Holding 0.75% 02/07/2031	331	0.28	EUR	1,100,000	Portugal Government International Bond 0.3% 17/10/2031	951	0.80
		<b>A+ 0.60% (0.52%)</b>					<b>Total Portugal</b>	<b>979</b>	<b>0.82</b>
EUR	632,000	Co-operative Rabobank 1.375% 03/02/2027	586	0.49	<b>REPUBLIC OF IRELAND 2.28% (0.95%)</b>				
EUR	140,000	Shell International Finance 1.875% 07/04/2032	137	0.11			<b>A+ 0.00% (0.22%)</b>		
		<b>A 0.26% (0.14%)</b>			EUR	468,000	Eaton Capital Unlimited 0.577% 08/03/2030	407	0.34
EUR	100,000	Airbus 2.375% 07/04/2032	100	0.08			<b>A- 0.34% (0.29%)</b>		
EUR	100,000	Airbus 2.375% 09/06/2040	100	0.08					
EUR	138,000	Royal Schiphol Group 0.75% 22/04/2033	119	0.10					

## Threadneedle European Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>REPUBLIC OF IRELAND 2.28% (0.95%) (continued)</b>									
		<b>BBB+ 0.09% (0.08%)</b>			EUR	470,000	International Bank for Reconstruction and Development 0.2% 21/01/2061	353	0.29
EUR	130,000	Glencore Capital Finance 1.125% 10/03/2028	115	0.09					
		<b>BB 0.41% (0.36%)</b>			EUR	615,000	European Union 0.1% 04/10/2040	504	0.42
EUR	404,000	*AIB Group Variable 19/11/2029	358	0.30			<b>Total Supranational</b>	<b>2,400</b>	<b>2.00</b>
EUR	140,000	*AIB Group Variable 30/05/2031	129	0.11					
		<b>Liquidity Funds 1.44% (0.00%)<sup>1</sup></b>							
EUR	20,280	BlackRock Institutional Cash Series Euro Liquidity Platinum	1,722	1.44					
		<b>Total Republic of Ireland</b>	<b>2,731</b>	<b>2.28</b>					
<b>SLOVENIA 2.43% (1.81%)</b>									
		<b>AA- 2.43% (1.81%)</b>							
EUR	3,076,000	Republika Slovenija 1.1875% 14/03/2029	2,915	2.43					
		<b>Total Slovenia</b>	<b>2,915</b>	<b>2.43</b>					
<b>SPAIN 15.46% (14.44%)</b>									
		<b>A 2.74% (1.63%)</b>							
EUR	2,600,000	FADE FTA 0.01% 17/09/2025	2,269	1.89					
EUR	1,165,000	Institut Credito Oficial 0% 30/04/2027	1,015	0.85					
		<b>A- 0.53% (0.00%)</b>							
EUR	740,000	Community of Madrid 0.42% 30/04/2031	638	0.53					
		<b>A3 0.41% (0.35%)</b>							
EUR	525,000	Basque Government 1.125% 30/04/2029	486	0.41					
		<b>BBB+ 0.65% (0.56%)</b>							
EUR	800,000	Caixabank 0.375% 03/02/2025	698	0.58					
EUR	100,000	CaixaBank 1.125% 17/05/2024	89	0.07					
		<b>Baa1 4.28% (5.75%)</b>							
EUR	5,850,000	Spain Government Bond 0.35% 30/07/2023	5,127	4.28					
		<b>Baa2 5.29% (4.58%)</b>							
EUR	7,200,000	Adif Alta Velocidad 0.8% 05/07/2023	6,340	5.29					
		<b>BBB- 0.08% (0.14%)</b>							
EUR	100,000	Nortegas Energia 2.065% 28/09/2027	93	0.08					
		<b>Not Rated 1.48% (1.43%)</b>							
EUR	700,000	Spain Government Bond 1% 31/10/2050	561	0.47					
EUR	1,545,000	Spain Government Bond 1.45% 31/10/2071	1,205	1.01					
		<b>Total Spain</b>	<b>18,521</b>	<b>15.46</b>					
<b>SUPRANATIONAL 2.00% (1.55%)</b>									
		<b>AAA 1.58% (1.37%)</b>							
EUR	785,000	Euro Stability Mechanism 1.85% 01/12/2055	957	0.80					
EUR	689,000	European Investment Bank 0.05% 13/10/2034	586	0.49					
		<b>SWEDEN 0.36% (0.76%)</b>							
		<b>BBB 0.00% (0.45%)</b>							
		<b>Baa3 0.36% (0.31%)</b>			EUR	165,000	Sagax 1.125% 30/01/2027	146	0.12
EUR	319,000	Sagax 2% 17/01/2024	286	0.24	EUR	319,000	Sagax 2% 17/01/2024	286	0.24
		<b>Total Sweden</b>	<b>432</b>	<b>0.36</b>					
		<b>SWITZERLAND 0.73% (0.73%)</b>							
		<b>A+ 0.38% (0.25%)</b>			EUR	257,000	Credit Suisse London 0.25% 01/09/2028	218	0.18
EUR	285,000	UBS London 0.5% 31/03/2031	245	0.20	EUR	285,000	UBS London 0.5% 31/03/2031	245	0.20
		<b>A- 0.00% (0.30%)</b>							
		<b>BBB+ 0.35% (0.18%)</b>			EUR	510,000	Credit Suisse Group 0.625% 18/01/2033	415	0.35
		<b>Total Switzerland</b>	<b>878</b>	<b>0.73</b>					
		<b>UNITED KINGDOM 20.89% (18.28%)</b>							
		<b>Aa3 0.18% (0.00%)</b>			GBP	200,000	University College London 1.625% 04/06/2061	211	0.18
		<b>Aa3u 13.30% (0.17%)</b>			GBP	3,801,690	United Kingdom Gilt 0.125% 30/01/2026	3,774	3.15
GBP	960,000	United Kingdom Gilt 0.125% 31/01/2028	940	0.78	GBP	960,000	United Kingdom Gilt 0.125% 31/01/2028	940	0.78
GBP	1,490,284	United Kingdom Gilt 0.25% 31/07/2031	1,423	1.19	GBP	1,490,284	United Kingdom Gilt 0.25% 31/07/2031	1,423	1.19
GBP	143,000	United Kingdom Gilt 0.5% 22/10/2061	120	0.10	GBP	143,000	United Kingdom Gilt 0.5% 22/10/2061	120	0.10
GBP	2,635,130	United Kingdom Gilt 0.625% 31/07/2035	2,526	2.11	GBP	2,635,130	United Kingdom Gilt 0.625% 31/07/2035	2,526	2.11
GBP	565,000	United Kingdom Gilt 0.875% 31/01/2046	538	0.45	GBP	565,000	United Kingdom Gilt 0.875% 31/01/2046	538	0.45
GBP	3,536,000	United Kingdom Gilt 1.25% 22/10/2041	3,655	3.05	GBP	3,536,000	United Kingdom Gilt 1.25% 22/10/2041	3,655	3.05
GBP	2,644,000	United Kingdom Gilt 1.25% 31/07/2051	2,755	2.30	GBP	2,644,000	United Kingdom Gilt 1.25% 31/07/2051	2,755	2.30
GBP	155,000	United Kingdom Gilt 1.625% 22/10/2071	201	0.17	GBP	155,000	United Kingdom Gilt 1.625% 22/10/2071	201	0.17
		<b>A 0.76% (0.43%)</b>			EUR	132,000	Motability Operations 0.125% 20/07/2028	113	0.09
EUR	350,000	Motability Operations Group 1.625% 09/06/2023	312	0.26	EUR	350,000	Motability Operations Group 1.625% 09/06/2023	312	0.26
EUR	567,000	Nationwide Building Society 0.25% 22/07/2025	494	0.41	EUR	567,000	Nationwide Building Society 0.25% 22/07/2025	494	0.41
		<b>A- 0.83% (1.75%)</b>			EUR	254,000	Astrazeneca 0.375% 03/06/2029	220	0.18
EUR	250,000	BP Capital Markets 0.831% 08/11/2027	223	0.19	EUR	250,000	BP Capital Markets 0.831% 08/11/2027	223	0.19
EUR	494,000	NatWest Markets 1% 28/05/2024	439	0.37	EUR	494,000	NatWest Markets 1% 28/05/2024	439	0.37
EUR	125,000	*NatWest Markets FRN 27/09/2021	108	0.09	EUR	125,000	*NatWest Markets FRN 27/09/2021	108	0.09
		<b>BBB+ 2.76% (1.70%)</b>			EUR	422,000	BAT International Finance 2.75% 25/03/2025	395	0.33
EUR	877,000	Cadent Finance 0.625% 22/09/2024	771	0.64	EUR	877,000	Cadent Finance 0.625% 22/09/2024	771	0.64

## Threadneedle European Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED KINGDOM 20.89% (18.28%) (continued)</b>									
EUR	196,000	Cadent Finance 0.625% 19/03/2030 (Frankfurt Listing)	171	0.14	EUR	132,000	Thermo Fisher Scientific 1.875% 01/10/2049	122	0.10
EUR	233,000	Cadent Finance 0.75% 11/03/2032	201	0.17	EUR	160,000	Verizon Communications 0.75% 22/03/2032	138	0.12
EUR	492,000	National Grid Electricity Transmission 0.19% 20/01/2025	427	0.36	EUR	191,000	Verizon Communications 0.875% 08/04/2027	171	0.14
EUR	104,000	National Grid Electricity Transmission 0.823% 07/07/2032	91	0.08	EUR	131,000	Verizon Communications 1.125% 19/09/2035	113	0.09
GBP	900,000	Western Power Distribution West Midlands 5.75% 16/04/2032	1,245	1.04			<b>BBB 1.79% (1.63%)</b>		
		<b>BBB 0.99% (1.01%)</b>			EUR	25,000	AT&T 1.8% 14/09/2039	22	0.02
EUR	100,000	*Barclays Variable 12/05/2032	87	0.07	EUR	111,000	AT&T 1.8% 14/09/2039 (Frankfurt Exchange)	99	0.08
EUR	137,000	*Barclays Variable 12/05/2032 (Frankfurt Exchange)	119	0.10	EUR	454,000	AT&T 3.15% 04/09/2036	478	0.40
EUR	352,000	*BP Capital Markets Variable 22/06/2169 EUR	325	0.27	EUR	221,000	Digital Euro Finco 2.5% 16/01/2026	209	0.17
EUR	480,000	Imperial Brand Finance 3.375% 26/02/2026	464	0.39	EUR	224,000	Digital Euro Finco 2.5% 16/01/2026 (Frankfurt Exchange)	212	0.18
EUR	216,000	*Natwest Group Variable 26/02/2030	187	0.16	EUR	157,000	Fidelity National Information Services 1.5% 21/05/2027	144	0.12
		<b>BBB- 1.11% (1.32%)</b>			EUR	232,000	Fidelity National Information Services 2% 21/05/2030	223	0.19
GBP	270,000	Delamare Finance 5.5457% 29/02/2029	224	0.19	GBP	300,000	Fidelity National Information Services 3.36% 21/05/2031 (Berlin Exchange)	341	0.29
EUR	426,000	DS Smith 0.875% 12/09/2026	376	0.31	EUR	100,000	Fiserv 1.125% 01/07/2027	90	0.08
EUR	448,000	*NGG Finance Variable 05/09/2082	396	0.33	EUR	169,000	Fiserv 1.625% 01/07/2030	158	0.13
GBP	320,000	*Virgin Money UK Variable 24/04/2026	341	0.28	EUR	175,000	General Motors Financial Company 0.6% 20/05/2027	151	0.13
		<b>BB+ 0.34% (0.30%)</b>					<b>BBB- 0.00% (0.13%)</b>		
GBP	127,000	GKN Holdings 5.375% 19/09/2022	132	0.11	EUR	412,000	Kraft Heinz Foods 2.25% 25/05/2028	387	0.32
EUR	308,000	*Vodafone Group Variable 27/08/2080 (London Listing)	276	0.23	EUR	139,000	Netflix 3% 15/06/2025	130	0.11
		<b>Not Rated 0.62% (11.60%)</b>					<b>BB+ 0.43% (0.37%)</b>		
GBP	737,000	United Kingdom Gilt 1.125% 31/01/2039	746	0.62	EUR	100,000	IQVIA 2.875% 15/09/2025	87	0.07
		<b>Total United Kingdom</b>	<b>25,026</b>	<b>20.89</b>			<b>BB 0.07% (0.26%)</b>		
							<b>Total United States of America</b>	<b>5,526</b>	<b>4.61</b>
<b>UNITED STATES OF AMERICA 4.61% (4.63%)</b>									
		<b>AA+ 0.11% (0.10%)</b>			<b>DERIVATIVES -1.17% (-0.73%)</b>				
EUR	154,000	New York Life Global Funding 0.25% 23/01/2027	134	0.11			<b>Credit Default Swaps -1.25% (-0.78%)</b>		
		<b>AA 0.14% (0.12%)</b>			EUR	(4,500,000)	Morgan Stanley Itraxx Crossover Credit Default Swap Index Buy Protection 20/06/2026 Spread 500	(475)	(0.39)
EUR	185,000	Berkshire Hathaway 1.125% 16/03/2027	168	0.14	EUR	(45,000,000)	Morgan Stanley Itraxx-European Credit Default Swap Index Buy Protection 20/06/2026 Spread 100	(1,036)	(0.86)
		<b>AA- 0.08% (0.19%)</b>					<b>Futures and Options 0.06% (0.02%)</b>		
EUR	103,000	Exxon Mobil 0.524% 26/06/2028	90	0.08	EUR	(8)	UBS EURO-Bobl Future Expiring December 2021	3	-
		<b>A 0.00% (0.12%)</b>			EUR	(42)	UBS EURO-Bund Future Expiring December 2021	35	0.03
		<b>A- 0.46% (0.20%)</b>			EUR	(15)	UBS EURO-Buxl 30 Year Bnd Future Expiring December 2021	39	0.03
EUR	378,000	*Bank of America Variable 22/03/2031	325	0.27			<b>Forward Foreign Exchange Contracts 0.02% (0.03%)</b>		
EUR	270,000	*JP Morgan Chase Variable 17/02/2033	228	0.19			Sell GBP 1,658,830		
		<b>BBB+ 1.53% (1.51%)</b>					Buy EUR 1,954,976 Barclays	25	0.02
EUR	404,000	AbbVie 0.75% 18/11/2027	359	0.30			Sell GBP 245,425		
EUR	146,000	American International Group 1.875% 21/06/2027	136	0.11			Buy EUR 285,634 HSBC	1	-
EUR	170,000	Citigroup 1.25% 10/04/2029	154	0.13			Sell GBP 361,167		
EUR	343,000	General Electric 0.875% 17/05/2025	327	0.27			Buy EUR 424,109 Lloyds	4	-
EUR	186,000	Goldman Sachs Group 1% 18/03/2033	161	0.13					
EUR	200,000	*Morgan Stanley Variable 07/02/2031	169	0.14					

## Threadneedle European Bond Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>DERIVATIVES -1.17% (-0.73%) (continued)</b>			
	Sell GBP 362,257		
	Buy EUR 424,976 Bank of Scotland	4	–
	Sell EUR 214,177		
	Buy GBP 182,220 HSBC	(3)	–
	Sell EUR 60,076		
	Buy GBP 51,612 Lloyds <sup>2</sup>	–	–
	Sell EUR 112,000		
	Buy GBP 96,235 Barclays <sup>2</sup>	–	–
	<b>Total Derivatives</b>	<b>(1,403)</b>	<b>(1.17)</b>
<b>Total value of investments<sup>3</sup></b>		<b>113,033</b>	<b>94.34</b>
<b>Net other assets (3.10%)</b>		<b>6,787</b>	<b>5.66</b>
<b>Net assets</b>		<b>119,820</b>	<b>100.00</b>

March 2021 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

\*Variable rate bonds.

### ANALYSIS OF INVESTMENTS BY ASSET CLASS

	Value £000	% of Investment
Fixed interest	107,067	94.72
Floating rate notes	7,369	6.52
Derivatives	(1,403)	(1.24)
<b>Total value of investments<sup>3</sup></b>	<b>113,033</b>	<b>100.00</b>

### ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS

	Value £000
UBS EURO-Bobl Future Expiring December 2021	(933)
UBS EURO-Bund Future Expiring December 2021	(6,209)
UBS EURO-Buxl 30 Year Bnd Future Expiring December 2021	(2,681)
<b>Total net exposure</b>	<b>(9,823)</b>

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	37,375	173,916
Total sales for the period	58,886	165,908

## Threadneedle Strategic Bond Fund

### Portfolio Statement

as at 7 September 2021

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>AUSTRALIA 1.52% (1.86%)</b>					<b>Not Rated 0.10% (0.09%)</b>				
		<b>A- 0.24% (0.24%)</b>			GBP	180,000	Phoenix Group Holdings 5.625% 28/04/2031	220	0.10
USD	689,000	SGSP Australia Assets 3.25% 29/07/2026	542	0.24	<b>Total Cayman Islands</b>				
		<b>BBB+ 0.56% (0.54%)</b>						<b>6,478</b>	<b>2.85</b>
USD	1,570,000	Woodside Finance 4.5% 04/03/2029	1,285	0.56	<b>DENMARK 0.41% (0.30%)</b>				
		<b>BBB 0.72% (1.08%)</b>			GBP	444,000	*Danske Bank Variable 14/01/2028	458	0.20
GBP	583,000	APT Pipelines 2.5% 15/03/2036	597	0.26	<b>BBB 0.21% (0.20%)</b>				
GBP	950,000	APT Pipelines 3.125% 18/07/2031	1,040	0.46	EUR	536,000	*Danske Bank Variable 15/05/2031	465	0.21
		<b>Total Australia</b>	<b>3,464</b>	<b>1.52</b>	<b>Total Denmark</b>				
								<b>923</b>	<b>0.41</b>
<b>BELGIUM 0.61% (0.91%)</b>					<b>DOMINICAN REPUBLIC 0.78% (0.74%)</b>				
		<b>BBB+ 0.31% (0.61%)</b>			USD	614,000	Dominican Republic International Bond 5.875% 30/01/2060	456	0.20
GBP	625,000	Anheuser-Busch InBev 2.85% 25/05/2037	693	0.31	USD	1,580,000	Dominican Republic International Bond 5.95% 25/01/2027	1,306	0.58
		<b>BB+ 0.16% (0.16%)</b>			<b>Total Dominican Republic</b>				
EUR	400,000	*KBC Groep Variable 24/10/2166	370	0.16				<b>1,762</b>	<b>0.78</b>
		<b>B 0.14% (0.14%)</b>			<b>EGYPT 0.25% (0.25%)</b>				
EUR	358,000	The House of Finance 4.375% 15/07/2026	315	0.14	EUR	650,000	Arab Republic of Egypt 5.625% 16/04/2030	561	0.25
		<b>Total Belgium</b>	<b>1,378</b>	<b>0.61</b>	<b>Total Egypt</b>				
								<b>561</b>	<b>0.25</b>
<b>BERMUDA 0.00% (0.29%)</b>					<b>FRANCE 6.57% (4.12%)</b>				
		<b>BBB- 0.00% (0.29%)</b>							
		<b>Total Bermuda</b>	<b>-</b>	<b>-</b>	<b>A+ 0.00% (0.31%)</b>				
<b>BRITISH VIRGIN ISLANDS 0.40% (0.66%)</b>					<b>A 0.32% (0.00%)</b>				
		<b>BB+ 0.40% (0.66%)</b>			USD	950,000	BPCE 2.7% 01/10/2029	723	0.32
USD	1,035,000	Gold Fields Orogen Holdings 6.125% 15/05/2029	903	0.40	<b>BBB+ 0.71% (0.29%)</b>				
		<b>Total British Virgin Islands</b>	<b>903</b>	<b>0.40</b>	GBP	800,000	*BNP Paribas Variable 24/05/2031	810	0.36
					GBP	600,000	*Credit Agricole Variable 09/12/2031	604	0.27
<b>CANADA 0.33% (0.32%)</b>					EUR	200,000	Electricite de France 2% 09/12/2049	185	0.08
		<b>B 0.33% (0.32%)</b>			<b>BBB- 0.26% (0.00%)</b>				
EUR	841,000	Primo Water 3.875% 31/10/2028	750	0.33	GBP	490,000	*Credit Agricole Variable 23/06/2169	579	0.26
		<b>Total Canada</b>	<b>750</b>	<b>0.33</b>	<b>BB+ 0.15% (0.00%)</b>				
<b>CAYMAN ISLANDS 2.85% (3.27%)</b>					EUR	400,000	Valeo 1% 03/08/2028	344	0.15
		<b>A+ 1.23% (1.05%)</b>			<b>BB 0.50% (0.14%)</b>				
USD	1,251,000	Alibaba Group 4% 06/12/2037	1,011	0.45	EUR	800,000	Faurecia 2.375% 15/06/2027 (Germany listing)	700	0.31
USD	498,000	Tencent Holdings 2.88% 22/04/2031	375	0.16	EUR	482,000	Faurecia 2.375% 15/06/2029	422	0.19
USD	383,000	Tencent Holdings 3.24% 03/06/2050	273	0.12	<b>BB- 1.15% (0.71%)</b>				
USD	1,020,000	Tencent Holdings 3.595% 19/01/2028	801	0.35	EUR	800,000	*Electricite de France Variable 15/09/2169	728	0.32
GBP	400,000	*Trafford Centre Finance FRN 28/07/2035 A3	335	0.15	EUR	600,000	*Electricite de France Variable 01/06/2170	527	0.23
		<b>BBB+ 1.02% (0.97%)</b>			EUR	519,000	Elior Group 3.75% 15/07/2026	461	0.20
GBP	2,091,000	Southern Water Services 3% 28/05/2037	2,321	1.02	EUR	1,030,000	Getlink 3.5% 30/10/2025	918	0.40
		<b>BBB- 0.00% (0.86%)</b>			<b>B+ 0.58% (0.29%)</b>				
		<b>Ba2 0.30% (0.30%)</b>			EUR	511,000	Louvre Bidco SAS 4.25% 30/09/2024	440	0.19
USD	900,000	Energuate Trust 5.875% 03/05/2027	682	0.30	EUR	266,000	Louvre Bidco SAS 6.5% 30/09/2024	236	0.10
		<b>BB- 0.20% (0.00%)</b>							
EUR	520,000	UPCB Finance VII 3.625% 15/06/2029	460	0.20					

## Threadneedle Strategic Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FRANCE 6.57% (4.12%) (continued)</b>					<b>BB- 0.91% (0.93%)</b>				
EUR	740,000	Paprec Holding 4% 31/03/2025	648	0.29	EUR	400,000	Deutsche Lufthansa 2% 14/07/2024	344	0.15
		<b>B 1.96% (1.50%)</b>			EUR	200,000	Deutsche Lufthansa 2.875% 11/02/2025	174	0.08
EUR	160,000	Altice France 2.5% 15/01/2025	135	0.06	EUR	400,000	Deutsche Lufthansa 3% 29/05/2026	347	0.15
EUR	193,000	Altice France 4% 15/07/2029	166	0.07	EUR	400,000	Deutsche Lufthansa 3.5% 14/07/2029	346	0.15
EUR	609,000	Altice France 5.875% 01/02/2027	551	0.24	EUR	963,000	Peach Property Finance 4.375% 15/11/2025	864	0.38
EUR	695,000	Cab 3.375% 01/02/2028	603	0.27					
EUR	493,000	Casino Guichard-Perrachon 5.25% 15/04/2027	432	0.19					
EUR	605,000	Casino Guichard-Perrachon 6.625% 15/01/2026	550	0.24	EUR	320,000	Gruenthal 3.625% 15/11/2026	284	0.13
EUR	826,000	Constellium 3.125% 15/07/2029	714	0.31	EUR	278,000	Gruenthal 4.125% 15/05/2028	248	0.11
EUR	643,000	Foncia Management 3.375% 31/03/2028	551	0.24	EUR	258,000	Gruenthal 4.125% 15/05/2028 (Frankfurt Exchange)	231	0.10
EUR	243,000	Kapla Holding 3.375% 15/12/2026 (Germany listing)	208	0.09	EUR	343,000	Techem Verwaltungsgesellschaft 2% 15/07/2025	295	0.13
EUR	656,000	Picard Groupe 3.875% 01/07/2026	576	0.25					
		<b>B- 0.00% (0.26%)</b>			EUR	535,000	Cheplapharm Arzneimittel 3.5% 11/02/2027	466	0.21
		<b>CCC+ 0.46% (0.13%)</b>			EUR	424,000	Cheplapharm Arzneimittel 4.375% 15/01/2028	380	0.17
EUR	345,000	Banijay Group 6.5% 01/03/2026	309	0.14	EUR	884,000	PCF 4.75% 15/04/2026	788	0.35
EUR	503,000	Chrome Holdco 5% 31/05/2029	444	0.20					
EUR	304,000	Laboratoire Eimer Selarl 5% 01/02/2029	270	0.12	EUR	400,000	Platin 5.375% 15/06/2023	347	0.15
		<b>CCC 0.00% (0.12%)</b>			EUR	1,145,000	Techem Verwaltungsgesellschaft 6% 30/07/2026	1,016	0.45
		<b>Not Rated 0.48% (0.37%)</b>							
GBP	1,100,000	BNP Paribas 2% 13/09/2036	1,091	0.48					
		<b>Total France</b>	<b>14,925</b>	<b>6.57</b>				<b>19,431</b>	<b>8.55</b>
<b>GERMANY 8.55% (9.40%)</b>					<b>INDIA 1.65% (1.63%)</b>				
		<b>AAA 2.97% (4.93%)</b>			USD	1,953,000	Adani Ports and Special Economic Zone 4.375% 03/07/2029	1,512	0.66
GBP	2,200,000	KFW 0.875% 15/03/2022	2,208	0.97					
GBP	4,500,000	KFW 1% 15/12/2022	4,545	2.00					
		<b>BBB 0.14% (0.39%)</b>			USD	2,549,000	GMR Hyderabad International 4.25% 27/10/2027	1,785	0.79
EUR	400,000	Bayer 1% 12/01/2036	326	0.14	USD	600,000	GMR Hyderabad International 5.375% 10/04/2024	448	0.20
		<b>BBB- 0.57% (0.56%)</b>						<b>3,745</b>	<b>1.65</b>
GBP	1,300,000	*Deutsche Bank Variable 22/12/2028	1,305	0.57					
		<b>BB+ 1.21% (1.04%)</b>			<b>ITALY 4.52% (4.89%)</b>				
EUR	800,000	ADLER Real Estate 3% 27/04/2026	703	0.31	EUR	214,000	*ENI Variable 11/05/2170	189	0.08
EUR	600,000	*Commerzbank Variable 05/12/2030	571	0.25	EUR	502,000	*ENI Variable 13/10/2169	466	0.21
EUR	404,000	*Lanxess Finance 4.5% 06/12/2076	370	0.16	GBP	570,000	Intesa Sanpaolo 2.625% 11/03/2036	586	0.26
EUR	400,000	Schaeffler 2.75% 12/10/2025	370	0.16					
EUR	300,000	Schaeffler 3.375% 12/10/2028	293	0.13					
EUR	393,000	Schaeffler Holding Finance 2.875% 26/03/2027	371	0.16	GBP	810,000	*Enel 6.625% 15/09/2076	810	0.36
EUR	100,000	Schaeffler Holding Finance 3.375% 12/10/2028	98	0.04	EUR	813,000	Romulus Finance 1.625% 02/02/2029	738	0.32
		<b>Ba1 0.53% (0.00%)</b>							
EUR	1,400,000	Mahle 2.375% 14/05/2028	1,197	0.53					
		<b>BB 0.42% (0.00%)</b>							
EUR	1,056,000	Novelis Sheet Ingot 3.375% 15/04/2029	944	0.42	EUR	406,000	Infrastrutture Wirelless Italiane 1.625% 21/10/2028	357	0.16
					EUR	544,000	Infrastrutture Wireless Italiane 1.875% 08/07/2026	488	0.21
					EUR	1,933,000	Telecom Italia 1.625% 18/01/2029	1,640	0.72



## Threadneedle Strategic Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>MEXICO 0.44% (0.57%) (continued)</b>									
EUR	633,000	Petroleos Mexicanos 4.75% 26/02/2029	541	0.24	EUR	1,800,000	Banco Espirito Santo 4% 21/01/2019 (Defaulted)	170	0.08
		<b>Total Mexico</b>	<b>995</b>	<b>0.44</b>	EUR	800,000	Banco Espirito Santo 4.75% 15/01/2018 (Defaulted)	76	0.03
							<b>Total Portugal</b>	<b>274</b>	<b>0.12</b>
<b>NETHERLANDS 8.71% (10.29%)</b>									
		<b>A- 0.39% (0.81%)</b>			<b>REPUBLIC OF IRELAND 4.11% (6.12%)</b>				
GBP	900,000	*ING Groep Variable 07/12/2028	888	0.39	EUR	812,000	<b>A- 0.31% (0.88%)</b> Eaton Capital Unlimited 0.577% 08/03/2030	706	0.31
		<b>BBB+ 0.57% (0.56%)</b>					<b>BBB+ 0.70% (0.67%)</b>		
USD	1,654,000	Vonovia Finance 5% 02/10/2023	1,295	0.57	GBP	1,145,000	GE Capital UK Funding 5.875% 18/01/2033	1,587	0.70
		<b>BBB 1.80% (2.13%)</b>					<b>BB 1.21% (1.17%)</b>		
GBP	3,005,000	Innogy Finance 6.25% 03/06/2030	4,089	1.80	EUR	2,302,000	*AIB Group Variable 19/11/2029	2,037	0.90
		<b>BBB- 0.31% (1.05%)</b>			EUR	810,000	*Bank of Ireland Variable 11/08/2031	698	0.31
EUR	800,000	*Iberdrola International Variable 09/02/2170	699	0.31			<b>B+ 0.75% (0.84%)</b>		
		<b>BB+ 2.06% (2.11%)</b>			EUR	650,000	Eircom Finance 2.625% 15/02/2027	557	0.24
EUR	664,000	Ashland Services 2% 30/01/2028	590	0.26	EUR	1,317,000	Eircom Finance 3.5% 15/05/2026	1,162	0.51
EUR	1,195,000	Darling Global Finance 3.625% 15/05/2026	1,047	0.46			<b>B 0.47% (0.37%)</b>		
EUR	894,000	PPF Telecom Group 3.5% 20/05/2024	821	0.36	EUR	241,000	*AIB Group Variable 23/12/2168	235	0.10
EUR	2,470,000	*Tennet Holding Perpetual Variable	2,232	0.98	GBP	832,000	Virgin Media 4.875% 15/07/2028	848	0.37
		<b>BB 1.63% (1.61%)</b>					<b>Liquidity Funds 0.67% (2.19%)<sup>1</sup></b>		
EUR	619,000	OCI 3.625% 15/10/2025	554	0.24	GBP	1,517,082	BlackRock Institutional Cash Series Sterling Liquidity Platinum	1,517	0.67
EUR	3,000,000	*Telefonica Europe Variable 14/03/2168	2,810	1.24			<b>Total Republic of Ireland</b>	<b>9,347</b>	<b>4.11</b>
EUR	400,000	*Telefonica Europe Variable 12/05/2169	337	0.15					
		<b>BB- 0.12% (0.42%)</b>			<b>SENEGAL 0.23% (0.22%)</b>				
EUR	324,000	Q-Park Holding 1.5% 01/03/2025	267	0.12	EUR	560,000	<b>B+ 0.23% (0.22%)</b> Senegal Government International Bond 4.75% 13/03/2028	513	0.23
		<b>Ba3 0.37% (0.37%)</b>					<b>Total Senegal</b>	<b>513</b>	<b>0.23</b>
USD	1,166,000	Mong Duong Finance Holdings 5.125% 07/05/2029	850	0.37					
		<b>(P)B+ 0.41% (0.00%)</b>			<b>SINGAPORE 0.29% (0.26%)</b>				
EUR	1,084,000	Nobel Bidco 3.125% 15/06/2028	930	0.41	USD	1,010,000	<b>CCC 0.29% (0.26%)</b> Geo Coal International 8% 04/10/2022	663	0.29
		<b>B 0.39% (0.57%)</b>					<b>Total Singapore</b>	<b>663</b>	<b>0.29</b>
EUR	935,000	United Group 3.125% 15/02/2026	773	0.34					
EUR	133,000	United Group 4.875% GTD 01/07/2024	116	0.05	<b>SPAIN 0.37% (0.37%)</b>				
		<b>B- 0.66% (0.66%)</b>			EUR	500,000	<b>BB+ 0.37% (0.37%)</b> Cellnex Finance 1.25% 15/01/2029	423	0.18
EUR	943,000	Diebold Nixdorf 9% 15/07/2025	887	0.39	EUR	500,000	Cellnex Finance 2% 15/02/2033	427	0.19
EUR	690,000	*Summer BidCo 9% PIK 16/11/2025	620	0.27			<b>Total Spain</b>	<b>850</b>	<b>0.37</b>
		<b>Total Netherlands</b>	<b>19,805</b>	<b>8.71</b>					
<b>PANAMA 0.14% (0.14%)</b>					<b>SWEDEN 2.92% (2.73%)</b>				
		<b>B+ 0.00% (0.14%)</b>			GBP	1,505,000	<b>BBB 0.69% (0.69%)</b> Akelius Residential 2.375% 15/08/2025	1,576	0.69
		<b>B 0.14% (0.00%)</b>					<b>Baa3 0.67% (0.66%)</b>		
EUR	340,000	Carnival 7.625% 01/03/2026	315	0.14	EUR	1,718,000	Sagax 1.125% 30/01/2027	1,521	0.67
		<b>Total Panama</b>	<b>315</b>	<b>0.14</b>			<b>BB+ 0.86% (0.68%)</b>		
<b>PORTUGAL 0.12% (0.15%)</b>					EUR	500,000	*Akelius Residential Variable 17/05/2081	435	0.19
EUR	300,000	<b>Not Rated 0.12% (0.15%)</b> Banco Espirito Santo 2.625% 08/05/2017 (Defaulted)	28	0.01	EUR	407,000	*Heimstaden Bosta Variable 29/01/2170	352	0.16

## Threadneedle Strategic Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>SWEDEN 2.92% (2.73%) (continued)</b>									
EUR	710,000	*Heimstaden Bostad Variable 15/04/2169	635	0.28	GBP	1,200,000	Scottish Hydro Electric 1.5% 24/03/2028	1,207	0.53
EUR	190,000	*Heimstaden Bostad Variable 19/02/2169	170	0.07			<b>Baa1 0.94% (0.91%)</b>		
EUR	381,000	Volvo Car 2.5% 07/10/2027	359	0.16	GBP	375,000	Bupa Finance 4.125% 14/06/2035	432	0.19
					GBP	1,447,000	Bupa Finance 5% 08/12/2026	1,692	0.75
		<b>B 0.33% (0.33%)</b>					<b>BBB 3.70% (3.97%)</b>		
EUR	867,000	Verisure Holding 3.25% 15/02/2027 (Luxembourg listing)	752	0.33	GBP	550,000	Anglian Water Services Financing 2.625% 15/06/2027	597	0.26
		<b>CCC+ 0.37% (0.37%)</b>			GBP	1,263,000	*BP Capital Markets Variable 22/06/2169 GBP	1,351	0.59
EUR	943,000	Verisure Midholding 5.25% 15/02/2029 (Germany listing)	836	0.37	GBP	1,616,000	Imperial Brands Finance 5.5% 28/09/2026	1,910	0.84
		<b>Total Sweden</b>	<b>6,636</b>	<b>2.92</b>	GBP	1,421,000	Lloyds Bank 7.625% 22/04/2025	1,750	0.77
					GBP	250,000	*M&G Variable 19/12/2063	328	0.14
					GBP	262,000	*M&G Variable 20/10/2068	347	0.15
					GBP	369,000	*Telereal Securitisation 1.9632% 10/12/2033	375	0.17
<b>SWITZERLAND 2.65% (1.73%)</b>									
		<b>A+ 0.90% (0.00%)</b>			GBP	1,610,000	Western Power Distribution 3.5% 16/10/2026	1,781	0.78
GBP	1,132,000	Credit Suisse London 1.125% 15/12/2025	1,130	0.50			<b>Baa2 0.49% (1.39%)</b>		
EUR	1,062,000	UBS London 0.5% 31/03/2031	915	0.40	GBP	581,000	Eversholt Funding 2.742% 30/06/2040	599	0.26
		<b>BBB+ 0.94% (1.01%)</b>			GBP	460,000	Eversholt Funding 3.529% 07/08/2042	526	0.23
GBP	1,260,000	*Credit Suisse Group Variable 09/06/2028	1,298	0.57			<b>BBB- 5.28% (4.62%)</b>		
USD	1,058,000	UBS 5.125% 15/05/2024	844	0.37	GBP	570,000	Barclays Bank 5.75% 14/09/2026	692	0.30
		<b>BB+ 0.48% (0.39%)</b>			GBP	1,220,000	DS Smith 2.875% 26/07/2029	1,295	0.57
USD	1,300,000	*UBS Group 7% 29/12/2049	1,086	0.48	GBP	377,000	Intercontinental Hotel 3.375% 08/10/2028	408	0.18
		<b>BB 0.33% (0.33%)</b>			GBP	3,100,000	*NGG Finance 5.625% 18/06/2073	3,460	1.52
USD	940,000	*Credit Suisse 7.5% 11/12/2049	753	0.33	GBP	281,000	Pearson 3.75% 04/06/2030	317	0.14
		<b>Total Switzerland</b>	<b>6,026</b>	<b>2.65</b>	GBP	1,000,000	*SSE Variable 14/04/2169	1,050	0.46
					GBP	612,000	Tesco Property Finance 1 7.6227% 13/07/2039	759	0.33
<b>UNITED KINGDOM 24.72% (24.50%)</b>									
		<b>AAA 0.23% (0.00%)</b>			GBP	1,390,000	Tesco Property Finance 5.6611% 13/10/2041	1,834	0.81
GBP	522,000	Wellcome Trust 1.5% 14/07/2071	526	0.23	GBP	170,000	Tesco Property Finance 6 5.4111% 13/07/2044	209	0.09
		<b>AA 0.00% (0.42%)</b>			GBP	753,000	Thames Water Utilities 2.375% 03/05/2023	763	0.34
		<b>Aa3u 0.48% (0.00%)</b>			GBP	1,175,000	Thames Water Utilities 2.875% 03/05/2027	1,226	0.54
GBP	722,000	United Kingdom Gilt 0.5% 22/10/2061	608	0.27			<b>Baa3 0.63% (0.67%)</b>		
GBP	457,000	United Kingdom Gilt 1.25% 22/10/2041	472	0.21	GBP	450,000	Santander UK 10.0625% 06/04/2169	794	0.35
		<b>A- 0.42% (0.00%)</b>			GBP	633,000	*Virgin Money UK Variable 19/08/2031	644	0.28
GBP	947,000	*HSBC Holdings Variable 24/07/2027	957	0.42			<b>BB+ 2.07% (2.12%)</b>		
		<b>BBB+ 3.17% (3.12%)</b>			EUR	920,000	Ineos Finance 3.375% 31/03/2026	817	0.36
GBP	611,000	*Aviva 5.125% 04/06/2050	730	0.32	GBP	412,000	*Marstons Issuer 5.1576% 15/10/2027	328	0.14
GBP	989,000	BAT International Finance 2.25% 26/06/2028	998	0.44	GBP	596,000	*NatWest Group Variable 28/11/2031	603	0.27
GBP	800,000	Cadent Finance 2.625% 22/09/2038	842	0.37	GBP	452,000	*Royal Bank of Scotland Group Variable 14/08/2030	483	0.21
GBP	110,000	HSBC Bank 4.75% 24/03/2046	153	0.07	GBP	873,000	Travis Perkins 3.75% 17/02/2026	930	0.41
GBP	691,000	HSBC Bank 5.375% 22/08/2033	927	0.41	EUR	507,000	*Vodafone Group Variable 4.2% 03/10/2078	496	0.22
GBP	838,000	*Legal & General Group Variable 14/11/2048	991	0.44	USD	1,307,000	*Vodafone Group Variable 6.25% 03/10/2078	1,045	0.46
GBP	478,000	*Legal & General Group Variable 26/11/2049	520	0.23					
GBP	540,000	Longstone Finance 4.896% 19/04/2031	628	0.28					
GBP	150,000	*Royal London Finance No 4 Variable 07/10/2049	173	0.08					

## Threadneedle Strategic Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED KINGDOM 24.72% (24.50%) (continued)</b>					<b>CC 0.00% (0.12%)</b>				
<b>BB 1.28% (1.28%)</b>					<b>Not Rated 1.00% (2.30%)</b>				
EUR	893,000	Canpack Eastern Land 2.375% 01/11/2027	789	0.35	GBP	723,000	Anglian Water Osprey 2% 31/07/2028	730	0.32
EUR	160,000	Ineos Quattro Finance 2 2.5% 15/01/2026 (Germany listing)	140	0.06	GBP	750,000	Newriver REIT 3.5% 07/03/2028	783	0.34
EUR	576,000	Ineos Quattro Finance 2 2.5% 15/01/2026 (Luxembourg listing)	502	0.22	GBP	633,000	Pension Insurance 5.625% 20/09/2030	779	0.34
GBP	320,000	Mitchells & Butlers Finance 5.965% 15/12/2023	49	0.02	<b>Total United Kingdom</b>				
GBP	1,096,000	Pinewood 3.25% 30/09/2025 (Guernsey listing)	1,113	0.49	<b>56,192 24.72</b>				
EUR	361,000	Synthomer 3.875% 01/07/2025	323	0.14	<b>UNITED STATES OF AMERICA 16.52% (16.53%)</b>				
GBP	574,000	<b>Ba2 0.25% (0.25%)</b> Bellis Acquisition 3.25% 16/02/2026	571	0.25	<b>AA 0.41% (0.00%)</b>				
GBP	535,000	<b>BB- 1.85% (1.77%)</b> Arrow Global Finance 5.125% 15/09/2024 Callable	535	0.24	USD	1,195,000	Amazon.Com 3.1% 12/05/2051	923	0.41
GBP	1,277,000	Iron Mountain UK 3.875% 15/11/2025	1,293	0.57	<b>A+ 0.13% (0.00%)</b>				
EUR	540,000	Nomad Foods Bondco 2.5% 24/06/2028	473	0.21	USD	388,000	Intel 3.05% 12/08/2051	286	0.13
EUR	550,000	Victoria 3.625% 26/08/2026	485	0.21	<b>A 0.00% (0.26%)</b>				
GBP	448,000	Virgin Media Secured Finance 4.25% 15/01/2030	453	0.20	<b>A- 2.36% (0.75%)</b>				
GBP	361,000	Virgin Media Secured Finance 5.25% 15/05/2029	382	0.17	GBP	3,030,000	*Bank of America Variable 02/06/2029	3,066	1.35
EUR	400,000	Vmed O2 UK Financing I 3.25% 31/01/2031	350	0.15	USD	1,307,000	*JPMorgan Chase Variable 22/04/2041	991	0.44
GBP	230,000	Vmed O2 UK Financing I 4% 31/01/2029	231	0.10	GBP	1,278,000	*JPMorgan Chase Variable 28/04/2033	1,304	0.57
GBP	310,000	<b>B+ 0.15% (0.14%)</b> *NatWest Group 5.125% 12/11/2067	337	0.15	<b>BBB+ 2.55% (2.24%)</b>				
GBP	680,000	<b>B1 0.31% (0.16%)</b> Thames Water Kemble Finance 4.625% 19/05/2026	704	0.31	USD	600,000	AbbVie 4.25% 21/11/2049	525	0.23
EUR	352,000	<b>B 0.37% (0.00%)</b> Jaguar Land Rover Automotive 4.5% 15/07/2028	303	0.13	USD	250,000	AbbVie 4.875% 14/11/2048	235	0.10
EUR	550,000	Jaguar Land Rover Automotive 6.875% 15/11/2026	542	0.24	USD	728,000	Oracle Corporation 3.65% 25/03/2041	560	0.25
GBP	404,000	<b>B2 0.18% (0.00%)</b> Constellation Automotive 4.875% 15/07/2027	403	0.18	EUR	358,000	Thermo Fisher Scientific 1.875% 01/10/2049	331	0.15
GBP	910,000	<b>B- 0.52% (0.40%)</b> Boparan Finance 7.625% 30/11/2025	811	0.36	GBP	1,200,000	Verizon Communications 1.125% 03/11/2028	1,175	0.52
USD	511,397	EnQuest PIK 7% 15/04/2022	359	0.16	GBP	845,000	Wells Fargo 2.125% 24/09/2031	870	0.38
GBP	856,000	<b>B3 1.17% (0.58%)</b> Deuce Finco 5.5% 15/06/2027	864	0.38	GBP	1,740,000	Welltower 4.8% 20/11/2028	2,100	0.92
GBP	582,000	Inspired Entertainment 7.875% 01/06/2026	598	0.26	<b>BBB 3.20% (4.51%)</b>				
EUR	100,000	Pinnacle Bidco 5.5% 15/02/2025	89	0.04	USD	600,000	AT&T 3.5% 01/06/2041	454	0.20
GBP	622,000	Pinnacle Bidco 6.375% 15/02/2025	637	0.28	GBP	880,000	AT&T 4.25% 01/06/2043	1,126	0.50
GBP	456,000	Punch Finance 6.125% 30/06/2026	466	0.21	USD	1,425,000	Carrier Global 2.722% 15/02/2030	1,079	0.47
<b>CCC+ 0.23% (0.28%)</b>					GBP	541,000	Digital Stout 3.3% 19/07/2029	601	0.26
EUR	610,000	EC Finance 2.375% 15/11/2022 (Lux)	525	0.23	GBP	1,300,000	Fidelity National Information Services 2.25% 03/12/2029	1,365	0.60
					GBP	1,285,000	Fidelity National Information Services 3.36% 21/05/2031	1,463	0.64
					GBP	660,000	Fidelity National Information Services 3.36% 21/05/2031 (Berlin Exchange)	751	0.33
					GBP	409,000	Fiserv 3% 01/07/2031	454	0.20
					<b>BBB- 0.88% (1.35%)</b>				
					USD	357,000	Boeing 5.93% 01/05/2060	357	0.16
					GBP	207,000	MPT Operating Partnership 2.55% 05/12/2023	213	0.09
					GBP	1,100,000	Time Warner Cable 5.75% 02/06/2031	1,425	0.63
					<b>BB+ 4.32% (3.99%)</b>				
					EUR	617,000	Avantor Funding 2.625% 01/11/2025 (USA)	546	0.24
					GBP	329,000	Ford Motor Credit 2.748% 14/06/2024	335	0.15
					EUR	648,000	Ford Motor Credit 3.25% 15/09/2025	601	0.26
					USD	1,132,000	Jersey Central Power 2.75% 01/03/2032	848	0.37
					EUR	1,642,000	Netflix 3.625% 15/05/2027	1,635	0.72
					EUR	680,000	Netflix 3.625% 15/06/2030	702	0.31



## Threadneedle Strategic Bond Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>DERIVATIVES -1.29% (-1.27%) (continued)</b>			
<b>Forward Foreign Exchange Contracts 0.00% (0.03%)</b>			
	Sell GBP 58,968		
	Buy EUR 68,830 Barclays <sup>2</sup>	–	–
	Sell USD 157,152		
	Buy GBP 114,059 Citigroup <sup>2</sup>	–	–
	Sell USD 39,147,467		
	Buy GBP 28,735,771 J.P. Morgan	352	0.15
	Sell EUR 100,369,369		
	Buy GBP 86,105,566 Barclays	(346)	(0.15)
	Sell GBP 77,740		
	Buy USD 106,771 UBS <sup>2</sup>	–	–
	<b>Total Derivatives</b>	<b>(2,927)</b>	<b>(1.29)</b>
<b>Total value of investments<sup>3</sup></b>		<b>219,043</b>	<b>96.38</b>
<b>Net other assets (0.97%)</b>		<b>8,223</b>	<b>3.62</b>
<b>Net assets</b>		<b>227,266</b>	<b>100.00</b>

March 2021 comparatives in brackets.

\*Variable rate bonds.

(P) refers to provisional rating.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

### ANALYSIS OF INVESTMENTS BY ASSET CLASS

	Value £000	% of Investment
Fixed interest	178,126	81.32
Floating rate notes	43,844	20.02
Derivatives	(2,927)	(1.34)
<b>Total value of investments<sup>3</sup></b>	<b>219,043</b>	<b>100.00</b>

### ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS

	Value £000
UBS EURO-Bobl Future Expiring December 2021	(28,923)
UBS EURO-Bund Future Expiring December 2021	(3,696)
UBS EURO-Buxl 30 Year Bnd Future Expiring December 2021	(536)
UBS EURO-Oat Future Expiring December 2021	5,786
UBS Long Gilt Future Expiring December 2021	(53,331)
UBS US Treasury Future Expiring December 2021	(1,061)
UBS US Treasury Future Expiring December 2021	1,175
UBS US Treasury Future Expiring December 2021	(6,086)
UBS US Treasury Future Expiring December 2021	2,410
UBS US Treasury Future Expiring December 2021	8,602
<b>Total net exposure</b>	<b>(75,660)</b>

March 2021 comparatives in brackets.

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	64,402	90,395
Total sales for the period	74,959	98,866

## Threadneedle American Fund

### Portfolio Statement

as at 7 September 2021

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>BASIC MATERIALS 1.94% (2.15%)*</b>				<b>HEALTH CARE 10.60% (12.92%)</b>			
	<b>Chemicals 1.94% (2.15%)*</b>				<b>Health Care Providers 2.07% (1.90%)*</b>		
185,252	Albemarle	32,090	1.10	1,297,027	Centene	60,008	2.07
349,594	FMC	24,254	0.84				
	<b>Total Basic Materials</b>	<b>56,344</b>	<b>1.94</b>		<b>Medical Equipment and Services 0.00% (5.27%)*</b>		
<b>CONSUMER DISCRETIONARY 17.17% (15.64%)*</b>					<b>Pharmaceuticals and Biotechnology 8.53% (5.75%)*</b>		
	<b>Automobiles and Parts 1.71% (1.21%)*</b>			1,135,525	Bristol-Myers Squibb	53,689	1.85
1,401,563	General Motors	49,523	1.71	218,064	Charles River Laboratories	71,020	2.44
	<b>Consumer Services 0.00% (1.87%)*</b>			260,245	Eli Lilly and Company	48,092	1.66
	<b>Leisure Goods 2.34% (0.90%)*</b>			283,761	Mirati Therapeutics	35,413	1.22
588,447	Take-Two Interactive	67,922	2.34	283,684	Vertex Pharmaceuticals	39,537	1.36
	<b>Media 0.58% (0.00%)*</b>				<b>Total Health Care</b>	<b>307,759</b>	<b>10.60</b>
850,238	Endeavor Group Holdings	16,813	0.58		<b>Pharmaceuticals and Biotechnology 8.53% (5.75%)*</b>		
	<b>Personal Goods 1.93% (0.79%)*</b>			1,135,525	Bristol-Myers Squibb	53,689	1.85
1,674,094	Under Armour	28,101	0.97	218,064	Charles River Laboratories	71,020	2.44
506,711	VF	28,020	0.96	260,245	Eli Lilly and Company	48,092	1.66
	<b>Retailers 8.83% (10.87%)*</b>			283,761	Mirati Therapeutics	35,413	1.22
46,092	Amazon.com	117,329	4.04	283,684	Vertex Pharmaceuticals	39,537	1.36
587,433	Target Corporation	104,111	3.58		<b>Total Health Care</b>	<b>307,759</b>	<b>10.60</b>
680,579	TJX Companies	35,087	1.21		<b>Pharmaceuticals and Biotechnology 8.53% (5.75%)*</b>		
	<b>Travel and Leisure 1.78% (0.00%)*</b>				<b>Pharmaceuticals and Biotechnology 8.53% (5.75%)*</b>		
577,014	Hilton Worldwide Holdings	51,647	1.78		<b>Pharmaceuticals and Biotechnology 8.53% (5.75%)*</b>		
	<b>Total Consumer Discretionary</b>	<b>498,553</b>	<b>17.17</b>		<b>Pharmaceuticals and Biotechnology 8.53% (5.75%)*</b>		
<b>CONSUMER STAPLES 5.37% (4.31%)*</b>					<b>INDUSTRIALS 15.91% (13.81%)*</b>		
	<b>Beverages 3.56% (3.32%)*</b>				<b>Aerospace and Defence 0.98% (0.57%)*</b>		
2,564,412	Coca-Cola	103,540	3.56	1,262,592	Howmet Aerospace	28,621	0.98
	<b>Personal Care, Drug and Grocery Stores 1.81% (0.99%)*</b>				<b>Electronic and Electrical Equipment 0.00% (1.01%)*</b>		
835,193	CVS Health	52,454	1.81		<b>General Industrials 0.95% (3.06%)*</b>		
	<b>Total Consumer Staples</b>	<b>155,994</b>	<b>5.37</b>	530,985	DuPont de Nemours	27,509	0.95
<b>ENERGY 1.89% (2.43%)*</b>					<b>Industrial Engineering 3.09% (2.09%)*</b>		
	<b>Alternative Energy 1.89% (1.30%)*</b>			287,834	AGCO Corporation	28,018	0.96
256,117	Enphase Energy	31,348	1.08	203,648	Caterpillar	30,763	1.06
694,955	Renewable Energy Group	23,643	0.81	828,020	Ingersoll-Rand	31,083	1.07
	<b>Oil, Gas and Coal 0.00% (1.13%)*</b>				<b>Industrial Support Services 6.60% (5.08%)*</b>		
	<b>Total Energy</b>	<b>54,991</b>	<b>1.89</b>	155,160	Bill.Com Holdings	33,119	1.14
<b>FINANCIALS 14.96% (13.33%)*</b>					<b>Industrial Support Services 6.60% (5.08%)*</b>		
	<b>Banks 1.03% (0.00%)*</b>			346,253	Fidelity National Information Services	31,582	1.09
70,528	SVB Financial Group	29,980	1.03	416,111	MasterCard Class A	102,719	3.54
	<b>Investment Banking and Brokerage Services 12.49% (11.98%)*</b>			267,054	TransUnion	24,109	0.83
733,795	InterContinental Exchange	63,205	2.18		<b>Industrial Transportation 4.29% (2.00%)*</b>		
2,017,522	Morgan Stanley	152,542	5.25	335,147	Union Pacific	52,241	1.80
815,726	State Street Corporation	54,954	1.89	504,661	United Parcel Service	72,242	2.49
1,587,496	Virtu Financial	27,684	0.95		<b>Total Industrials</b>	<b>462,006</b>	<b>15.91</b>
1,377,997	Voya Financial	64,374	2.22		<b>Industrial Support Services 6.60% (5.08%)*</b>		
	<b>Non-life Insurance 1.44% (1.35%)*</b>				<b>Industrial Support Services 6.60% (5.08%)*</b>		
439,257	Allstate	41,891	1.44		<b>Industrial Support Services 6.60% (5.08%)*</b>		
	<b>Total Financials</b>	<b>434,630</b>	<b>14.96</b>		<b>Industrial Support Services 6.60% (5.08%)*</b>		
<b>TECHNOLOGY 21.88% (26.95%)*</b>					<b>TECHNOLOGY 21.88% (26.95%)*</b>		
	<b>Alternative Energy 1.89% (1.30%)*</b>				<b>Software and Computer Services 12.43% (17.10%)*</b>		
256,117	Enphase Energy	31,348	1.08	148,732	Adobe Systems	71,326	2.46
694,955	Renewable Energy Group	23,643	0.81	64,490	Alphabet Class A	134,947	4.65
	<b>Oil, Gas and Coal 0.00% (1.13%)*</b>			226,117	Aspen Technology	20,977	0.72
	<b>Total Energy</b>	<b>54,991</b>	<b>1.89</b>	481,738	Microsoft	104,885	3.61
<b>FINANCIALS 14.96% (13.33%)*</b>					<b>Technology Hardware and Equipment 9.45% (9.85%)*</b>		
	<b>Banks 1.03% (0.00%)*</b>			149,376	Salesforce	28,739	0.99
70,528	SVB Financial Group	29,980	1.03		<b>Technology Hardware and Equipment 9.45% (9.85%)*</b>		
	<b>Investment Banking and Brokerage Services 12.49% (11.98%)*</b>			222,597	Broadcom	80,185	2.76
733,795	InterContinental Exchange	63,205	2.18	116,375	Lam Research	50,073	1.72
2,017,522	Morgan Stanley	152,542	5.25	273,717	Microchip Technology	30,980	1.07
815,726	State Street Corporation	54,954	1.89	209,984	Nvidia	34,513	1.19
1,587,496	Virtu Financial	27,684	0.95	726,512	TE Connectivity	78,878	2.71
1,377,997	Voya Financial	64,374	2.22		<b>Total Technology</b>	<b>635,503</b>	<b>21.88</b>
	<b>Non-life Insurance 1.44% (1.35%)*</b>				<b>Technology Hardware and Equipment 9.45% (9.85%)*</b>		
439,257	Allstate	41,891	1.44		<b>Technology Hardware and Equipment 9.45% (9.85%)*</b>		
	<b>Total Financials</b>	<b>434,630</b>	<b>14.96</b>		<b>Technology Hardware and Equipment 9.45% (9.85%)*</b>		
<b>TELECOMMUNICATIONS 6.60% (6.00%)*</b>					<b>TELECOMMUNICATIONS 6.60% (6.00%)*</b>		
	<b>Telecommunications Equipment 3.83% (2.72%)*</b>			2,605,561	Cisco Systems	111,269	3.83
	<b>Telecommunications Service Providers 2.77% (3.28%)*</b>				<b>Telecommunications Service Providers 2.77% (3.28%)*</b>		
	<b>Total Telecommunications</b>	<b>191,639</b>	<b>6.60</b>	1,837,677	Comcast Corporation	80,370	2.77

## Threadneedle American Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>UTILITIES 3.02% (1.86%)*</b>			
<b>Electricity 2.09% (0.84%)*</b>			
530,030	American Electric Power	34,181	1.18
428,341	FPL Group	26,619	0.91
<b>Waste and Disposal Services 0.93% (1.02%)*</b>			
296,648	Republic Services	26,991	0.93
	<b>Total Utilities</b>	<b>87,791</b>	<b>3.02</b>
<b>COLLECTIVE INVESTMENT SCHEMES 0.78% (1.31%)</b>			
<b>Liquidity Funds 0.78% (1.31%)<sup>1</sup></b>			
31,268,698	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	22,682	0.78
	<b>Total Collective Investment Schemes</b>	<b>22,682</b>	<b>0.78</b>
<b>DERIVATIVES 0.06% (-0.16%)</b>			
<b>Forward Foreign Exchange Contracts 0.06% (-0.16%)</b>			
	Sell USD 394,000		
	Buy GBP 284,566 Barclays	(1)	–
	Sell USD 4,410,000		
	Buy GBP 3,196,181 Bank of Scotland	(2)	–
	Sell USD 457,685,464		
	Buy GBP 333,547,687 J.P. Morgan	1,705	0.06
	Sell USD 536,970		
	Buy GBP 391,328 J.P. Morgan	2	–
	Sell USD 10,076,533		
	Buy GBP 7,322,264 J.P. Morgan	16	–
	Sell USD 11,176,028		
	Buy GBP 8,118,762 J.P. Morgan	16	–
	Sell GBP 117,240		
	Buy USD 161,073 J.P. Morgan <sup>2</sup>	–	–
	Sell GBP 6,409		
	Buy USD 8,825 J.P. Morgan <sup>2</sup>	–	–
	<b>Total Derivatives</b>	<b>1,736</b>	<b>0.06</b>
	<b>Total value of investments<sup>3</sup></b>	<b>2,909,628</b>	<b>100.18</b>
	<b>Net other liabilities (-0.55%)</b>	<b>(5,265)</b>	<b>(0.18)</b>
	<b>Net assets</b>	<b>2,904,363</b>	<b>100.00</b>

March 2021 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

\*The comparative percentage figures at 7 March 2021 have been amended due to change in sector names.

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	1,353,430	1,153,207
Total sales for the period	1,512,082	971,978

## Threadneedle American Select Fund

### Portfolio Statement

as at 7 September 2021

		Value	% of			Value	% of
Holding	Investment	£000	Net Asset Value	Holding	Investment	£000	Net Asset Value
<b>BASIC MATERIALS 2.19% (0.00%)</b>							
	<b>Chemicals 1.28% (0.00%)</b>			107,233	Mirati Therapeutics	13,382	1.09
839,652	Livent	15,727	1.28	210,575	Vertex Pharmaceuticals	29,348	2.39
				208,903	Zoetis	31,759	2.59
	<b>Industrial Metals and Mining 0.91% (0.00%)</b>			<b>Total Health Care</b>			
328,746	Schnitzer Steel Industries Class A	11,087	0.91			<b>131,364</b>	<b>10.71</b>
	<b>Total Basic Materials</b>	<b>26,814</b>	<b>2.19</b>	<b>INDUSTRIALS 17.81% (14.72%)*</b>			
<b>CONSUMER DISCRETIONARY 17.51% (13.02%)*</b>				<b>Aerospace and Defence 0.00% (0.13%)</b>			
	<b>Consumer Services 0.00% (2.14%)*</b>			<b>General Industrials 0.89% (0.00%)</b>			
	<b>Leisure Goods 3.26% (0.00%)</b>			210,975	DuPont de Nemours	10,930	0.89
378,847	Electronic Arts	39,909	3.26	<b>Industrial Engineering 1.03% (0.43%)</b>			
	<b>Media 0.00% (0.85%)*</b>			129,604	AGCO Corporation	12,616	1.03
	<b>Personal Goods 4.44% (0.94%)</b>			<b>Industrial Support Services 8.57% (11.27%)*</b>			
130,086	Estee Lauder Companies Class A	31,855	2.60	49,452	Fair Isaac Corporation	16,584	1.35
586,738	Kontoor Brands	22,579	1.84	195,662	MasterCard Class A	48,300	3.94
	<b>Retailers 7.60% (6.41%)*</b>			125,514	PayPal Holdings	26,700	2.18
18,147	Amazon.com	46,194	3.77	148,751	TransUnion	13,429	1.10
265,087	Target Corporation	46,981	3.83	<b>Industrial Transportation 7.32% (2.89%)</b>			
	<b>Travel and Leisure 2.21% (2.68%)</b>			265,754	Union Pacific	41,424	3.38
302,765	Hilton Worldwide Holdings	27,100	2.21	337,366	United Parcel Service	48,294	3.94
	<b>Total Consumer Discretionary</b>	<b>214,618</b>	<b>17.51</b>	<b>Total Industrials</b>			
<b>CONSUMER STAPLES 6.56% (1.89%)*</b>				<b>TECHNOLOGY 20.30% (43.85%)*</b>			
	<b>Beverages 3.21% (0.91%)</b>			<b>Software and Computer Services 16.03% (33.77%)</b>			
974,668	Coca-Cola	39,353	3.21	137,606	Adobe Systems	65,991	5.39
	<b>Personal Care, Drug and Grocery Stores 3.35% (0.98%)</b>			32,754	Alphabet Class A	68,539	5.59
653,790	CVS Health	41,061	3.35	116,662	Aspen Technology	10,823	0.88
	<b>Total Consumer Staples</b>	<b>80,414</b>	<b>6.56</b>	264,614	nCino	14,421	1.18
				190,682	Salesforce	36,685	2.99
<b>ENERGY 1.48% (0.00%)</b>				<b>Technology Hardware and Equipment 4.27% (10.08%)*</b>			
	<b>Alternative Energy 1.48% (0.00%)</b>			60,500	Lam Research	26,031	2.12
533,543	Renewable Energy Group	18,152	1.48	242,481	TE Connectivity	26,326	2.15
	<b>Total Energy</b>	<b>18,152</b>	<b>1.48</b>	<b>Total Technology</b>			
<b>FINANCIALS 12.08% (11.31%)*</b>				<b>TELECOMMUNICATIONS 7.96% (3.94%)*</b>			
	<b>Banks 4.56% (4.25%)</b>			<b>Telecommunications Equipment 4.36% (0.00%)</b>			
1,046,406	Bank of America	31,364	2.56	1,251,602	Cisco Systems	53,449	4.36
57,645	SVB Financial Group	24,504	2.00	<b>Telecommunications Service Providers 3.60% (3.94%)*</b>			
	<b>Investment Banking and Brokerage Services 7.52% (7.06%)*</b>			1,008,785	Comcast Corporation	44,119	3.60
848,596	Morgan Stanley	64,161	5.23	<b>Total Telecommunications</b>			
230,247	State Street Corporation	15,511	1.27			<b>97,568</b>	<b>7.96</b>
267,585	Voya Financial	12,500	1.02	<b>UTILITIES 2.06% (0.83%)*</b>			
	<b>Total Financials</b>	<b>148,040</b>	<b>12.08</b>	<b>Electricity 2.06% (0.83%)</b>			
<b>HEALTH CARE 10.71% (9.77%)*</b>				391,457	American Electric Power	25,244	2.06
	<b>Health Care Providers 4.24% (3.03%)*</b>			<b>Total Utilities</b>			
843,000	Centene	39,002	3.18			<b>25,244</b>	<b>2.06</b>
182,328	Doximity	12,950	1.06	<b>DERIVATIVES 0.00% (0.00%)*</b>			
	<b>Medical Equipment and Services 0.00% (2.99%)*</b>			<b>Forward Foreign Exchange Contracts 0.00% (0.00%)*</b>			
	<b>Pharmaceuticals and Biotechnology 6.47% (3.75%)*</b>			Sell USD 37,106			
26,640	Eli Lilly and Company	4,923	0.40	Buy CHF 33,881 J.P. Morgan <sup>1</sup>			
				Sell USD 304			
				Buy GBP 222 J.P. Morgan <sup>1</sup>			
				Sell USD 573			
				Buy GBP 415 J.P. Morgan <sup>1</sup>			

## Threadneedle American Select Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>DERIVATIVES 0.00% (0.00%) (continued)</b>			
	Sell USD 626,689		
	Buy GBP 456,712 J.P. Morgan	2	–
	Sell USD 65		
	Buy GBP 47 J.P. Morgan <sup>1</sup>	–	–
	Sell USD 98,000		
	Buy GBP 71,026 Bank of Scotland <sup>1</sup>	–	–
	Sell USD 1,124,000		
	Buy GBP 811,808 Barclays	(3)	–
	Sell GBP 3		
	Buy USD 3 J.P. Morgan <sup>1</sup>	–	–
	Sell GBP 5		
	Buy USD 7 J.P. Morgan <sup>1</sup>	–	–
	<b>Total Derivatives</b>	<b>(1)</b>	<b>–</b>
<b>Total value of investments</b>		<b>1,209,306</b>	<b>98.66</b>
<b>Net other assets (0.67%)</b>		<b>16,403</b>	<b>1.34</b>
<b>Net assets</b>		<b>1,225,709</b>	<b>100.00</b>

March 2021 comparatives in brackets.

<sup>1</sup>Less than £500, rounded to nil.

\*The comparative percentage figures at 7 March 2021 have been amended due to change in sector names.

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	915,971	187,843
Total sales for the period	977,215	126,283

## Threadneedle American Smaller Companies Fund (US)

### Portfolio Statement

as at 7 September 2021

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>BASIC MATERIALS 5.05% (4.62%)*</b>				<b>Investment Banking and Brokerage Services 11.57% (10.19%)*</b>			
	<b>Chemicals 2.62% (1.55%)*</b>			305,043	Houlihan Lokey	19,753	3.61
766,744	Livent	14,361	2.62	339,092	Moelis & Company	15,543	2.84
	<b>Industrial Metals and Mining 2.43% (3.07%)</b>			884,707	Virtu Financial	15,428	2.82
394,081	Schnitzer Steel Industries Class A	13,290	2.43	269,871	Voya Financial	12,607	2.30
	<b>Total Basic Materials</b>	<b>27,651</b>	<b>5.05</b>		<b>Non-life Insurance 1.88% (1.72%)</b>		
				305,401	Essent Group	10,275	1.88
<b>CONSUMER DISCRETIONARY 21.07% (20.28%)*</b>					<b>Total Financials</b>	<b>84,821</b>	<b>15.50</b>
	<b>Consumer Services 7.15% (7.29%)*</b>			<b>HEALTH CARE 15.13% (15.74%)</b>			
586,048	Carriage Services	19,853	3.63		<b>Health Care Providers 0.90% (0.00%)*</b>		
451,997	Matthews International	11,607	2.12	69,780	Doximity	4,956	0.90
461,353	Regis Corporation	1,647	0.30		<b>Medical Equipment and Services 6.18% (6.09%)*</b>		
131,601	Ritchie Bros Auctioneers	6,002	1.10	154,860	CONMED Corporation	14,453	2.64
	<b>Leisure Goods 0.81% (0.77%)*</b>			115,057	Integer Holdings	8,146	1.49
123,123	Acushnet Holdings	4,418	0.81	417,095	Natus Medical	8,109	1.48
	<b>Media 0.89% (0.00%)*</b>			85,326	Quanterix	3,119	0.57
247,322	Endeavor Group Holdings	4,891	0.89		<b>Pharmaceuticals and Biotechnology 8.05% (9.65%)*</b>		
	<b>Personal Goods 5.54% (6.24%)*</b>			179,037	Acadia Pharmaceuticals	2,113	0.39
172,991	Canada Goose Holdings	5,053	0.92	135,655	Insmed	2,768	0.51
224,654	Gildan Activewear	6,315	1.15	110,711	Medpace Holdings	15,565	2.84
328,868	Kontoor Brands	12,656	2.31	64,441	Mirati Therapeutics	8,042	1.47
377,651	Under Armour	6,339	1.16	32,787	Novavax	6,427	1.17
	<b>Retailers 0.88% (2.35%)*</b>			231,116	Revolution Medicines	5,144	0.94
20,902	Lithia Motors	4,837	0.88	120,384	Sage Therapeutics	3,998	0.73
	<b>Travel and Leisure 5.80% (3.63%)*</b>				<b>Total Health Care</b>	<b>82,840</b>	<b>15.13</b>
66,493	Madison Square Garden Entertainment	3,890	0.71	<b>INDUSTRIALS 13.98% (16.81%)*</b>			
779,297	OneSpaWorld Holdings	5,811	1.06		<b>Aerospace and Defence 0.00% (0.63%)*</b>		
292,371	Wendy's	4,816	0.88		<b>Construction and Materials 2.58% (4.00%)*</b>		
133,523	Wingstop	17,226	3.15	47,066	Masonite International	4,049	0.74
	<b>Total Consumer Discretionary</b>	<b>115,361</b>	<b>21.07</b>	428,541	Quanex Building Products	6,848	1.25
				20,520	TopBuild	3,226	0.59
<b>CONSUMER STAPLES 3.12% (1.76%)*</b>					<b>Electronic and Electrical Equipment 1.17% (1.33%)*</b>		
	<b>Food Producers 3.12% (1.76%)*</b>			54,696	MSA Safety	6,433	1.17
273,330	Bellring Brands	6,622	1.21		<b>General Industrials 0.81% (1.98%)*</b>		
68,651	Beyond Meat	5,663	1.04	208,166	Axalta Coating Systems	4,426	0.81
331,653	UTZ Brands	4,773	0.87		<b>Industrial Engineering 2.83% (2.03%)*</b>		
	<b>Total Consumer Staples</b>	<b>17,058</b>	<b>3.12</b>	117,561	AGCO Corporation	11,444	2.09
				258,328	Bloom Energy	4,031	0.74
<b>ENERGY 5.52% (7.75%)*</b>					<b>Industrial Support Services 3.89% (4.74%)*</b>		
	<b>Alternative Energy 3.16% (3.66%)*</b>			592,116	EVO Payments	10,678	1.95
204,521	Array Technologies	2,927	0.54	72,956	FTI Consulting	7,238	1.32
206,575	Renewable Energy Group	7,028	1.28	51,585	ICF International	3,394	0.62
461,464	Sunpower	7,351	1.34		<b>Industrial Transportation 2.70% (2.10%)*</b>		
	<b>Oil, Gas and Coal 2.36% (4.09%)*</b>			697,689	WillScot Mobile Mini Holdings	14,768	2.70
6,775,651	Newpark Resources	12,927	2.36		<b>Total Industrials</b>	<b>76,535</b>	<b>13.98</b>
	<b>Total Energy</b>	<b>30,233</b>	<b>5.52</b>	<b>REAL ESTATE 0.00% (3.94%)*</b>			
					<b>Real Estate Investment Trusts 0.00% (3.94%)*</b>		
<b>FINANCIALS 15.50% (11.91%)*</b>					<b>Total Real Estate</b>	<b>-</b>	<b>-</b>
	<b>Banks 2.05% (0.00%)*</b>						
255,780	Axos Financial	8,860	1.62				
55,784	Live Oak Bancshares	2,355	0.43				

## Threadneedle American Smaller Companies Fund (US)

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>TECHNOLOGY 14.77% (13.31%)*</b>			
<b>Software and Computer Services 9.92% (7.73%)*</b>			
67,955	Aspen Technology	6,304	1.15
699,782	Avaya Holdings	10,229	1.87
124,869	Envestnet	7,028	1.28
197,252	KBR	5,606	1.02
123,786	nCino	6,746	1.23
100,789	Techtarget	6,273	1.15
293,613	Teradata Corporation	12,147	2.22
<b>Technology Hardware and Equipment 4.85% (5.58%)*</b>			
316,578	COHU	8,095	1.48
47,719	SiTime	7,754	1.42
686,943	Vishay Intertechnology	10,669	1.95
<b>Total Technology</b>		<b>80,851</b>	<b>14.77</b>
<b>UTILITIES 2.75% (2.91%)*</b>			
<b>Gas, Water and Multi-utilities 2.75% (2.91%)</b>			
489,253	Avista	15,023	2.75
<b>Total Utilities</b>		<b>15,023</b>	<b>2.75</b>
<b>COLLECTIVE INVESTMENT SCHEMES 4.44% (0.95%)</b>			
<b>Liquidity Funds 4.44% (0.95%)<sup>1</sup></b>			
33,510,357	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	24,308	4.44
<b>Total Collective Investment Schemes</b>		<b>24,308</b>	<b>4.44</b>
<b>DERIVATIVES 0.00% (0.00%)</b>			
<b>Forward Foreign Exchange Contracts 0.00% (0.00%)</b>			
	Sell USD 93,500		
	Buy GBP 67,530 Barclays <sup>2</sup>	–	–
<b>Total Derivatives</b>		<b>–</b>	<b>–</b>
<b>Total value of investments<sup>3</sup></b>		<b>554,681</b>	<b>101.33</b>
<b>Net other (liabilities)/assets (0.02%)</b>		<b>(7,276)</b>	<b>(1.33)</b>
<b>Net assets</b>		<b>547,405</b>	<b>100.00</b>

March 2021 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

\*The comparative percentage figures at 7 March 2021 have been amended due to change in sector names.

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	232,960	209,752
Total sales for the period	173,628	225,382

## Threadneedle Dollar Bond Fund

### Portfolio Statement

as at 7 September 2021

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 88.37% (91.67%)</b>					USD	425,000	Galaxy Pipeline Assets 2.94% 30/09/2040	313	0.51
		<b>AAA 16.56% (12.66%)</b>					<b>AA- 2.16% (2.80%)</b>		
USD	1,100,000	Asian Development Bank 1.5% 04/03/2031	806	1.32	USD	60,000	Burlington Northern Santa Fe 4.375% 01/09/2042	54	0.09
USD	350,000	Asian Development Bank 3.125% 26/09/2028	287	0.47	USD	464,000	Met Life Global Funding I 1.55% 07/01/2031	324	0.53
USD	1,000,000	BNG Bank 1.5% 16/10/2024	747	1.23	USD	150,000	Metropolitan Life Global Funding I 2.95% 09/04/2030	117	0.19
USD	640,000	European Investment Bank 2.5% 15/10/2024	493	0.81	USD	80,000	New York Life Insurance 4.45% 04/04/2069	73	0.12
USD	1,400,000	Inter-American Development Bank 0.625% 15/07/2025	1,014	1.67	USD	180,000	Northwestern 3.45% 30/03/2051	143	0.23
USD	1,000,000	International Bank for Reconstruction and Development 3.125% 20/11/2025 (Germany listing)	786	1.29	USD	160,000	Northwestern 3.85% 30/09/2047	134	0.22
USD	1,000,000	International Bank for Reconstruction and Development 3.125% 20/11/2025 (Luxembourg listing)	786	1.29	USD	250,000	Qatar Government International Bond 4.4% 16/04/2050	224	0.37
USD	1,000,000	International Finance Corporation 2% 24/10/2022	740	1.22	USD	263,000	Teachers Insurance & Annuity Association of America 4.9% 15/09/2044	249	0.41
USD	1,175,000	KFW 0.75% 30/09/2030	808	1.33			<b>A+ 2.74% (3.39%)</b>		
USD	1,900,000	KFW 2% 30/11/2021	1,383	2.27	USD	400,000	Connecticut Light & Power 3.2% 15/03/2027	320	0.53
USD	2,000,000	KFW 2% 29/09/2022	1,478	2.43	USD	80,000	Intel 3.05% 12/08/2051	59	0.10
USD	540,000	Microsoft 2.875% 06/02/2024	413	0.68	USD	135,000	Intel 4.75% 25/03/2050	130	0.21
USD	371,000	Microsoft 4.1% 06/02/2037	332	0.55	USD	400,000	Oncor Electric Delivery 0.55% 01/10/2025	284	0.47
		<b>Aaa 26.53% (29.36%)</b>			USD	143,000	Oncor Electric Delivery 3.7% 15/11/2028	118	0.19
USD	1,485,500	United States Treasury Note/Bond 0.25% 31/08/2025	1,061	1.74	USD	113,000	Pfizer 2.625% 01/04/2030	87	0.14
USD	3,825,900	United States Treasury Note/Bond 0.375% 31/07/2027	2,681	4.41	USD	160,000	Port Authority of New York & New Jersey 4.458% 01/10/2062	158	0.26
USD	900,000	United States Treasury Note/Bond 0.625% 15/08/2030	616	1.01	USD	250,000	Siemens Financieringsmaatschappij 3.125% 16/03/2024	193	0.32
USD	4,950,000	United States Treasury Note/Bond 0.75% 31/05/2026	3,586	5.89	USD	200,000	Tencent Holdings 3.595% 19/01/2028	157	0.26
USD	300,000	United States Treasury Note/Bond 1.125% 15/05/2040	192	0.32	USD	200,000	Tencent Holdings 3.925% 19/01/2038	157	0.26
USD	3,570,000	United States Treasury Note/Bond 2.375% 15/08/2024	2,738	4.50			<b>A1 0.35% (0.26%)</b>		
USD	2,530,000	United States Treasury Note/Bond 2.75% 15/08/2047	2,128	3.50	USD	250,000	Saudi International Bond 4.5% 26/10/2046	212	0.35
USD	1,900,000	United States Treasury Note/Bond 4.25% 15/05/2039	1,914	3.15			<b>A 3.34% (3.94%)</b>		
USD	1,215,000	United States Treasury Note/Bond 4.5% 15/02/2036	1,224	2.01	USD	181,000	Atlantic City Electric 2.3% 15/03/2031	135	0.22
		<b>AA+ 0.83% (1.60%)</b>			USD	200,000	Banque Fédérative du Crédit Mutuel 2.375% 21/11/2024	152	0.25
USD	240,000	Apple 2.65% 11/05/2050	170	0.28	USD	550,000	BPCE 2.7% 01/10/2029	419	0.69
USD	54,000	Apple 4.5% 23/02/2036	49	0.08	USD	500,000	Danske Bank 1.226% 22/06/2024	366	0.60
USD	400,000	Northwestern 0.8% 14/01/2026	287	0.47	USD	635,000	Five Corners Funding Trust 4.419% 15/11/2023	498	0.82
		<b>AA 1.89% (1.19%)</b>			USD	150,000	PPL Electric Utilities 4.15% 15/06/2048	135	0.22
USD	600,000	Abu Dhabi Government International 2.5% 30/09/2029	461	0.76	USD	100,000	San Diego Gas & Electric 4.15% 15/05/2048	88	0.14
USD	253,000	Amazon.Com 2.7% 03/06/2060	177	0.29	USD	177,000	Southwestern Public Service 3.15% 01/05/2050	135	0.22
USD	240,000	Amazon.Com 3.1% 12/05/2051	185	0.30	USD	150,000	Total Capital International 2.986% 29/06/2041	112	0.18
USD	130,000	Berkshire Hathaway Finance 4.25% 15/01/2049	118	0.19			<b>A- 3.27% (3.30%)</b>		
USD	300,000	Korea Development Bank 0.4% 19/06/2024	216	0.35	USD	148,000	AEP Texas 3.45% 15/05/2051	113	0.18
		<b>Aa2 0.82% (0.74%)</b>			USD	200,000	Amgen 3.15% 21/02/2040	150	0.25
USD	259,000	Galaxy Pipeline Assets 2.625% 31/03/2036	188	0.31	USD	109,000	Astrazeneca Finance 2.25% 28/05/2031	81	0.13
					USD	185,000	Berkshire Hathaway Energy 2.85% 15/05/2051	131	0.22

## Threadneedle Dollar Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 88.37% (91.67%) (continued)</b>									
USD	130,000	Cigna 4.9% 15/12/2048	122	0.20	USD	170,000	Virginia Electric and Power Company 4.6% 01/12/2048	161	0.27
USD	282,000	Comcast Corporation 2.887% 01/11/2051	201	0.33	USD	361,000	Volkswagen Group America 3.35% 13/05/2025	282	0.46
USD	50,000	Consolidated Edison 3.95% 01/04/2050	42	0.07	USD	960,000	Vonovia Finance 5% 02/10/2023	752	1.23
USD	100,000	Georgia Power 3.7% 30/01/2050	79	0.13	USD	530,000	Voya Financial 3.125% 15/07/2024	408	0.67
USD	200,000	HSBC Holdings 4.95% 31/03/2030	175	0.29	USD	490,000	Woodside Finance 4.5% 04/03/2029	401	0.66
USD	152,000	International Business Machines 1.95% 15/05/2030	110	0.18	<b>BBB 8.99% (9.39%)</b>				
USD	300,000	SGSP Australia Assets 3.3% 09/04/2023	226	0.37	USD	200,000	Anglo American Capital 3.95% 10/09/2050	160	0.26
USD	475,000	SGSP Australia Assets 3.5% 07/07/2027	379	0.62	USD	155,000	APT Pipelines 4.2% 23/03/2025	123	0.20
USD	50,000	Southern California Edison 3.65% 01/02/2050	37	0.06	USD	40,000	APT Pipelines 4.25% 15/07/2027	33	0.05
USD	185,000	Southern California Edison 4.125% 01/03/2048	144	0.24	USD	230,000	APT Pipelines 5% 23/03/2035	206	0.34
<b>BBB+ 12.20% (9.26%)</b>									
USD	327,000	AbbVie 4.25% 21/11/2049	283	0.46	USD	187,000	AT&T 2.3% 01/06/2027	141	0.23
USD	135,000	AbbVie 4.875% 14/11/2048	127	0.21	USD	137,000	AT&T 2.55% 01/12/2033	99	0.16
USD	100,000	Anheuser-Busch InBev 4.35% 01/06/2040	86	0.14	USD	101,000	AT&T 3.1% 01/02/2043	72	0.12
USD	420,000	Anheuser-Busch InBev 4.7% 01/02/2036	376	0.62	USD	161,000	AT&T 3.5% 15/09/2053	119	0.20
USD	100,000	Anheuser-Busch InBev 5.45% 23/01/2039	95	0.16	USD	449,000	AT&T 4.9% 15/08/2037	400	0.66
USD	668,000	Aroundtown 5.375% 21/03/2029	573	0.94	USD	605,000	Ausgrid Finance 3.85% 01/05/2023	457	0.75
USD	309,000	BAT Capital 4.7% 02/04/2027	254	0.42	USD	375,000	Ausgrid Finance 4.35% 01/08/2028	309	0.51
USD	124,000	CSX 3.8% 15/04/2050	103	0.17	USD	315,000	BAE Systems 3.4% 15/04/2030	250	0.41
USD	603,000	Deutsche Bank 1.686% 19/03/2026	442	0.73	USD	840,000	Becton Dickinson 2.823% 20/05/2030	643	1.06
USD	90,000	Electricite de France 4.875% 22/01/2044	83	0.14	USD	226,000	Becton Dickinson 3.7% 06/06/2027	182	0.30
USD	126,000	Enbridge 2.5% 01/08/2033	92	0.15	USD	447,000	Carrier Global 2.722% 15/02/2030	339	0.56
USD	155,000	Enterprise Products Operating 4.45% 15/02/2043	132	0.22	USD	175,000	CVS Health 5.05% 25/03/2048	166	0.27
USD	310,000	Eversource Energy 2.55% 15/03/2031	231	0.38	USD	110,000	Dte Energy Co 2.95% 01/03/2030	85	0.14
USD	80,000	Eversource Energy 3.45% 15/01/2050 (Germany listing)	62	0.10	USD	120,000	E.ON International Finance 6.65% 30/04/2038	128	0.21
USD	150,000	Eversource Energy 3.45% 15/01/2050 (USA listing)	116	0.19	USD	700,000	Fiserv 2.25% 01/06/2027	527	0.87
USD	439,000	GE Capital International Funding Company 4.418% 15/11/2035	386	0.63	USD	200,000	Imperial Brands Finance 3.5% 26/07/2026	156	0.26
USD	340,000	Goodman US Finance 3.7% 15/03/2028	269	0.44	USD	500,000	Imperial Tobacco Finance 3.5% 11/02/2023	374	0.61
USD	234,000	NiSource Finance 4.8% 15/02/2044	214	0.35	USD	230,000	Kinder Morgan Energy Partners 5% 01/03/2043	201	0.33
USD	317,000	Oracle 2.95% 01/04/2030	243	0.40	USD	300,000	Petroleos Mexicanos 5.95% 28/01/2031	214	0.35
USD	240,000	Oracle 3.6% 01/04/2040	183	0.30	USD	97,000	Williams 4.85% 01/03/2048	86	0.14
USD	101,000	Oracle Corporation 3.65% 25/03/2041	78	0.13	<b>BBB- 4.42% (5.75%)</b>				
USD	150,000	Piedmont Natural Gas 3.35% 01/06/2050	113	0.19	USD	222,000	Adani Ports and Special Economic Zone 4.375% 03/07/2029	172	0.28
USD	240,000	RELX Capital 3.5% 16/03/2023	182	0.30	USD	255,000	Bacardi 5.3% 15/05/2048	244	0.40
USD	70,000	Rogers Communications 3.7% 15/11/2049	54	0.09	USD	310,000	Bank of Ireland Group 4.5% 25/11/2023	242	0.40
USD	105,000	Southern Copper 4.4% 01/07/2046	91	0.15	USD	100,000	Boeing 3.95% 01/08/2059	75	0.12
USD	50,000	Tyson Foods 4.55% 02/06/2047	45	0.07	USD	108,000	Boeing 5.93% 01/05/2060	108	0.18
USD	95,000	Verizon Communications 2.55% 21/03/2031	71	0.12	USD	200,000	Broadcom 4.15% 15/11/2030	163	0.27
USD	145,000	Verizon Communications 2.65% 20/11/2040	101	0.17	USD	221,000	Broadcom 5% 15/04/2030	189	0.31
USD	380,000	Verizon Communications 4.4% 01/11/2034	329	0.54	USD	110,000	Charter Communications Operating 3.7% 01/04/2051	79	0.13
					USD	380,000	Charter Communications Operating 4.5% 01/02/2024	299	0.49
					USD	125,000	Charter Communications Operating 4.8% 01/03/2050	105	0.17
					USD	329,000	Discovery Communication 3.625% 15/05/2030	261	0.43
					USD	100,000	Emera US Finance 4.75% 15/06/2046	86	0.14
					USD	238,000	Pacific Gas & Electric 4.95% 01/07/2050	184	0.30

## Threadneedle Dollar Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value					
<b>FIXED INTEREST 88.37% (91.67%) (continued)</b>														
USD	345,000	Pacific National Finance 4.75% 22/03/2028	273	0.45	USD	200,000	*Legal & General Group Variable 21/03/2047	165	0.27					
USD	168,000	Plains All American Pipeline 3.55% 15/12/2029	129	0.21	USD	175,000	*Westpac Banking Variable 15/11/2035	125	0.21					
USD	112,000	Plains All American Pipeline 4.7% 15/06/2044	87	0.14	USD	250,000	<b>BBB 1.03% (1.20%)</b> *Ausnet Services Holdings Variable 17/03/2076	181	0.30					
USD	250,000	<b>BB+ 1.29% (1.01%)</b> Colombia Government International Bond 3% 30/01/2030	178	0.29	USD	360,000	*BP Capital Markets Variable 22/09/2168	279	0.46					
USD	214,000	Jersey Central Power 2.75% 01/03/2032	160	0.26	USD	200,000	*NatWest Group Variable 08/05/2030	167	0.27					
USD	317,000	Kraft Heinz Foods 4.375% 01/06/2046	267	0.44	USD	200,000	<b>BBB- 1.53% (0.62%)</b> *Credit Agricole Variable 23/03/2167	162	0.27					
USD	100,000	Kraft Heinz Foods 4.875% 01/10/2049	90	0.15	USD	200,000	*Deutsche Bank Variable 28/05/2032	149	0.24					
USD	110,000	Metropolitan Edison 4.3% 15/01/2029	90	0.15	USD	835,000	*SSE Variable 16/09/2077	621	1.02					
USD	200,000	<b>Ba2 0.49% (0.47%)</b> Energuate Trust 5.875% 03/05/2027	152	0.25	USD	200,000	<b>BB+ 0.27% (0.00%)</b> *UBS Group 7% 29/12/2049	167	0.27					
USD	200,000	Millicom International Cellular 6.25% 25/03/2029	144	0.24	USD	200,000	<b>BB 0.26% (0.24%)</b> *UBS Group Funding Switzerland Variable 31/07/2169	160	0.26					
USD	150,000	<b>BB- 0.96% (0.88%)</b> Dominican Republic International Bond 6.4% 05/06/2049	120	0.20	USD	215,000	<b>BB- 0.29% (0.27%)</b> *Credit Suisse Group Variable 12/03/2167	175	0.29					
USD	150,000	Dominican Republic International Bond 6.85% 27/01/2045	126	0.21	<b>Total Floating Rate Notes</b>									
USD	270,000	GMR Hyderabad International 4.25% 27/10/2027	189	0.31				<b>5,481</b>	<b>9.01</b>					
USD	200,000	GMR Hyderabad International 5.375% 10/04/2024	149	0.24	<b>DERIVATIVES -0.40% (-0.03%)</b>									
USD	1,270,000	<b>B 0.00% (0.46%)</b> <b>Not Rated 1.52% (1.46%)</b> United States Treasury Note/Bond 2% 15/02/2050	925	1.52	USD	(19,900,000)	<b>Credit Default Swaps -0.52% (-0.45%)</b> Morgan Stanley CDX-NAIGS33V1- 5Y Credit Default Swap Index Buy Protection 20/06/2026 Spread 100	(361)	(0.59)					
USD	7,481	<b>Liquidity Funds 0.01% (3.75%)<sup>1</sup></b> BlackRock Institutional Cash Series US Dollar Liquidity Platinum	5	0.01	USD	2,440,000	Morgan Stanley CDX-NAIGS33V1- 5Y Credit Default Swap Index Sell Protection 20/06/2026 Spread 100	44	0.07					
<b>Total Fixed Interest</b>				<b>53,779</b>	<b>88.37</b>	<b>Futures and Options 0.12% (0.42%)</b>								
<b>FLOATING RATE NOTES 9.01% (7.00%)</b>														
USD	900,000	<b>A 1.07% (0.99%)</b> *DNB Bank Variable 16/09/2026	649	1.07	USD	(4)	UBS US 2 Year Note Future Expiring December 2021	(1)	-					
USD	350,000	<b>A- 2.74% (2.00%)</b> *Bank of America Variable 07/23/2030	274	0.45	USD	11	UBS US Treasury 0.5% Future Expiring December 2021	(1)	-					
USD	329,000	*Bank of America Variable 13/02/2031	245	0.40	USD	(25)	UBS US Treasury 1.65% Future Expiring December 2021	21	0.03					
USD	85,000	*Bank of America Variable 29/04/2031	64	0.11	USD	(1)	UBS US Treasury 3% Future Expiring December 2021	3	-					
USD	304,000	*Bank of America Variable 11/03/2032	227	0.37	USD	(36)	UBS US Treasury 5% Future Expiring December 2021	52	0.09					
USD	280,000	*HSBC Holdings Variable 24/05/2027	203	0.33	<b>Total Derivatives</b>									
USD	390,000	*JPMorgan Chase 3.882% 24/07/2038	326	0.54				<b>(243)</b>	<b>(0.40)</b>					
USD	147,000	*JPMorgan Chase Variable 22/04/2032	110	0.18	<b>Total value of investments<sup>2</sup></b>									
USD	287,000	*JPMorgan Chase Variable 22/04/2041	218	0.36	<b>Net other assets (1.36%)</b>									
USD	345,000	<b>BBB+ 1.82% (1.68%)</b> *Australia and New Zealand Banking Group 2.57% 25/11/2035	245	0.40	<b>Net assets</b>									
USD	250,000	*Credit Suisse 4.194% 01/04/2031	205	0.34				<b>59,017</b>	<b>96.98</b>					
USD	500,000	*Danske Bank Variable 11/09/2026	364	0.60				<b>1,839</b>	<b>3.02</b>					

March 2021 comparatives in brackets.

\*Variable rate bonds.

<sup>1</sup>Cash equivalents.<sup>2</sup>Includes Cash equivalents.

## Threadneedle Dollar Bond Fund

### Portfolio Statement

(continued)

#### ANALYSIS OF INVESTMENTS BY ASSET CLASS

	Value £000	% of Investment
Fixed interest	53,779	91.12
Floating rate notes	5,481	9.29
Derivatives	(243)	(0.41)
<b>Total value of investments<sup>2</sup></b>	<b>59,017</b>	<b>100.00</b>

#### ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS

	Value £000
UBS US 2 Year Note Future Expiring December 2021	(639)
UBS US Treasury Future Expiring December 2021	(4,231)
UBS US Treasury Future Expiring December 2021	(2,669)
UBS US Treasury Future Expiring December 2021	(142)
UBS US Treasury Future Expiring December 2021	986
<b>Total net exposure</b>	<b>(6,695)</b>

#### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	14,162	60,149
Total sales for the period	20,260	45,385

## Threadneedle Japan Fund

### Portfolio Statement

as at 7 September 2021

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>BASIC MATERIALS 3.48% (4.55%)</b>				<b>Electronic and Electrical Equipment 7.84% (5.75%)*</b>			
	<b>Chemicals 3.48% (4.55%)</b>			521,500	Hitachi	22,520	2.29
29,500	JCU	837	0.08	113,800	Keyence	54,457	5.55
254,800	Shin-Etsu Chemical	33,322	3.40	<b>General Industrials 5.67% (6.72%)</b>			
<b>Total Basic Materials</b>				2,477,100	Itochu	55,674	5.67
		<b>34,159</b>	<b>3.48</b>	<b>Industrial Engineering 4.02% (5.03%)</b>			
<b>CONSUMER DISCRETIONARY 17.55% (19.28%)*</b>				81,200	Fanuc	13,969	1.42
	<b>Automobiles and Parts 6.26% (6.87%)</b>			276,400	Misumi Group	8,403	0.86
285,000	Koito Manufacturing	13,289	1.36	937,700	Takeuchi Manufacturing Company	17,043	1.74
729,700	Toyota Motor	48,056	4.90	<b>Industrial Support Services 8.08% (5.89%)</b>			
<b>Household Goods and Home Construction 1.98% (1.84%)</b>				349,300	Benefit One	11,864	1.21
576,900	Shoei	19,442	1.98	179,200	JMDC	8,994	0.92
<b>Leisure Goods 5.85% (7.10%)</b>				937,700	Mitsui & Company	15,516	1.58
40,600	Nintendo	14,887	1.52	970,200	Recruit Holdings	42,863	4.37
538,000	Sony	42,488	4.33	<b>Industrial Transportation 0.00% (0.78%)</b>			
<b>Media 0.00% (0.13%)</b>				<b>Total Industrials</b>			
<b>Retailers 3.46% (3.34%)</b>						<b>291,384</b>	<b>29.70</b>
1,369,600	Don Quijote Holdings	19,637	2.00	<b>REAL ESTATE 1.78% (1.19%)*</b>			
102,100	Nitori Holdings	14,359	1.46	<b>Real Estate Investment and Services 1.78% (1.19%)</b>			
<b>Total Consumer Discretionary</b>				474,200	Open House	17,482	1.78
		<b>172,158</b>	<b>17.55</b>	<b>Total Real Estate</b>			
<b>CONSUMER STAPLES 2.98% (2.27%)*</b>						<b>17,482</b>	<b>1.78</b>
	<b>Food Producers 1.71% (0.00%)*</b>			<b>TECHNOLOGY 21.04% (15.06%)*</b>			
742,100	Ajinomoto Company	16,758	1.71	<b>Software and Computer Services 7.71% (4.47%)*</b>			
<b>Personal Care, Drug and Grocery Stores 1.27% (2.27%)</b>				629,300	Appier Group	7,865	0.80
274,000	Kao	12,501	1.27	55,300	BayCurrent Consulting	20,205	2.06
<b>Total Consumer Staples</b>				73,700	Freee KK	4,141	0.42
		<b>29,259</b>	<b>2.98</b>	137,800	Justsystems	6,334	0.65
<b>FINANCIALS 10.05% (10.33%)*</b>				239,400	Kakaku.com	5,707	0.58
	<b>Finance and Credit Services 5.43% (5.14%)*</b>			124,800	Mercari	4,807	0.49
3,772,700	Orix	53,307	5.43	107,600	Money Forward	6,436	0.66
<b>Investment Banking and Brokerage Services 1.39% (1.08%)*</b>				967,500	Technopro Holdings	20,099	2.05
601,700	Nihon M&A Center	13,611	1.39	<b>Technology Hardware and Equipment 13.33% (10.59%)*</b>			
<b>Life Insurance 3.23% (4.11%)</b>				193,900	Elecom	2,432	0.25
2,042,900	Dai-ichi Life Insurance	31,695	3.23	441,000	Fujifilm Holdings Corporation	27,775	2.83
<b>Total Financials</b>				418,200	Murata Manufacturing	28,339	2.89
		<b>98,613</b>	<b>10.05</b>	423,300	Rohm	31,294	3.19
<b>HEALTH CARE 11.08% (8.34%)</b>				261,800	Shinko Electric Industries	6,794	0.69
	<b>Health Care Providers 2.31% (1.71%)*</b>			102,300	Tokyo Electron	34,165	3.48
430,500	M3	22,614	2.31	<b>Total Technology</b>			
<b>Medical Equipment and Services 5.81% (3.76%)*</b>						<b>206,393</b>	<b>21.04</b>
475,800	Hoya	57,047	5.81	<b>TELECOMMUNICATIONS 1.85% (5.00%)</b>			
<b>Pharmaceuticals and Biotechnology 2.96% (2.87%)</b>				<b>Telecommunications Service Providers 1.85% (5.00%)</b>			
367,800	Chugai Pharmaceutical	10,687	1.09	395,700	SoftBank Group	18,116	1.85
998,700	Daiichi Sankyo	18,353	1.87	<b>Total Telecommunications</b>			
<b>Total Health Care</b>						<b>18,116</b>	<b>1.85</b>
		<b>108,701</b>	<b>11.08</b>	<b>DERIVATIVES 0.15% (0.32%)</b>			
<b>INDUSTRIALS 29.70% (30.95%)*</b>				<b>Forward Foreign Exchange Contracts 0.15% (0.32%)</b>			
	<b>Construction and Materials 4.09% (6.78%)</b>			Sell JPY 37,512,043,260			
157,600	Daikin Industries	30,604	3.12	Buy GBP 248,949,647	1,525	0.15	
937,400	Sanwa Holdings Corporation	9,477	0.97	Sell JPY 50,350,000			
				Buy GBP 331,686 <sup>1</sup>			
				Sell JPY 816,747,047			
				Buy GBP 5,376,106	(11)		

## Threadneedle Japan Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>DERIVATIVES 0.15% (0.32%) (continued)</b>			
	Sell JPY 1,350,048,433		
	Buy GBP 8,927,328	23	–
	Sell JPY 12,549,956		
	Buy GBP 83,288 <sup>1</sup>	–	–
	Sell JPY 1,480,640,018		
	Buy GBP 9,744,538	(22)	–
	Sell GBP 14,236,959		
	Buy JPY 2,160,558,141	14	–
	Sell GBP 4,314		
	Buy JPY 653,045 <sup>1</sup>	–	–
	Sell GBP 56,726		
	Buy JPY 8,577,562 <sup>1</sup>	–	–
	<b>Total Derivatives</b>	<b>1,529</b>	<b>0.15</b>
	<b>Total value of investments</b>	<b>977,794</b>	<b>99.66</b>
	<b>Net other assets (2.71%)</b>	<b>3,304</b>	<b>0.34</b>
	<b>Net assets</b>	<b>981,098</b>	<b>100.00</b>

March 2021 comparatives in brackets.

<sup>1</sup>Less than £500, rounded to nil.

\*The comparative percentage figures at 7 March 2021 have been amended due to change in sector names.

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	379,796	204,240
Total sales for the period	290,726	317,844





## Threadneedle Latin America Fund

### Portfolio Statement

as at 7 September 2021

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>BERMUDA 1.31% (2.36%)</b>				<b>BRITISH VIRGIN ISLANDS 0.73% (0.97%)</b>			
	<b>Banks 1.31% (2.36%)</b>				<b>Travel and Leisure 0.73% (0.97%)</b>		
56,594	Credicorp	4,289	1.31	292,040	Despegar.Com	2,399	0.73
	<b>Total Bermuda</b>	<b>4,289</b>	<b>1.31</b>		<b>Total British Virgin Islands</b>	<b>2,399</b>	<b>0.73</b>
<b>BRAZIL 54.78% (57.24%)*</b>				<b>CANADA 1.60% (1.45%)</b>			
	<b>Banks 1.69% (0.97%)</b>				<b>Oil, Gas and Coal 1.60% (1.45%)</b>		
619,216	Banco Inter SA-Units	5,530	1.69	434,222	Parex Resources	5,214	1.60
	<b>Consumer Services 3.73% (4.92%)*</b>				<b>Total Canada</b>	<b>5,214</b>	<b>1.60</b>
984,331	Localiza Rent a Car	7,644	2.34				
1,685,189	MPM Corporeos	4,526	1.39	<b>CAYMAN ISLANDS 11.48% (9.32%)*</b>			
	<b>Health Care Providers 4.61% (4.88%)*</b>				<b>Consumer Services 3.76% (4.18%)*</b>		
2,764,039	Hapvida Participacoes E Investimentos	5,877	1.80	511,023	Afyra Class A	8,174	2.50
782,783	Notredame Intermedica	9,180	2.81	189,644	Arco Platform 'A' Shares	3,339	1.02
	<b>Industrial Materials 2.44% (3.09%)</b>			196,251	Vasta Platform	793	0.24
924,161	Suzano Papel e Celulose	7,964	2.44		<b>Industrial Support Services 5.03% (3.79%)*</b>		
	<b>Industrial Metals and Mining 7.75% (7.81%)</b>			96,611	Dlocal Uruguay	4,761	1.46
1,860,190	Vale	25,313	7.75	222,550	PagSeguro Digital	9,425	2.89
	<b>Industrial Transportation 2.04% (1.44%)</b>			69,018	StoneCo	2,233	0.68
2,518,342	Rumo	6,672	2.04		<b>Investment Banking and Brokerage Services 1.94% (1.35%)*</b>		
	<b>Investment Banking and Brokerage Services 7.79% (10.59%)*</b>			174,982	XP Inc - Class A	6,334	1.94
1,289,109	B3 SA Brasil Bolsa Balcao	2,589	0.79		<b>Software and Computer Services 0.75% (0.00%)</b>		
2,419,260	Banco BTG Pactual	9,473	2.90	183,791	Zenvia	2,459	0.75
8,341,491	Itausa - Investimentos Itau	13,395	4.10		<b>Total Cayman Islands</b>	<b>37,518</b>	<b>11.48</b>
	<b>Non-life Insurance 0.97% (1.05%)</b>			<b>CHILE 1.15% (1.14%)</b>			
784,052	Sul America	3,173	0.97		<b>Beverages 1.15% (1.14%)</b>		
	<b>Oil, Gas and Coal 5.34% (4.41%)</b>			2,194,085	Embotelladora Andina	3,757	1.15
2,400,772	Petrol Brasileiros Preference share	8,905	2.73		<b>Total Chile</b>	<b>3,757</b>	<b>1.15</b>
1,386,438	Petroleo Brasileiro	5,322	1.63	<b>COLOMBIA 1.60% (1.75%)</b>			
1,398,261	Petroreconcavo	3,216	0.98		<b>Banks 1.60% (1.75%)</b>		
	<b>Personal Goods 4.32% (4.13%)</b>			218,416	Bancolombia ADR	5,220	1.60
492,982	Arezzo Industria E Comercio	5,976	1.83		<b>Total Colombia</b>	<b>5,220</b>	<b>1.60</b>
1,134,160	Natura & Company Holding	8,137	2.49	<b>ISRAEL 0.83% (0.72%)</b>			
	<b>Real Estate Investment and Services 1.05% (1.32%)</b>				<b>Industrial Engineering 0.83% (0.72%)</b>		
1,261,724	Cyrela Brazil Realty	3,435	1.05	141,974	Ituran Location and Control	2,723	0.83
	<b>Retailers 3.24% (5.60%)*</b>				<b>Total Israel</b>	<b>2,723</b>	<b>0.83</b>
3,372,351	Magazine Luiza	9,199	2.82	<b>LUXEMBOURG 6.44% (4.73%)</b>			
989,939	Mobly	1,367	0.42		<b>Industrial Metals and Mining 1.27% (1.04%)</b>		
	<b>Software and Computer Services 6.99% (5.48%)</b>			106,235	Ternium S.A. Sponsored	4,132	1.27
2,067,698	Locaweb Serviços de Internet	7,105	2.17		<b>Retailers 1.50% (1.29%)</b>		
930,199	Meliuz	4,591	1.40	525,492	Global Fashion Group	4,891	1.50
2,044,836	Totvs	11,173	3.42		<b>Software and Computer Services 3.67% (2.40%)</b>		
	<b>Travel and Leisure 2.82% (1.55%)</b>			49,989	Globant	11,999	3.67
825,807	Azul	4,204	1.29		<b>Total Luxembourg</b>	<b>21,022</b>	<b>6.44</b>
1,370,108	Smartfit	5,009	1.53	<b>MEXICO 17.87% (17.05%)</b>			
	<b>Total Brazil</b>	<b>178,975</b>	<b>54.78</b>		<b>Banks 1.89% (1.58%)</b>		
				1,331,295	Grupo Financiero Banorte	6,175	1.89

## Threadneedle Latin America Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>MEXICO 17.87% (17.05%) (continued)</b>			
<b>Beverages 3.38% (3.15%)</b>			
178,384	Fomento Economico Mexicano ADR	11,038	3.38
<b>Industrial Metals and Mining 2.06% (4.50%)</b>			
2,039,136	Grupo Mexico	6,738	2.06
<b>Real Estate Investment Trusts 0.54% (0.52%)</b>			
1,559,595	PLA Administradora Industrial	1,769	0.54
<b>Retailers 6.60% (4.74%)</b>			
8,412,760	Wal-Mart de Mexico	21,541	6.60
<b>Telecommunications Service Providers 3.40% (2.56%)</b>			
814,571	America Movil ADR	11,110	3.40
	<b>Total Mexico</b>	<b>58,371</b>	<b>17.87</b>
<b>REPUBLIC OF IRELAND 0.78% (2.16%)</b>			
<b>Liquidity Funds 0.78% (2.16%)<sup>1</sup></b>			
3,533,079	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	2,562	0.78
	<b>Total Republic of Ireland</b>	<b>2,562</b>	<b>0.78</b>
<b>UNITED STATES OF AMERICA 2.15% (1.65%)</b>			
<b>Consumer Services 2.15% (1.65%)*</b>			
4,976	Mercadolibre	7,012	2.15
	<b>Total United States Of America</b>	<b>7,012</b>	<b>2.15</b>
<b>DERIVATIVES 0.00% (0.00%)</b>			
<b>Forward Foreign Exchange Contracts 0.00% (0.00%)</b>			
	Sell USD 31,000		
	Buy GBP 22,467 Bank of Scotland <sup>2</sup>	–	–
	Sell USD 67,500		
	Buy GBP 48,752 Barclays <sup>2</sup>	–	–
	<b>Total Derivatives</b>	<b>–</b>	<b>–</b>
	<b>Total value of investments<sup>3</sup></b>	<b>329,062</b>	<b>100.72</b>
	<b>Net other liabilities (-0.54%)</b>	<b>(2,359)</b>	<b>(0.72)</b>
	<b>Net assets</b>	<b>326,703</b>	<b>100.00</b>

March 2021 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

\*The comparative percentage figures at 7 March 2021 have been amended due to change in sector names.

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	94,061	108,536
Total sales for the period	90,764	111,528



## Threadneedle Emerging Market Bond Fund

### Portfolio Statement

(continued)

			Value	% of			Value	% of	
	Holding	Investment	£000	Net Asset Value		Holding	Investment	£000	Net Asset Value
<b>DOMINICAN REPUBLIC 3.75% (3.53%) (continued)</b>					<b>GUATEMALA 0.53% (0.53%)</b>				
USD	1,112,000	Dominican Republic International Bond 5.875% 30/01/2060	827	0.51	USD	1,000,000	BB- 0.53% (0.53%) Guatemala Government Bond 6.125% 01/06/2050	872	0.53
USD	868,000	Dominican Republic International Bond 6.4% 05/06/2049	694	0.43	<b>Total Guatemala</b>				
USD	1,145,000	Dominican Republic International Bond 7.45% 30/04/2044	1,026	0.63				<b>872</b>	<b>0.53</b>
<b>Not Rated 0.91% (0.83%)</b>					<b>HONG KONG 0.98% (0.99%)</b>				
DOP	93,000,000	Dominican Republic International Bond 11.25% 05/02/2027	1,489	0.91	USD	1,950,000	Not Rated 0.98% (0.99%) Lenovo Group 5.875% 24/04/2025	1,605	0.98
<b>Total Dominican Republic</b>					<b>Total Hong Kong</b>				
			<b>6,117</b>	<b>3.75</b>				<b>1,605</b>	<b>0.98</b>
<b>ECUADOR 1.44% (0.58%)</b>					<b>INDIA 1.41% (0.94%)</b>				
<b>B- 1.44% (0.58%)</b>					<b>BBB- 1.41% (0.94%)</b>				
USD	1,200,000	*Republic of Ecuador 0.5% 31/07/2030	772	0.47	USD	1,100,000	Adani Ports and Special Economic Zone 4% 30/07/2027	844	0.52
USD	2,062,728	*Republic of Ecuador 0.5% 31/07/2035	1,071	0.66	USD	1,950,000	Export-Import Bank of India 3.25% 15/01/2030	1,452	0.89
USD	1,107,987	*Republic of Ecuador 0.5% 31/07/2040	510	0.31	<b>Total India</b>				
<b>Total Ecuador</b>								<b>2,296</b>	<b>1.41</b>
			<b>2,353</b>	<b>1.44</b>	<b>INDONESIA 7.06% (8.15%)</b>				
<b>EGYPT 4.53% (2.86%)</b>					<b>BBB 1.87% (1.78%)</b>				
<b>B 3.10% (2.60%)</b>					<b>BBB 1.87% (1.78%)</b>				
EUR	880,000	Arab Republic of Egypt 5.625% 16/04/2030	759	0.47	USD	2,050,000	Indonesia Government International Bond 3.7% 30/10/2049	1,597	0.98
EUR	1,000,000	Arab Republic of Egypt 6.375% 11/04/2031	894	0.55	USD	1,000,000	Perusahaan Listrik Negara 4.875% 17/07/2049	805	0.49
USD	600,000	Arab Republic of Egypt 7.0529% 15/01/2032	454	0.28	USD	875,000	Perusahaan Penerbit SBSN Indonesia 2.3% 23/06/2025	662	0.40
USD	570,000	Arab Republic of Egypt 7.5% 16/02/2061	395	0.24	<b>Baa2 3.67% (4.54%)</b>				
USD	1,600,000	Arab Republic of Egypt 7.625% 29/05/2032	1,248	0.76	USD	2,200,000	Indonesia Asahan Aluminium 5.45% 15/05/2030	1,874	1.15
USD	1,800,000	Arab Republic of Egypt 7.903% 21/02/2048	1,304	0.80	USD	2,900,000	Indonesia Asahan Aluminium 6.757% 15/11/2048	2,781	1.70
<b>B2 0.27% (0.26%)</b>					USD	1,500,000	Indonesia Government International Bond 4.75% 18/07/2047	1,332	0.82
USD	575,000	Arab Republic of Egypt 8.5% 31/01/2047	439	0.27	<b>BBB- 0.48% (0.47%)</b>				
<b>Not Rated 1.16% (0.00%)</b>					USD	900,000	PT. Pelabuhan Indonesia II 5.375% 05/05/2045	787	0.48
EGP	42,350,000	Egypt Treasury Bill 0% 23/11/2021	1,900	1.16	<b>B2 1.04% (1.36%)</b>				
<b>Total Egypt</b>					USD	2,400,000	Saka Energi Indonesia 4.45% 05/05/2024	1,695	1.04
			<b>7,393</b>	<b>4.53</b>	<b>Total Indonesia</b>				
								<b>11,533</b>	<b>7.06</b>
<b>EL SALVADOR 0.19% (1.76%)</b>					<b>ISLE OF MAN 0.19% (0.19%)</b>				
<b>B- 0.19% (1.76%)</b>					<b>BB+ 0.19% (0.19%)</b>				
USD	500,000	El Salvador Government International Bond 6.375% 18/01/2027	314	0.19	USD	400,000	Anglogold Holdings 3.75% 01/10/2030	303	0.19
<b>Total El Salvador</b>					<b>Total Isle of Man</b>				
			<b>314</b>	<b>0.19</b>				<b>303</b>	<b>0.19</b>
<b>GHANA 2.37% (1.39%)</b>					<b>IVORY COAST 1.73% (1.71%)</b>				
<b>B- 2.37% (1.39%)</b>					<b>BB- 1.73% (0.00%)</b>				
USD	500,000	Republic of Ghana 6.375% 11/02/2027	357	0.22	EUR	2,083,000	Ivory Coast 5.875% 17/10/2031	1,948	1.19
USD	1,300,000	Republic of Ghana 7.875% 11/02/2035	912	0.56	USD	1,100,000	Ivory Coast 6.125% 15/06/2033	875	0.54
USD	1,200,000	Republic of Ghana 8.125% 26/03/2032	881	0.54	<b>Ba3 0.00% (1.71%)</b>				
USD	800,000	Republic of Ghana 8.875% 07/05/2042	581	0.35	<b>Total Ivory Coast</b>				
USD	1,600,000	Republic of Ghana 8.95% 26/03/2051	1,147	0.70				<b>2,823</b>	<b>1.73</b>
<b>Total Ghana</b>									
			<b>3,878</b>	<b>2.37</b>					

## Threadneedle Emerging Market Bond Fund

### Portfolio Statement

(continued)

	Value	% of		Value	% of
Holding	Investment	£000	Net Asset Value	Holding	Investment
				Value	Net Asset Value
		£000		£000	Value
<b>JERSEY 1.15% (1.11%)</b>					
	<b>Aa2 1.15% (1.11%)</b>				
USD	1,231,000	Galaxy Pipeline Assets 2.625% 31/03/2036	893	0.55	
USD	1,336,000	Galaxy Pipeline Assets 2.94% 30/09/2040	985	0.60	
	<b>Total Jersey</b>		<b>1,878</b>	<b>1.15</b>	
<b>KAZAKHSTAN 2.31% (1.91%)</b>					
	<b>Baa2 1.34% (0.00%)</b>				
USD	2,500,000	KazMunayGas 5.375% 24/04/2030	2,189	1.34	
	<b>Baa3 0.00% (0.97%)</b>				
	<b>BB 0.97% (0.94%)</b>				
USD	700,000	KazMunayGas 4.75% 19/04/2027	578	0.36	
USD	1,100,000	KazMunayGas 5.75% 19/04/2047	1,002	0.61	
	<b>Total Kazakhstan</b>		<b>3,769</b>	<b>2.31</b>	
<b>LUXEMBOURG 1.33% (0.83%)</b>					
	<b>Ba2 0.81% (0.83%)</b>				
USD	1,000,000	Millicom International Cellular 5.125% 15/01/2028	682	0.42	
USD	895,000	Millicom International Cellular 6.25% 25/03/2029	645	0.39	
	<b>B 0.52% (0.00%)</b>				
USD	1,100,000	MHP 6.95% 03/04/2026	849	0.52	
	<b>Total Luxembourg</b>		<b>2,176</b>	<b>1.33</b>	
<b>MALAYSIA 0.59% (0.58%)</b>					
	<b>A- 0.59% (0.58%)</b>				
USD	855,000	Petronas Capital 3.5% 21/04/2030	681	0.42	
USD	345,000	Petronas Capital 3.5% 21/04/2030 (Frankfurt Exchange)	275	0.17	
	<b>Total Malaysia</b>		<b>956</b>	<b>0.59</b>	
<b>MEXICO 11.91% (11.69%)</b>					
	<b>BBB+ 0.85% (0.86%)</b>				
MXN	35,000,000	Mexican Bonos 8.5% 31/05/2029	1,390	0.85	
	<b>BBB 11.06% (10.83%)</b>				
USD	1,982,000	Comision Federal de Electricidad 3.875% 26/07/2033	1,450	0.89	
USD	1,920,000	Petroleos Mexicanos 4.5% 23/01/2026	1,408	0.86	
USD	2,589,000	Petroleos Mexicanos 5.95% 28/01/2031	1,849	1.13	
USD	2,443,000	Petroleos Mexicanos 6.375% 23/01/2045	1,532	0.94	
USD	3,500,000	Petroleos Mexicanos 6.5% 23/01/2029	2,643	1.62	
USD	1,092,000	Petroleos Mexicanos 6.625% 15/06/2035	771	0.47	
USD	557,000	Petroleos Mexicanos 6.75% 21/09/2047	357	0.22	
USD	3,800,000	Petroleos Mexicanos 6.84% 23/01/2030	2,879	1.76	
USD	1,137,000	Petroleos Mexicanos 7.69% 23/01/2050	799	0.49	
USD	3,200,000	United Mexican States 3.25% 16/04/2030	2,430	1.49	
	<b>Total Mexico</b>		<b>19,459</b>	<b>11.91</b>	
<b>MOROCCO 0.00% (0.62%)</b>					
	<b>BBB- 0.00% (0.62%)</b>				
	<b>Total Morocco</b>		<b>-</b>	<b>-</b>	
<b>NETHERLANDS 2.07% (2.76%)</b>					
	<b>BBB- 1.57% (1.44%)</b>				
USD	500,000	Syngenta Finance 4.441% 24/04/2023	380	0.23	
USD	1,300,000	Syngenta Finance 5.182% 24/04/2028	1,071	0.66	
USD	1,250,000	Syngenta Finance 5.676% 24/04/2048	1,116	0.68	
	<b>BB+ 0.00% (0.82%)</b>				
	<b>Ba3 0.50% (0.50%)</b>				
USD	1,117,000	Mong Duong Finance Holdings 5.125% 07/05/2029	814	0.50	
	<b>Total Netherlands</b>		<b>3,381</b>	<b>2.07</b>	
<b>OMAN 0.44% (0.84%)</b>					
	<b>Ba3 0.44% (0.84%)</b>				
USD	909,000	Oman Government International 6.25% 25/01/2031	723	0.44	
	<b>Total Oman</b>		<b>723</b>	<b>0.44</b>	
<b>PAKISTAN 0.54% (0.14%)</b>					
	<b>B3 0.54% (0.14%)</b>				
USD	200,000	Islamic Republic of Pakistan 7.375% 08/04/2031	149	0.09	
USD	675,000	Islamic Republic of Pakistan 7.375% 08/04/2031 (Frankfurt Exchange)	504	0.31	
USD	279,000	Islamic Republic of Pakistan 8.25% 30/09/2025	222	0.14	
	<b>Total Pakistan</b>		<b>875</b>	<b>0.54</b>	
<b>PANAMA 0.82% (0.80%)</b>					
	<b>BBB 0.82% (0.80%)</b>				
USD	1,900,000	Panama Government International Bond 2.252% 29/09/2032	1,347	0.82	
	<b>Total Panama</b>		<b>1,347</b>	<b>0.82</b>	
<b>PARAGUAY 0.95% (0.91%)</b>					
	<b>BB 0.95% (0.91%)</b>				
USD	1,040,000	Republic of Paraguay 5.6% 13/03/2048	912	0.56	
USD	700,000	Republic of Paraguay 6.1% 11/08/2044	644	0.39	
	<b>Total Paraguay</b>		<b>1,556</b>	<b>0.95</b>	
<b>PERU 0.00% (0.91%)</b>					
	<b>BBB+ 0.00% (0.41%)</b>				
	<b>B1 0.00% (0.50%)</b>				
	<b>Total Peru</b>		<b>-</b>	<b>-</b>	

## Threadneedle Emerging Market Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>PHILIPPINES 1.35% (0.59%)</b>					<b>SOUTH AFRICA 2.32% (2.01%)</b>				
		<b>BBB+ 0.76% (0.00%)</b>					<b>BB- 1.05% (1.67%)</b>		
USD	1,672,000	Philippine Government International Bond 3.2% 06/07/2046	1,247	0.76	USD	1,000,000	South Africa Government Bond 4.85% 30/09/2029	769	0.47
		<b>Not Rated 0.59% (0.59%)</b>			USD	1,300,000	South Africa Government Bond 5.75% 30/09/2049	953	0.58
USD	1,300,000	*SMC Global Power Holdings Variable 21/07/2168	957	0.59			<b>CCC+ 1.27% (0.34%)</b>		
		<b>Total Philippines</b>	<b>2,204</b>	<b>1.35</b>	USD	1,500,000	Eskom Holdings 7.125% 11/02/2025	1,159	0.71
					USD	1,100,000	Eskom Holdings 8.45% 10/08/2028	913	0.56
							<b>Total South Africa</b>	<b>3,794</b>	<b>2.32</b>
<b>QATAR 5.46% (5.46%)</b>					<b>SRI LANKA 0.35% (0.31%)</b>				
		<b>AA- 5.46% (5.46%)</b>					<b>CCC+ 0.35% (0.31%)</b>		
USD	2,000,000	Qatar Government International Bond 3.75% 16/04/2030	1,654	1.01	USD	260,000	Republic of Sri Lanka 6.75% 18/04/2028	123	0.08
USD	4,098,000	Qatar Government International Bond 4% 14/03/2029	3,425	2.10	USD	950,000	Republic of Sri Lanka 7.55% 28/03/2030	449	0.27
USD	678,000	Qatar Government International Bond 4.4% 16/04/2050	607	0.37			<b>Total Sri Lanka</b>	<b>572</b>	<b>0.35</b>
USD	2,057,000	Qatar Government International Bond 4.817% 14/03/2049	1,947	1.19	<b>TURKEY 4.27% (5.46%)</b>				
USD	1,765,000	Qatar Petroleum 2.25% 12/07/2031	1,285	0.79			<b>B2 4.27% (5.46%)</b>		
		<b>Total Qatar</b>	<b>8,918</b>	<b>5.46</b>	USD	700,000	Turkey Government International Bond 4.25% 14/04/2026	495	0.30
					USD	3,700,000	Turkey Government International Bond 5.125% 17/02/2028	2,656	1.63
<b>REPUBLIC OF IRELAND 4.38% (4.39%)</b>							<b>CCC+ 0.35% (0.31%)</b>		
		<b>Liquidity Funds 4.38% (4.39%)<sup>1</sup></b>			USD	900,000	Turkey Government International Bond 5.75% 22/03/2024	681	0.42
USD	9,871,101	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	7,157	4.38	USD	2,410,000	Turkey Government International Bond 6% 25/03/2027	1,804	1.10
		<b>Total Republic of Ireland</b>	<b>7,157</b>	<b>4.38</b>	USD	1,000,000	Turkey Government International Bond 6% 14/01/2041	670	0.41
					USD	900,000	Turkey Government International Bond 6.875% 17/03/2036	674	0.41
<b>ROMANIA 0.69% (0.65%)</b>							<b>Total Turkey</b>	<b>6,980</b>	<b>4.27</b>
		<b>BBB- 0.69% (0.65%)</b>			<b>UKRAINE 2.72% (0.76%)</b>				
USD	1,500,000	Romania Government International Bond 4% 14/02/2051	1,127	0.69			<b>B 2.72% (0.76%)</b>		
		<b>Total Romania</b>	<b>1,127</b>	<b>0.69</b>	USD	1,342,000	Ukraine Government 6.876% 21/05/2029	1,035	0.63
					USD	4,210,000	Ukraine Government 7.75% 01/09/2026	3,413	2.09
<b>RUSSIA 4.22% (4.29%)</b>							<b>Total Ukraine</b>	<b>4,448</b>	<b>2.72</b>
		<b>Not Rated 4.22% (4.29%)</b>			<b>UNITED ARAB EMIRATES 3.01% (3.42%)</b>				
USD	3,600,000	Russian Federal Bond 4.375% 21/03/2029	2,992	1.83			<b>AA 0.00% (1.55%)</b>		
USD	1,800,000	Russian Federal Bond 5.1% 28/03/2035	1,592	0.98			<b>A+ 1.05% (0.00%)</b>		
RUB	250,000,000	Russian Federal Bond 5.9% 12/03/2031	2,302	1.41	USD	2,300,000	Abu Dhabi Ports 2.5% 06/05/2031	1,712	1.05
		<b>Total Russia</b>	<b>6,886</b>	<b>4.22</b>			<b>Baa3 1.96% (1.87%)</b>		
					USD	3,250,000	DP World 6.85% 02/07/2037	3,201	1.96
<b>SAUDI ARABIA 3.36% (3.56%)</b>							<b>Total United Arab Emirates</b>	<b>4,913</b>	<b>3.01</b>
		<b>A1 3.36% (3.56%)</b>			<b>UNITED KINGDOM 0.71% (0.53%)</b>				
USD	550,000	Kingdom of Saudi Arabia 4% 04/10/2047	475	0.29			<b>BBB- 0.71% (0.00%)</b>		
USD	2,400,000	Saudi International Bond 3.45% 02/02/2061	1,738	1.07	USD	1,595,000	Gaz Finance 3.25% 25/02/2030	1,164	0.71
USD	4,250,000	Saudi International Bond 3.75% 21/01/2055	3,268	2.00			<b>Not Rated 0.00% (0.53%)</b>		
		<b>Total Saudi Arabia</b>	<b>5,481</b>	<b>3.36</b>			<b>Total United Kingdom</b>	<b>1,164</b>	<b>0.71</b>
					<b>SINGAPORE 0.36% (0.33%)</b>				
		<b>CCC 0.36% (0.33%)</b>							
USD	905,000	Geo Coal International 8% 04/10/2022	594	0.36					
		<b>Total Singapore</b>	<b>594</b>	<b>0.36</b>					

## Threadneedle Emerging Market Bond Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED STATES OF AMERICA 0.00% (0.80%)</b>			
<b>BB+ 0.00% (0.80%)</b>			
<b>Total United States of America</b>		–	–
<b>VENEZUELA 0.54% (0.52%)</b>			
<b>D 0.38% (0.37%)</b>			
USD	8,677,700	Venezuela Government International Bond 8.25% 13/10/2024 (Defaulted)	629 0.38
<b>Not Rated 0.16% (0.15%)</b>			
USD	8,692,931	Petroleos de Venezuela 6% 15/11/2026 (Defaulted)	260 0.16
<b>Total United Kingdom</b>		<b>889</b>	<b>0.54</b>
<b>DERIVATIVES -0.02% (0.09%)</b>			
<b>Futures and Options 0.04% (0.00%)</b>			
USD	(13)	UBS US Treasury Future Expiring December 2021	11 0.01
USD	(25)	UBS US Treasury Future Expiring December 2021	57 0.03
<b>Forward Foreign Exchange Contracts -0.06% (0.09%)</b>			
Sell MXN 41,430,000			
		Buy USD 2,013,702 Bank of Scotland	(36) (0.02)
Sell EUR 3,920,023			
		Buy USD 4,582,179 J.P. Morgan	(56) (0.03)
Sell EUR 470,518			
		Buy USD 550,010 Lloyds	(6) (0.01)
<b>Total Derivatives</b>		<b>(30)</b>	<b>(0.02)</b>
<b>Total value of investments<sup>2</sup></b>		<b>161,693</b>	<b>98.99</b>
<b>Net other assets (2.11%)</b>		<b>1,651</b>	<b>1.01</b>
<b>Net assets</b>		<b>163,344</b>	<b>100.00</b>

March 2021 comparatives in brackets.

\*Variable rate bonds.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

### ANALYSIS OF INVESTMENTS BY ASSET CLASS

	Value £000	% of Investment
Fixed interest	158,413	97.97
Floating rate notes	3,310	2.05
Derivatives	(30)	(0.02)
<b>Total value of investments<sup>2</sup></b>	<b>161,693</b>	<b>100.00</b>

### ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS

	Value £000
UBS US Treasury Future Expiring December 2021	(1,388)
UBS US Treasury Future Expiring December 2021	(3,545)
<b>Total net exposure</b>	<b>(4,933)</b>

### Total Purchases and Sales

for the accounting period 8 March 2021 to 7 September 2021

	2021 £000	2020 £000
Total purchases for the period	42,395	161,704
Total sales for the period	45,255	152,343

## Threadneedle High Yield Bond Fund

### Portfolio Statement

as at 7 September 2021

	Value £000	% of Net Asset Value		Value £000	% of Net Asset Value		
<b>BELGIUM 0.88% (0.93%)</b>							
			EUR	3,069,000	Faurecia 3.75% 15/06/2028	2,775	0.29
			EUR	2,200,000	SPIE 2.625% 18/06/2026	1,976	0.20
EUR 800,000	737	0.08					
EUR 2,900,000	2,593	0.27					
			EUR	800,000	Elis 2.875% 15/02/2026	740	0.08
EUR 2,057,000	1,813	0.19	EUR	4,580,000	CMA CGM 7.5% 15/01/2026	4,396	0.46
			EUR	6,200,000	*Electricite de France 5% 22/01/2049	6,018	0.62
			EUR	4,000,000	*Electricite de France 5.375% Perpetual	3,854	0.40
EUR 3,900,000	3,291	0.34	GBP	2,900,000	*Electricite de France 5.875% 31/12/2049	3,319	0.34
	<b>8,434</b>	<b>0.88</b>	EUR	4,600,000	*Electricite de France Variable 15/03/2169	4,113	0.43
			EUR	4,800,000	*Electricite de France Variable 15/09/2169	4,367	0.45
			EUR	3,000,000	*Electricite de France Variable 01/06/2170	2,637	0.27
<b>CANADA 0.29% (0.32%)</b>			EUR	3,458,000	Elior Group 3.75% 15/07/2026	3,074	0.32
			EUR	2,451,000	Getlink 3.5% 30/10/2025	2,185	0.23
EUR 3,179,000	2,834	0.29	EUR	2,090,000	Rexel 2.125% 15/06/2028	1,849	0.19
	<b>2,834</b>	<b>0.29</b>	EUR	1,934,000	Rexel 2.75% 15/06/2026	1,703	0.18
<b>CAYMAN ISLANDS 0.26% (0.21%)</b>							
EUR 2,794,000	2,469	0.26					
	<b>2,469</b>	<b>0.26</b>					
<b>FINLAND 0.42% (0.22%)</b>							
			EUR	1,100,000	*Accor Variable 30/04/2169	981	0.10
EUR 1,627,000	1,482	0.16	EUR	400,000	Louvre Bidco SAS 4.25% 30/09/2024	344	0.04
EUR 100,000	91	0.01	EUR	2,043,000	Louvre Bidco SAS 6.5% 30/09/2024	1,813	0.19
			EUR	1,316,000	*Louvre Bidco SAS FRN 30/09/2024	647	0.07
			EUR	4,198,000	Loxam SAS 3.25% 14/01/2025	3,649	0.38
			EUR	2,662,000	Loxam SAS 3.75% 15/07/2026	2,350	0.24
EUR 2,814,000	2,431	0.25	EUR	2,128,000	Paprec Holding 3.5% 01/07/2028	1,846	0.19
	<b>4,004</b>	<b>0.42</b>	EUR	3,943,000	Paprec Holding 4% 31/03/2025	3,451	0.36
<b>FRANCE 15.24% (13.81%)</b>							
			EUR	3,374,000	Altice France 3.375% 15/01/2028	2,820	0.29
			EUR	962,000	Altice France 4% 15/07/2029	828	0.09
			EUR	957,000	Altice France 4.125% 15/01/2029	824	0.08
			EUR	4,799,000	Altice France 5.875% 01/02/2027	4,343	0.45
EUR 1,532,000	1,385	0.14	EUR	1,036,000	Banijay Entertainment 3.5% 01/03/2025	905	0.09
EUR 1,735,000	1,597	0.17	EUR	5,299,000	Cab 3.375% 01/02/2028	4,601	0.48
EUR 1,300,000	1,207	0.12	EUR	1,800,000	Casino Guichard 2.798% 05/08/2026	1,524	0.16
EUR 2,400,000	2,076	0.21	EUR	4,700,000	Casino Guichard 4.498% 07/03/2024	4,108	0.43
EUR 5,700,000	5,024	0.52	EUR	2,538,000	Casino Guichard 6.625% 15/01/2026	2,308	0.24
EUR 2,800,000	2,456	0.25	EUR	700,000	Casino Guichard-Perrachon 3.58% 07/02/2025	592	0.06
EUR 4,381,000	4,250	0.44	EUR	2,005,000	Casino Guichard-Perrachon 5.25% 15/04/2027	1,758	0.18
EUR 1,910,000	1,672	0.17	EUR	762,000	Chrome Bidco 3.5% 31/05/2028	669	0.07
EUR 726,000	643	0.07	EUR	5,758,000	Constellium 3.125% 15/07/2029	4,975	0.52
EUR 3,100,000	2,669	0.28	EUR	2,593,000	Foncia Management 3.375% 31/03/2028	2,220	0.23
EUR 1,700,000	1,524	0.16	EUR	1,075,000	Kapla Holding 3.375% 15/12/2026 (Germany listing)	921	0.10
EUR 2,600,000	2,307	0.24	EUR	100,000	Kapla Holding 3.375% 15/12/2026 (Luxembourg listing)	86	0.01
			EUR	2,336,000	La Financiere Atalian 4% 15/05/2024	1,986	0.21
EUR 3,100,000	2,682	0.28	EUR	2,534,000	La Financiere Atalian 5.125% 15/05/2025	2,171	0.22
EUR 8,078,000	7,067	0.73	EUR	3,324,000	Picard Groupe 3.875% 01/07/2026	2,920	0.30
EUR 1,947,000	1,704	0.18					

## Threadneedle High Yield Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FRANCE 15.24% (13.81%) (continued)</b>									
		<b>B- 0.42% (0.85%)</b>			EUR	4,299,000	Vertical Midco 4.375% 15/07/2027	3,885	0.40
EUR	1,035,000	Loxam SAS 5.75% 15/07/2027	930	0.10			<b>B 1.21% (1.80%)</b>		
EUR	3,381,000	Parts Europe 6.5% 16/07/2025	3,056	0.32	EUR	3,882,000	Cheplapharm Arzneimittel 3.5% 11/02/2027	3,382	0.35
		<b>CCC+ 0.62% (0.28%)</b>			EUR	1,673,000	Cheplapharm Arzneimittel 4.375% 15/01/2028	1,499	0.16
EUR	1,975,000	Banijay Group 6.5% 01/03/2026	1,766	0.18	EUR	319,000	K+S 4.125% 06/12/2021	277	0.03
EUR	2,832,000	Chrome Holdco 5% 31/05/2029	2,498	0.26	EUR	3,053,000	Nidda Healthcare Holding 3.5% 30/09/2024	2,625	0.27
EUR	1,997,000	Laboratoire Eimer Selarl 5% 01/02/2029	1,773	0.18	EUR	4,285,000	PCF 4.75% 15/04/2026	3,822	0.40
		<b>CCC 0.00% (0.19%)</b>					<b>B- 1.34% (0.68%)</b>		
		<b>Total France</b>	<b>146,932</b>	<b>15.24</b>	EUR	3,035,000	Blitz 6% 30/07/2026	2,692	0.28
					EUR	3,148,000	Douglas 6% 08/04/2026	2,764	0.29
<b>GERMANY 10.70% (9.07%)</b>					EUR	4,819,000	HT Troplast 9.25% 15/07/2025	4,559	0.47
		<b>BB+ 2.35% (2.03%)</b>			EUR	3,365,000	Platin 5.375% 15/06/2023	2,917	0.30
EUR	1,800,000	ADLER Real Estate 1.875% 27/04/2023	1,535	0.16			<b>(P)B- 0.00% (0.51%)</b>		
EUR	965,000	ADLER Real Estate 2.125% 06/02/2024	823	0.08			<b>B3 0.15% (0.16%)</b>		
EUR	3,900,000	ADLER Real Estate 3% 27/04/2026	3,427	0.36	EUR	1,700,000	Tele Columbus 3.875% 02/05/2025	1,465	0.15
EUR	2,700,000	Schaeffler 2.75% 12/10/2025	2,499	0.26			<b>CCC+ 0.27% (0.38%)</b>		
EUR	2,452,000	Schaeffler 2.875% 26/03/2027	2,315	0.24	EUR	1,120,000	Ceramtec Bondco 5.25% 15/12/2025	985	0.10
EUR	2,400,000	Schaeffler 3.375% 12/10/2028	2,345	0.24	EUR	1,989,000	Vertical 6.625% 15/07/2028	1,651	0.17
EUR	1,900,000	Schaeffler Holding Finance 2.75% 12/10/2025	1,758	0.18			<b>Caa2 0.13% (0.00%)</b>		
EUR	2,200,000	Schaeffler Holding Finance 3.375% 12/10/2028	2,150	0.22	EUR	1,467,000	Tui Cruises 6.5% 15/05/2026	1,290	0.13
EUR	600,000	ZF Finance 2.75% 25/05/2027	542	0.06			<b>CCC- 0.00% (0.09%)</b>		
EUR	2,400,000	ZF Finance 3% 21/09/2025	2,202	0.23			<b>Total Germany</b>	<b>103,151</b>	<b>10.70</b>
EUR	3,200,000	ZF Finance 3.75% 21/09/2028	3,049	0.32					
		<b>Ba1 0.57% (0.00%)</b>			<b>ISLE OF MAN 0.19% (0.20%)</b>				
EUR	6,400,000	Mahle 2.375% 14/05/2028	5,474	0.57			<b>BB- 0.19% (0.20%)</b>		
		<b>BB 0.91% (0.29%)</b>			EUR	2,076,000	Playtech 4.25% 07/03/2026	1,832	0.19
EUR	1,500,000	*Infineon Technologies Variable 01/04/2169 (Germany listing)	1,354	0.14			<b>Total Isle of Man</b>	<b>1,832</b>	<b>0.19</b>
EUR	1,500,000	*Infineon Technologies Variable 01/04/2169 (Luxembourg listing)	1,433	0.15	<b>ITALY 7.56% (7.14%)</b>				
EUR	5,302,000	Novelis Sheet Ingot 3.375% 15/04/2029	4,742	0.49			<b>BB+ 2.00% (2.43%)</b>		
EUR	1,440,000	Styrolution 2.25% 16/01/2027	1,228	0.13	EUR	2,010,000	Leonardo 2.375% 08/01/2026	1,818	0.19
		<b>BB- 2.75% (2.63%)</b>			EUR	1,390,000	Leonardo 4.875% 24/03/2025	1,366	0.14
EUR	1,800,000	Deutsche Lufthansa 2% 14/07/2024	1,549	0.16	EUR	2,977,000	Telecom Italia 1.625% 18/01/2029	2,526	0.26
EUR	2,600,000	Deutsche Lufthansa 2.875% 11/02/2025	2,265	0.23	EUR	383,000	Telecom Italia 2.375% 12/10/2027	343	0.04
EUR	5,100,000	Deutsche Lufthansa 3% 29/05/2026	4,421	0.46	EUR	4,680,000	Telecom Italia 2.75% 15/04/2025	4,246	0.44
EUR	1,800,000	Deutsche Lufthansa 3.5% 14/07/2029	1,559	0.16	EUR	991,000	Telecom Italia 2.875% 28/01/2026	905	0.09
EUR	4,100,000	Deutsche Lufthansa 3.75% 11/02/2028	3,621	0.38	EUR	3,156,000	Telecom Italia 3.625% 25/05/2026	3,011	0.31
EUR	1,390,069	IHO Verwaltungs PIK 3.75% 15/09/2026	1,220	0.13	EUR	1,100,000	Telecom Italia 5.25% 17/03/2055	1,162	0.12
EUR	3,912,000	Peach Property Finance 4.375% 15/11/2025	3,508	0.36	EUR	2,771,000	TIM 4% 11/04/2024	2,559	0.27
EUR	3,594,000	Progroup 3% 31/03/2026	3,141	0.33	EUR	1,473,000	*Unione Di Banche Italian Variable 12/07/2029	1,382	0.14
EUR	2,748,000	Thyssenkrupp 2.5% 25/02/2025	2,434	0.25			<b>BB 2.65% (0.00%)</b>		
EUR	3,134,000	Thyssenkrupp 2.875% 22/02/2024	2,775	0.29	EUR	543,000	Atlantia 1.625% 03/02/2025	481	0.05
		<b>B+ 1.02% (0.50%)</b>			EUR	2,250,000	Atlantia 1.875% 13/07/2027	2,024	0.21
EUR	1,633,000	Gruenthal 3.625% 15/11/2026	1,448	0.15	EUR	3,173,000	Atlantia 1.875% 12/02/2028	2,852	0.30
EUR	1,432,000	Gruenthal 4.125% 15/05/2028	1,280	0.13	EUR	2,044,000	Autostrade 4.375% 16/09/2025	2,021	0.21
EUR	1,087,000	Gruenthal 4.125% 15/05/2028 (Frankfurt Exchange)	971	0.10	EUR	2,600,000	Autostrade 5.875% 09/06/2024	2,571	0.27
EUR	2,639,000	Techem Verwaltungsgesellschaft 2% 15/07/2025	2,270	0.24	EUR	1,842,000	Autostrade per L'Italia 1.625% 12/06/2023	1,616	0.17

## Threadneedle High Yield Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>ITALY 7.56% (7.14%) (continued)</b>					USD	569,000	Adient Global Holdings 4.875% 15/08/2026	424	0.04
EUR	1,535,000	Autostrade per l'Italia 1.75% 26/06/2026	1,373	0.14	EUR	6,451,000	Avis Budget Finance 4.75% 30/01/2026	5,667	0.59
EUR	2,050,000	Autostrade per l'Italia 1.75% EMTN 01/02/2027	1,835	0.19	<b>Total Jersey</b>				
EUR	3,568,000	Autostrade per L'Italia 1.875% 04/11/2025	3,209	0.33	<b>LUXEMBOURG 9.44% (8.96%)</b>				
EUR	266,000	Autostrade per L'Italia 1.875% 26/09/2029	240	0.03	EUR	2,800,000	<b>BBB- 0.25% (0.25%)</b> *Grand City Properties Variable 09/06/2169	2,377	0.25
EUR	3,950,000	Autostrade per l'Italia 2% 04/12/2028	3,600	0.37	<b>BB+ 1.96% (2.09%)</b>				
EUR	3,203,000	Autostrade per l'Italia 2% 15/01/2030	2,917	0.30	EUR	2,700,000	Adler Group 1.875% 14/01/2026	2,263	0.23
GBP	745,000	Autostrade per l'Italia 6.25% 09/06/2022	774	0.08	EUR	3,700,000	Adler Group 2.25% 14/01/2029	3,047	0.32
<b>Ba2 0.23% (0.00%)</b>					EUR	1,600,000	Adler Group 2.75% 13/11/2026	1,378	0.14
EUR	2,280,000	Unipol Gruppo 3.25% 23/09/2030	2,190	0.23	EUR	3,300,000	Ado Properties 3.25% 05/08/2025	2,909	0.30
<b>BB- 0.94% (2.74%)</b>					EUR	1,054,000	*CPI Property Group Variable 16/10/2167	963	0.10
EUR	5,203,000	Nexi 1.625% 30/04/2026	4,513	0.47	EUR	2,267,000	*Holcim Finance Variable 05/07/2168	2,046	0.21
EUR	5,269,000	Nexi 2.125% 30/04/2029	4,538	0.47	EUR	4,016,000	Lincoln Finance 3.625% 01/04/2024	3,489	0.36
<b>B1 0.00% (0.33%)</b>					EUR	2,292,000	Telecom Italia Finance 7.75% 24/01/2033	2,894	0.30
<b>B 0.20% (0.31%)</b>					<b>BB 0.73% (0.33%)</b>				
EUR	2,122,000	Gamma Bidco 5.125% 15/07/2025	1,875	0.20	GBP	3,935,000	B&M European Value Retail 3.625% 15/07/2025	4,047	0.42
<b>(P)B 0.18% (0.19%)</b>					EUR	3,284,000	Hanesbrands 3.5% 15/06/2024	3,005	0.31
EUR	2,037,000	Sofima Holding 3.75% 15/01/2028	1,767	0.18	<b>Ba2 0.55% (0.00%)</b>				
<b>B2 0.27% (0.00%)</b>					EUR	6,113,000	Inpost 2.25% 15/07/2027	5,315	0.55
EUR	2,936,000	International Design Group 6.5% 15/11/2025	2,627	0.27	<b>BB- 0.22% (0.74%)</b>				
<b>B- 0.30% (0.00%)</b>					EUR	2,400,000	Telenet Finance VI Luxembourg 3.5% 01/03/2028	2,141	0.22
EUR	3,299,000	Marcolin 6.125% 15/11/2026	2,914	0.30	<b>B+ 0.84% (0.97%)</b>				
<b>Caa1 0.79% (1.14%)</b>					EUR	1,049,000	Garfunkelux 6.75% 01/11/2025	946	0.10
EUR	1,252,000	Banca Monte dei Paschi di Siena 1.875% 09/01/2026	1,099	0.11	GBP	4,829,000	Garfunkelux 7.75% 01/11/2025	5,073	0.53
EUR	5,078,000	Banca Monte dei Paschi di Siena 2.625% 28/04/2025	4,549	0.47	EUR	2,321,000	Matterhorn Telecom 3.125% 15/09/2026	2,016	0.21
EUR	2,163,000	Banca Monte dei Paschi di Siena 3.625% 24/09/2024	1,974	0.21	<b>B 1.32% (1.61%)</b>				
<b>Total Italy</b>			<b>72,877</b>	<b>7.56</b>	EUR	1,606,000	Altice Financing 2.25% 15/01/2025	1,341	0.14
<b>JAPAN 1.01% (0.98%)</b>					EUR	4,021,000	Altice Financing 3% 15/01/2028	3,303	0.34
<b>BB+ 1.01% (0.98%)</b>					EUR	1,213,000	Altice Financing 4.25% 15/08/2029	1,053	0.11
EUR	1,912,000	SoftBank Group 2.875% 06/01/2027	1,607	0.17	EUR	2,499,000	Crystal Almond 4.25% 15/10/2024	2,199	0.23
EUR	2,378,000	SoftBank Group 3.125% 19/09/2025	2,059	0.21	EUR	2,404,000	HSE Finance 5.625% 15/10/2026	2,150	0.22
EUR	2,113,000	SoftBank Group 3.875% 06/07/2032	1,774	0.19	EUR	332,000	Kleopatra Finco 4.25% 01/03/2026 (Germany Listing)	286	0.03
EUR	1,443,000	SoftBank Group 4% 20/04/2023	1,275	0.13	EUR	2,777,000	Kleopatra Finco 4.25% 01/03/2026 (Guernsey Listing)	2,391	0.25
EUR	3,263,000	SoftBank Group 5% 15/04/2028 (Berlin Exchange)	3,018	0.31	<b>B- 1.26% (1.06%)</b>				
<b>Total Japan</b>			<b>9,733</b>	<b>1.01</b>	EUR	4,606,648	ARD Finance 5% PIK 30/06/2027	4,081	0.42
<b>JERSEY 0.94% (1.60%)</b>					GBP	2,469,000	Cidron Aida Finco 6.25% 01/04/2028	2,512	0.26
<b>Ba2 0.00% (0.70%)</b>					EUR	1,401,000	Cirsa Finance International 4.75% 22/05/2025	1,201	0.12
<b>B 0.94% (0.90%)</b>					EUR	5,049,000	Cirsa Finance International 6.25% 20/12/2023	4,395	0.46
EUR	3,381,000	Adient Global Holdings 3.5% 15/08/2024	2,972	0.31	<b>B3 0.01% (0.00%)</b>				
					EUR	127,000	Cidron Aida Finco 5% 01/04/2028	110	0.01

## Threadneedle High Yield Bond Fund

### Portfolio Statement

(continued)

			Value	% of			Value	% of
	Holding	Investment	€000	Net Asset Value		Holding	Investment	Net Asset Value
<b>LUXEMBOURG 9.44% (8.96%) (continued)</b>								
		<b>CCC+ 1.81% (1.75%)</b>			EUR	4,697,000	*Tennet Holding Perpetual Variable	4,245 0.44
EUR	5,345,000	Altice Financing 4.75% 15/01/2028	4,486	0.47	EUR	2,263,000	*TenneT Holding Variable 2.995% 01/06/2167	2,060 0.21
EUR	7,835,000	Altice France 8% 15/05/2027	7,203	0.75	EUR	1,800,000	ZF Europe Finance 3% 23/10/2029	1,640 0.17
EUR	2,717,000	Flamingo Lux II 5% 31/03/2029	2,313	0.24			<b>BB 2.84% (2.92%)</b>	
EUR	1,766,000	*Group Ecore Holdings SAS FRN 15/11/2023	1,544	0.16	EUR	3,100,000	*Abertis Finance Variable 26/04/2169	2,648 0.28
EUR	722,000	Kleopatra Holdings 2 6.5% 01/09/2026	598	0.06	EUR	761,000	OCI 3.125% 01/11/2024	667 0.07
EUR	1,429,000	Picard Bondco 5.375% 01/07/2027	1,249	0.13	EUR	2,459,000	OCI 3.625% 15/10/2025	2,201 0.23
		<b>Caa1 0.26% (0.00%)</b>			EUR	2,002,000	Saipem Finance International 3.375% 15/07/2026	1,770 0.18
EUR	2,929,000	Sani/Ikos Financial Holdings 5.625% 15/12/2026	2,526	0.26	EUR	1,900,000	*Telefonica Europe 5.875% 31/03/2049	1,820 0.19
		<b>CCC 0.23% (0.16%)</b>			EUR	1,100,000	*Telefonica Europe Perpetual 3% 04/12/2066	979 0.10
EUR	2,547,998	*LHMC Finco 2 7.25% 02/10/2025	2,170	0.23	EUR	7,200,000	*Telefonica Europe Perpetual 3.875% 22/09/2066	6,730 0.70
		<b>Total Luxembourg</b>	<b>91,020</b>	<b>9.44</b>	EUR	7,500,000	*Telefonica Europe Variable 14/03/2168	7,026 0.73
					EUR	1,800,000	*Telefonica Europe Variable 24/09/2168	1,597 0.17
					EUR	2,200,000	*Telefonica Europe Variable 12/05/2169	1,852 0.19
<b>MEXICO 1.36% (2.16%)</b>								
		<b>BBB 1.29% (2.00%)</b>					<b>BB- 0.96% (1.55%)</b>	
EUR	5,332,000	Petroleos Mexicanos 2.75% 21/04/2027	4,301	0.45	EUR	1,731,000	Q-Park Holding 1.5% 01/03/2025	1,428 0.15
EUR	3,078,000	Petroleos Mexicanos 3.75% 21/02/2024	2,726	0.28	EUR	681,000	Q-Park Holding 2% 01/03/2027	558 0.06
EUR	3,295,000	Petroleos Mexicanos 4.75% 26/02/2029	2,817	0.29	EUR	3,006,000	Teva Pharmaceutical Finance 1.125% 15/10/2024	2,442 0.25
EUR	3,051,000	Petroleos Mexicanos 4.875% 21/02/2028	2,656	0.27	EUR	2,797,000	Teva Pharmaceutical Finance 1.25% 31/03/2023	2,359 0.25
		<b>BB 0.07% (0.16%)</b>			EUR	1,515,000	Teva Pharmaceutical Finance 1.625% 15/10/2028	1,182 0.12
EUR	300,000	Cemex 3.125% 19/03/2026	265	0.03	EUR	1,200,000	Teva Pharmaceutical Finance 1.875% 31/03/2027	964 0.10
EUR	1,360,000	Cemex S.A.B. De C.V. 2.75% 05/12/2024	364	0.04	EUR	326,000	Teva Pharmaceutical Finance Netherlands 4.5% 01/03/2025	291 0.03
		<b>Total Mexico</b>	<b>13,129</b>	<b>1.36</b>			<b>B+ 0.26% (0.37%)</b>	
<b>NETHERLANDS 10.47% (12.23%)</b>								
		<b>BBB- 0.08% (0.50%)</b>			EUR	355,000	Dufry One 2.5% 15/10/2024	302 0.03
EUR	800,000	*Volkswagen Financial Services Variable 27/06/2169	806	0.08	EUR	2,074,000	Dufry One 3.375% 15/04/2028	1,759 0.18
		<b>BB+ 3.77% (4.31%)</b>			EUR	661,000	Ziggo Secured Finance 4.25% 15/01/2027	468 0.05
EUR	3,803,000	Ashland Services 2% 30/01/2028	3,380	0.35	EUR	5,690,000	Nobel Bidco 3.125% 15/06/2028	4,881 0.51
EUR	2,986,000	Darling Global Finance 3.625% 15/05/2026	2,616	0.27			<b>B 0.69% (0.91%)</b>	
EUR	4,667,000	Intertrust Group 3.375% 15/11/2025	4,094	0.43	EUR	3,370,000	United Group 3.125% 15/02/2026	2,787 0.29
EUR	900,000	Phoenix Pib Dutch Finance 2.375% 05/08/2025	798	0.08	EUR	960,000	United Group 3.625% 15/02/2028	800 0.08
EUR	2,852,000	PPF Arena 1 2.125% 31/01/2025	2,527	0.26	EUR	1,000,000	United Group 4.625% 15/08/2028	865 0.09
EUR	2,564,000	PPF Telecom Group 3.25% 29/09/2027	2,386	0.25	EUR	536,000	United Group 4.875% GTD 01/07/2024	467 0.05
EUR	1,388,000	PPF Telecom Group 3.5% 20/05/2024	1,274	0.13	EUR	1,990,000	UPC Holding 3.875% 15/06/2029	1,760 0.18
EUR	2,085,000	*Repsol International Finance 4.5% 25/03/2075	1,960	0.20	EUR	3,547,000	Diebold Nixdorf 9% 15/07/2025	3,335 0.35
EUR	3,255,000	*Repsol International Finance Variable 11/12/2168	3,108	0.32	EUR	2,214,132	*Summer BidCo 9% PIK 15/11/2025	2,033 0.21
EUR	867,000	*Repsol International Finance Variable 11/06/2169	799	0.08	EUR	2,424,195	*Summer BidCo 9% PIK 16/11/2025	2,179 0.23
EUR	2,932,000	*Repsol International Finance Variable 11/06/2169 (Frankfurt Exchange)	2,702	0.28	EUR	6,442,000	VZ Vendor Financing 2.875% 15/01/2029	5,471 0.57
EUR	3,307,000	*Repsol International Finance Variable 22/03/2170	2,876	0.30			<b>Not Rated 0.00% (0.10%)</b>	
							<b>Total Netherlands</b>	<b>100,892 10.47</b>

## Threadneedle High Yield Bond Fund

### Portfolio Statement

(continued)

Holding		Investment	Value £000	% of Net Asset Value	Holding		Investment	Value £000	% of Net Asset Value
<b>PANAMA 0.66% (0.58%)</b>					EUR	3,200,000	Cellnex Telecom 1.875% 26/06/2029	2,818	0.29
<b>B+ 0.00% (0.58%)</b>					EUR	3,690,000	Grifols 1.625% 15/02/2025	3,204	0.33
<b>B 0.66% (0.00%)</b>					EUR	3,361,000	Grifols 2.25% 15/11/2027	2,949	0.31
EUR	6,890,000	Carnival 7.625% 01/03/2026	6,386	0.66	<b>BB 0.00% (0.20%)</b>				
<b>Total Panama</b>					<b>B+ 0.25% (0.26%)</b>				
					EUR	2,825,000	Grifols 3.2% 01/05/2025	2,449	0.25
<b>PORTUGAL 0.46% (0.34%)</b>					<b>B 0.13% (0.00%)</b>				
<b>BB+ 0.34% (0.00%)</b>					EUR	1,468,000	Grupo-Antolin Irausa 3.375% 30/04/2026	1,263	0.13
EUR	2,000,000	*Energias de Portugal Variable 20/07/2080	1,747	0.18	<b>B- 0.00% (0.39%)</b>				
EUR	1,800,000	*Energias de Portugal Variable 14/03/2082	1,538	0.16	<b>Not Rated 0.24% (0.00%)</b>				
<b>BB 0.00% (0.18%)</b>					EUR	2,700,000	Cellnex Finance 1% 15/09/2027	2,297	0.24
<b>Not Rated 0.12% (0.16%)</b>					<b>Total Spain</b>				
EUR	1,100,000	Banco Espirito 2.625% 08/05/2017 (Defaulted)	104	0.01	<b>23,190 2.41</b>				
EUR	8,900,000	Banco Espirito Santo 4% 21/01/2019 (Defaulted)	843	0.09	<b>SWEDEN 3.14% (3.20%)</b>				
EUR	1,700,000	Banco Espirito Santo 4.75% 15/01/2018 (Defaulted)	161	0.02	<b>BB+ 1.25% (1.15%)</b>				
<b>Total Portugal</b>					EUR	1,256,000	*Akelius Residential FRN 05/10/2078	1,141	0.12
					EUR	2,085,000	*Heimstaden Bostad Variable 19/02/2169	1,864	0.19
<b>REPUBLIC OF IRELAND 4.97% (6.50%)</b>					EUR	3,500,000	*Heimstaden Bostad Variable 15/04/2169	3,133	0.33
<b>B+ 0.79% (0.84%)</b>					EUR	4,092,000	*Heimstaden Bostad Variable 01/05/2169	3,496	0.36
EUR	2,517,000	Eircom Finance 2.625% 15/02/2027	2,157	0.22	EUR	1,702,000	*Heimstaden Bosta Variable 29/01/2170	1,473	0.15
EUR	6,165,000	Eircom Finance 3.5% 15/05/2026	5,439	0.57	EUR	1,034,000	Volvo Car 2.5% 07/10/2027	975	0.10
<b>B 0.34% (0.47%)</b>					<b>BB 0.71% (0.79%)</b>				
GBP	3,212,000	Virgin Media 4.875% 15/07/2028	3,275	0.34	EUR	3,873,000	Intrum 3.5% 15/07/2026	3,400	0.35
<b>B- 0.00% (0.07%)</b>					EUR	1,586,000	Intrum 4.875% 15/08/2025	1,435	0.15
<b>Liquidity Funds 3.84% (5.12%)<sup>1</sup></b>					EUR	2,355,000	*Samhallsbyggnadsbolaget Variable 14/03/2169	2,045	0.21
EUR	2,748	BlackRock Institutional Cash Series Euro Liquidity Platinum	233	0.02	<b>B 0.67% (0.70%)</b>				
GBP	26,674,729	BlackRock Institutional Cash Series Sterling Liquidity Platinum	26,675	2.77	EUR	529,000	Verisure Holding 3.25% 15/02/2027 (Germany listing)	459	0.05
USD	535,360	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	388	0.04	EUR	5,045,000	Verisure Holding 3.25% 15/02/2027 (Luxembourg listing)	4,374	0.46
GBP	15,058	Insight Liquidity Funds - ILF GBP Liquidity Class 3	15	-	EUR	1,700,000	Verisure Holding 3.875% 15/07/2026	1,507	0.16
EUR	108,000	IShares Euro High Yield Corporate Bond	9,684	1.01	<b>CCC+ 0.51% (0.56%)</b>				
<b>Total Republic of Ireland</b>					EUR	1,551,000	Verisure Midholding 5.25% 15/02/2029 (Germany listing)	1,375	0.14
					EUR	4,032,000	Verisure Midholding 5.25% 15/02/2029 (Luxembourg listing)	3,575	0.37
<b>ROMANIA 0.23% (0.27%)</b>					<b>Total Sweden</b>				
<b>BB- 0.23% (0.27%)</b>					<b>30,252 3.14</b>				
EUR	2,600,000	RCS & RDS 3.25% 05/02/2028	2,236	0.23	<b>SWITZERLAND 0.35% (0.37%)</b>				
<b>Total Romania</b>					<b>BBB+ 0.05% (0.05%)</b>				
					USD	620,000	UBS 5.125% 15/05/2024	494	0.05
<b>SPAIN 2.41% (2.50%)</b>					<b>BBB 0.12% (0.13%)</b>				
<b>BB+ 1.79% (1.65%)</b>					USD	1,497,000	Credit Suisse 6.5% 08/08/2023	1,196	0.12
EUR	3,100,000	Cellnex Finance 1.25% 15/01/2029	2,623	0.27	<b>BB+ 0.18% (0.19%)</b>				
EUR	2,600,000	Cellnex Finance 1.5% 08/06/2028	2,259	0.24	EUR	1,965,000	*UBS Group 5.75% 29/12/2049	1,728	0.18
EUR	3,400,000	Cellnex Finance 2% 15/02/2033	2,901	0.30	<b>Total Switzerland</b>				
EUR	500,000	Cellnex Telecom 1% 20/04/2027	427	0.05	<b>3,418 0.35</b>				



## Threadneedle High Yield Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED KINGDOM 17.32% (17.95%) (continued)</b>									
EUR	2,257,000	Pinnacle Bidco 5.5% 15/02/2025	2,004	0.21	EUR	942,000	Avantor Funding 3.875% 15/07/2028	856	0.09
GBP	2,681,000	Pinnacle Bidco 6.375% 15/02/2025	2,744	0.28	EUR	4,577,000	Catalent Pharma Solutions 2.375% 01/03/2028	3,987	0.41
GBP	3,941,000	Punch Finance 6.125% 30/06/2026	4,028	0.42					
GBP	910,000	Stonegate Pub Company Financing 8.25% 31/07/2025	957	0.10	EUR	4,214,000	<b>B+ 0.38% (0.56%)</b> Ardagh Metal Packaging 3% 01/09/2029	3,637	0.38
		<b>CCC+ 0.46% (0.29%)</b>							
EUR	796,000	EC Finance 2.375% 15/11/2022 (FWB)	685	0.07					
EUR	4,401,000	EC Finance 2.375% 15/11/2022 (Lux)	3,790	0.39	EUR	3,324,000	<b>B 0.30% (0.40%)</b> Spectrum Brands 4% 01/10/2026	2,919	0.30
		<b>CC 0.00% (0.38%)</b>							
		<b>Not rated 0.00% (0.00%)</b>							
USD	651	NV Profit Share Preference Share <sup>2</sup>	–	–	EUR	1,750,000	<b>B- 0.54% (0.00%)</b> Coty 4% 15/04/2023	1,509	0.16
		<b>Total United Kingdom</b>	<b>166,958</b>	<b>17.32</b>	EUR	189,000	Coty 4.75% 15/04/2026	161	0.02
					EUR	3,962,000	Scientific Games International 5.5% 15/02/2026	3,495	0.36
							<b>Total United States of America</b>	<b>95,141</b>	<b>9.87</b>
<b>UNITED STATES OF AMERICA 9.87% (11.18%)</b>									
		<b>BBB- 0.46% (0.50%)</b>			<b>DERIVATIVES -0.34% (0.29%)</b>				
GBP	767,000	MPT Operating Partnership 2.55% 05/12/2023	788	0.08	<b>Forward Foreign Exchange Contracts -0.34% (0.29%)</b>				
EUR	1,658,000	MPT Operating Partnership 3.325% 24/03/2025	1,543	0.16	Sell GBP 932,648				
GBP	2,005,000	MPT Operating Partnership 3.692% 05/06/2028	2,149	0.22	Buy EUR 1,089,070 HSBC				
		<b>BB+ 5.12% (5.97%)</b>			Sell USD 16,560,083				
EUR	6,652,000	Avantor Funding 2.625% 01/11/2025 (USA)	5,891	0.61	Buy GBP 12,155,748 J.P. Morgan				
EUR	1,388,000	Ford Motor Credit 1.355% 07/02/2025	1,200	0.12	Sell EUR 2,614,222				
EUR	1,500,000	Ford Motor Credit 1.744% 19/07/2024	1,315	0.14	Buy GBP 2,246,542 Lloyds				
EUR	4,813,000	Ford Motor Credit 2.33% 25/11/2025	4,303	0.45	Sell EUR 304,520				
EUR	503,000	Ford Motor Credit 2.386% 17/02/2026	451	0.05	Buy GBP 261,791 HSBC				
EUR	888,000	Ford Motor Credit 2.386% 17/02/2026 (Frankfurt Exchange)	797	0.08	Sell EUR 309,000,000				
GBP	2,419,000	Ford Motor Credit 2.748% 14/06/2024	2,461	0.26	Buy GBP 265,000,130 HSBC				
EUR	7,240,000	Ford Motor Credit 3.021% 06/03/2024	6,541	0.68	Sell EUR 309,000,000				
EUR	2,238,000	Ford Motor Credit 3.25% 15/09/2025	2,074	0.21	Buy GBP 265,018,485 UBS				
GBP	2,400,000	Ford Motor Credit 4.535% 06/03/2025	2,582	0.27	Sell EUR 309,000,000				
EUR	1,381,000	Kraft Heinz Foods 2.25% 25/05/2028	1,297	0.13	Buy GBP 265,037,365 J.P. Morgan				
EUR	7,320,000	Netflix 3.625% 15/05/2027	7,291	0.76	Sell USD 53,286				
EUR	4,058,000	Netflix 3.625% 15/06/2030	4,189	0.43	Buy GBP 38,508 Barclays <sup>2</sup>				
EUR	3,042,000	Netflix 3.875% 15/11/2029	3,171	0.33	Sell USD 54,599				
EUR	4,350,000	Netflix 4.625% 15/05/2029	4,710	0.49	Buy GBP 39,628 Citigroup <sup>2</sup>				
GBP	909,000	The Kraft Heinz 4.125% 01/07/2027	1,022	0.11	Sell EUR 463,360				
		<b>Ba1 0.00% (0.31%)</b>			Buy GBP 396,734 Barclays				
		<b>BB 2.32% (2.31%)</b>			Sell EUR 865,240				
EUR	3,335,000	Ardagh Metal Packaging 2% 01/09/2028	2,904	0.30	Buy GBP 742,417 Lloyds				
EUR	5,681,000	IQVIA 2.25% 15/01/2028	4,941	0.51	Sell GBP 12,674,663				
EUR	5,783,000	IQVIA 2.25% 15/03/2029	5,013	0.52	Buy USD 17,391,843 J.P. Morgan				
EUR	2,385,000	IQVIA 2.875% 15/06/2028	2,116	0.22	Sell GBP 34,407				
EUR	2,823,000	Organon Finance 1 2.875% 30/04/2028	2,483	0.26	Buy USD 47,548 J.P. Morgan <sup>2</sup>				
EUR	1,427,000	Silgan Holdings 2.25% 01/06/2028	1,237	0.13	<b>Total Derivatives</b>				
EUR	4,205,000	Silgan Holdings 3.25% 15/03/2025	3,651	0.38	<b>(3,317) (0.34)</b>				
		<b>Ba2 0.00% (0.32%)</b>			<b>Total value of investments<sup>3</sup></b>				
		<b>BB- 0.75% (0.81%)</b>			<b>942,893 97.83</b>				
USD	3,112,000	Adient US 9% 15/04/2025	2,457	0.25	<b>Net other assets/(liabilities) (-1.01%)</b>				
					<b>20,944 2.17</b>				
					<b>Net assets</b>				
					<b>963,837 100.00</b>				

March 2021 comparatives in brackets.

\*Variable rate bonds.

(P) refers to provisional rating.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Less than £500, rounded to nil.

<sup>3</sup>Includes Cash equivalents.

## Threadneedle High Yield Bond Fund

### Portfolio Statement

*(continued)*

#### ANALYSIS OF INVESTMENTS BY ASSET CLASS

	Value £000	% of Investment
Fixed interest	807,950	85.69
Floating rate notes	138,260	14.66
Derivatives	(3,317)	(0.35)
<b>Total value of investments<sup>3</sup></b>	<b>942,893</b>	<b>100.00</b>

#### Total Purchases and Sales

*for the accounting period 8 March 2021 to 7 September 2021*

	2021 £000	2020 £000
Total purchases for the period	294,496	323,952
Total sales for the period	292,288	260,979

## Threadneedle Global Select Fund

### Portfolio Statement

as at 7 September 2021

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>CAYMAN ISLANDS 1.12% (2.08%)</b>				<b>Household Goods and Home Construction 0.43% (0.51%)</b>			
	<b>Software and Computer Services 1.12% (2.08%)</b>			313,700	Sekisui Chemical	4,103	0.43
41,226	Sea ADR	10,563	1.12		<b>Industrial Engineering 1.11% (0.70%)</b>		
	<b>Total Cayman Islands</b>	<b>10,563</b>	<b>1.12</b>	273,600	Yaskawa Electric	10,484	1.11
<b>CHINA 0.00% (1.15%)</b>					<b>Leisure Goods 0.99% (0.94%)</b>		
	<b>Life Insurance 0.00% (1.15%)</b>			118,900	Sony	9,390	0.99
	<b>Total China</b>	<b>-</b>	<b>-</b>		<b>Technology Hardware and Equipment 1.22% (1.49%)</b>		
<b>DENMARK 3.30% (3.45%)</b>				155,500	Rohm	11,496	1.22
	<b>Electricity 0.98% (1.00%)*</b>				<b>Total Japan</b>	<b>50,642</b>	<b>5.36</b>
81,920	Orsted	9,201	0.98	<b>NETHERLANDS 0.58% (0.54%)</b>			
	<b>Non-life Insurance 0.86% (0.86%)</b>			54,894	Airbus	5,433	0.58
458,488	Tryg	8,157	0.86		<b>Total Netherlands</b>	<b>5,433</b>	<b>0.58</b>
	<b>Pharmaceuticals and Biotechnology 1.46% (1.59%)</b>			<b>REPUBLIC OF IRELAND 5.74% (5.41%)</b>			
187,444	Novo Nordisk	13,805	1.46	336,909	CRH (Dublin Listing)	12,807	1.36
	<b>Total Denmark</b>	<b>31,163</b>	<b>3.30</b>	79,154	Trane Technologies	11,472	1.21
<b>FINLAND 0.86% (1.16%)</b>					<b>Medical Equipment and Services 1.84% (1.84%)*</b>		
	<b>Industrial Materials 0.86% (1.16%)*</b>			178,626	Medtronic	17,433	1.84
270,151	UPM	8,139	0.86		<b>Liquidity Funds 1.33% (0.72%)*</b>		
	<b>Total Finland</b>	<b>8,139</b>	<b>0.86</b>	17,260,123	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	12,515	1.33
<b>FRANCE 3.11% (3.47%)</b>					<b>Total Republic of Ireland</b>	<b>54,227</b>	<b>5.74</b>
	<b>Beverages 0.00% (0.80%)</b>			<b>SOUTH KOREA 3.20% (3.52%)</b>			
	<b>Electronic and Electrical Equipment 1.78% (1.50%)</b>				<b>Technology Hardware and Equipment 3.20% (3.52%)*</b>		
127,120	Schneider Electric	16,838	1.78	471,491	Samsung Electronics	22,471	2.38
	<b>Medical Equipment and Services 1.33% (1.17%)*</b>			15,999	Samsung SDI	7,755	0.82
85,920	Essilor International	12,587	1.33		<b>Total South Korea</b>	<b>30,226</b>	<b>3.20</b>
	<b>Total France</b>	<b>29,425</b>	<b>3.11</b>	<b>SWITZERLAND 4.22% (4.00%)</b>			
<b>GERMANY 1.21% (1.56%)</b>					<b>Food Producers 1.45% (1.18%)</b>		
	<b>Personal Goods 1.21% (1.56%)</b>			149,831	Nestle	13,720	1.45
43,926	Adidas	11,427	1.21		<b>Pharmaceuticals and Biotechnology 1.32% (1.25%)</b>		
	<b>Total Germany</b>	<b>11,427</b>	<b>1.21</b>	43,064	Roche	12,469	1.32
<b>HONG KONG 1.44% (1.49%)</b>					<b>Technology Hardware and Equipment 1.45% (1.57%)*</b>		
	<b>Life Insurance 1.44% (1.49%)</b>			125,999	TE Connectivity	13,674	1.45
1,532,000	AIA Group	13,554	1.44		<b>Total Switzerland</b>	<b>39,863</b>	<b>4.22</b>
	<b>Total Hong Kong</b>	<b>13,554</b>	<b>1.44</b>	<b>TAIWAN 1.54% (1.72%)</b>			
<b>INDIA 1.33% (1.61%)</b>					<b>Technology Hardware and Equipment 1.54% (1.72%)</b>		
	<b>Banks 1.33% (1.61%)</b>			888,000	Taiwan Semiconductor Manufacturing	14,527	1.54
811,009	HDFC Bank	12,566	1.33		<b>Total Taiwan</b>	<b>14,527</b>	<b>1.54</b>
	<b>Total India</b>	<b>12,566</b>	<b>1.33</b>	<b>UNITED KINGDOM 2.04% (2.89%)</b>			
<b>INDONESIA 0.80% (0.85%)</b>					<b>Beverages 1.30% (1.20%)</b>		
	<b>Banks 0.80% (0.85%)</b>			347,571	Diageo	12,274	1.30
37,909,800	Bank Rakyat Indonesia	7,562	0.80		<b>Electricity 0.74% (0.00%)</b>		
	<b>Total Indonesia</b>	<b>7,562</b>	<b>0.80</b>	428,017	SSE	7,011	0.74
<b>JAPAN 5.36% (4.93%)</b>							
	<b>Electronic and Electrical Equipment 1.61% (1.29%)</b>						
31,700	Keyence	15,169	1.61				

## Threadneedle Global Select Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED KINGDOM 2.04% (2.89%) (continued)</b>				<b>Software and Computer Services 20.57% (16.77%)</b>			
	<b>Personal Care, Drug and Grocery Stores 0.00% (1.69%)*</b>			49,863	Adobe Systems	24,101	2.55
	<b>Total United Kingdom</b>	<b>19,285</b>	<b>2.04</b>	26,735	Alphabet Class A	55,720	5.90
				65,448	Autodesk	13,703	1.45
				94,986	Facebook	25,905	2.74
				39,205	Intuit	16,011	1.70
				242,308	Microsoft	52,910	5.60
				143,821	Pinterest Class A	5,901	0.63
<b>UNITED STATES OF AMERICA 64.34% (60.77%)</b>				<b>Technology Hardware and Equipment 4.51% (3.01%)</b>			
	<b>Automobiles and Parts 1.14% (1.04%)</b>			31,630	Lam Research	14,006	1.48
303,650	General Motors	10,749	1.14	173,016	Nvidia	28,654	3.03
	<b>Banks 1.41% (1.84%)</b>			<b>Telecommunications Service Providers 3.53% (4.08%)*</b>			
115,099	JPMorgan Chase	13,311	1.41	373,134	Comcast Corporation	16,696	1.77
	<b>Chemicals 1.05% (1.08%)</b>			168,155	T-Mobile US	16,582	1.76
60,961	ECOLAB	9,952	1.05	<b>Total United States of America</b>			
	<b>Consumer Services 2.71% (2.01%)*</b>					<b>607,726</b>	<b>64.34</b>
7,280	Mercadolibre	10,259	1.09	<b>Total value of investments<sup>2</sup></b>			
196,839	Service Corporate International	9,074	0.96			<b>946,328</b>	<b>100.19</b>
214,860	Uber Technologies	6,280	0.66	<b>Net other liabilities (-0.60%)</b>			
	<b>Electricity 1.53% (1.34%)</b>					<b>(1,832)</b>	<b>(0.19)</b>
232,987	FPL Group	14,473	1.53	<b>Net assets</b>			
	<b>Finance and Credit Services 1.05% (0.88%)*</b>					<b>944,496</b>	<b>100.00</b>
30,229	S&P Global	9,907	1.05	<i>March 2021 comparatives in brackets.</i>			
	<b>Health Care Providers 1.28% (3.01%)*</b>			<i><sup>1</sup>Cash equivalents.</i>			
258,482	Centene	12,064	1.28	<i><sup>2</sup>Includes Cash equivalents.</i>			
	<b>Industrial Engineering 0.89% (0.00%)</b>			<i>*The comparative percentage figures at 31 Mar 2021 have been amended due to change in sector names.</i>			
29,776	Deere	8,406	0.89	<b>Total Purchases and Sales</b>			
	<b>Industrial Support Services 6.47% (6.67%)*</b>			<i>for the accounting period 8 March 2021 to 7 September 2021</i>			
127,973	Fidelity National Information Services	11,635	1.23			<b>2021</b>	<b>2020</b>
86,489	MasterCard Class A	21,341	2.26			<b>£000</b>	<b>£000</b>
92,762	PayPal Holdings	19,440	2.06	Total purchases for the period		228,675	264,429
96,365	TransUnion	8,696	0.92	Total sales for the period		287,889	253,804
	<b>Industrial Transportation 1.53% (1.70%)</b>						
92,972	Union Pacific	14,486	1.53				
	<b>Investment Banking and Brokerage Services 0.00% (1.60%)*</b>						
	<b>Leisure Goods 2.30% (2.81%)</b>						
186,215	Activision Blizzard	10,961	1.16				
101,620	Electronic Arts	10,801	1.14				
	<b>Media 1.26% (1.50%)*</b>						
90,349	Walt Disney	11,855	1.26				
	<b>Medical Equipment and Services 5.56% (4.97%)*</b>						
96,940	Abbott Laboratories	9,063	0.96				
32,802	Cooper Cos	10,844	1.15				
136,365	Edwards Lifesciences	11,967	1.27				
61,856	Stryker	12,408	1.31				
19,846	Thermo Fisher Scientific	8,173	0.87				
	<b>Real Estate Investment Trusts 2.86% (2.08%)</b>						
56,128	American Tower	12,291	1.30				
23,084	Equinix	14,777	1.56				
	<b>Retailers 4.69% (4.38%)*</b>						
17,572	Amazon.com	44,324	4.69				

## Threadneedle Global Bond Fund

### Portfolio Statement

as at 7 September 2021

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>AUSTRALIA 1.38% (1.37%)</b>					<b>FRANCE 5.55% (5.47%)</b>				
		<b>Aaa 0.56% (0.58%)</b>					<b>AA 1.39% (0.89%)</b>		
AUD	5,475,000	Australia Government Bond 2.25% 21/11/2022	3,016	0.56	USD	3,738,000	Dexia Credit Local 0.5% 16/07/2024	2,705	0.50
		<b>AA+ 0.52% (0.52%)</b>			USD	3,800,000	SFIL 0.625% 09/02/2026	2,727	0.50
AUD	3,550,000	Queensland Treasury 6.5% 14/03/2033	2,843	0.52	EUR	2,700,000	Ville de Paris 0.45% 20/10/2045	2,153	0.39
		<b>Not Rated 0.30% (0.27%)</b>					<b>Aa2 3.39% (3.37%)</b>		
AUD	3,365,000	Australia Government Bond 1.75% 21/06/2051	1,650	0.30	USD	7,250,000	Caisse D'Amort Dette Society 0.375% 23/09/2025	5,188	0.95
		<b>Total Australia</b>	<b>7,509</b>	<b>1.38</b>	USD	3,815,000	Caisse D'Amort Dette Society 1% 21/10/2030	2,647	0.48
					USD	3,060,000	Caisse D'Amort Dette Society 1.375% 20/01/2031	2,185	0.40
<b>AUSTRIA 0.14% (0.15%)**</b>					EUR	3,600,000	SNCF Reseau 2.25% 20/12/2047	3,977	0.73
		<b>AA+ 0.14% (0.15%)</b>			EUR	2,600,000	Societe du Grand Paris 0.7% 15/10/2060	1,975	0.36
EUR	940,000	Republic of Austria 0.85% 30/06/2120	765	0.14	EUR	3,000,000	UNEDIC 0.25% 16/07/2035	2,558	0.47
		<b>Total Austria</b>	<b>765</b>	<b>0.14</b>			<b>Aa2u 0.00% (0.44%)</b>		
<b>BELGIUM 0.69% (0.71%)</b>							<b>AA- 0.77% (0.77%)</b>		
		<b>Not Rated 0.69% (0.71%)</b>			EUR	4,800,000	Societe Nationale SNCF 1% 25/05/2040	4,178	0.77
EUR	3,550,000	Belgium Government Bond 1.7% 22/06/2050	3,780	0.69			<b>Total France</b>	<b>30,293</b>	<b>5.55</b>
		<b>Total Belgium</b>	<b>3,780</b>	<b>0.69</b>	<b>GERMANY 0.46% (0.47%)</b>				
<b>BRITISH VIRGIN ISLANDS 0.40% (0.40%)</b>							<b>Aaa 0.46% (0.47%)</b>		
		<b>A+ 0.40% (0.40%)</b>			USD	3,155,000	Landesbank Baden-Wuerttemberg 7.625% 01/02/2023	2,514	0.46
USD	3,000,000	Sinopec Group 2% 29/09/2021	2,177	0.40			<b>Total Germany</b>	<b>2,514</b>	<b>0.46</b>
		<b>Total British Virgin Islands</b>	<b>2,177</b>	<b>0.40</b>	<b>ITALY 6.54% (6.66%)</b>				
<b>CANADA 5.53% (5.20%)</b>							<b>BBB 0.65% (0.65%)</b>		
		<b>AAA 2.61% (2.97%)</b>			EUR	4,000,000	Cassa Depositi e Prestiti 1.5% 20/04/2023	3,546	0.65
USD	3,020,000	Canada Government 2.625% 25/01/2022	2,211	0.41			<b>Baa3u 1.66% (2.70%)</b>		
CAD	4,580,000	Canada Housing Trust 1.1% 15/03/2031	2,527	0.46	USD	5,995,000	Italy Government International Bond 1.25% 17/02/2026	4,312	0.79
USD	1,490,000	CDP Financial 1% 26/05/2026	1,085	0.20	USD	5,915,000	Italy Government International Bond 3.875% 06/05/2051	4,759	0.87
USD	3,000,000	CDP Financial 3.15% 24/07/2024	2,338	0.43			<b>Not Rated 4.23% (3.31%)</b>		
GBP	2,750,000	CPPIB Capital 1.125% 14/12/2029	2,788	0.51	EUR	9,745,000	Buoni Poliennali Del Tesoro 0.95% 01/08/2030	8,635	1.58
USD	4,500,000	CPPIB Capital 2.25% 25/01/2022	3,289	0.60	EUR	1,371,000	Buoni Poliennali Del Tesoro 1.8% 01/03/2041 (Italy listing)	1,248	0.23
		<b>AA+ 0.49% (0.00%)</b>			EUR	5,260,000	Buoni Poliennali Del Tesoro 2.15% 01/03/2072	4,494	0.82
USD	3,795,000	Province of British Columbia 1.3% 29/01/2031	2,697	0.49	EUR	5,050,000	Italian Government Bond 1.5% 30/04/2045	4,299	0.79
		<b>AA 0.29% (0.27%)</b>			EUR	3,995,000	Italian Government Bond 1.7% 01/09/2051	3,388	0.62
CAD	2,700,000	City of Toronto Canada 2.6% 24/09/2039	1,579	0.29	EUR	1,129,000	Italian Government Bond 1.8% 01/03/2041	1,027	0.19
		<b>AA- 0.14% (0.00%)</b>					<b>Total Italy</b>	<b>35,708</b>	<b>6.54</b>
CAD	1,322,000	Province of Quebec 2.1% 27/05/2031	781	0.14	<b>CANADA 5.53% (5.20%)</b>				
		<b>Aa3 0.48% (0.46%)</b>					<b>AAA 2.61% (2.97%)</b>		
USD	3,750,000	Province of Ontario Canada 1.125% 07/10/2030	2,614	0.48	USD	3,020,000	Canada Government 2.625% 25/01/2022	2,211	0.41
		<b>A+ 1.52% (1.50%)</b>			CAD	4,580,000	Canada Housing Trust 1.1% 15/03/2031	2,527	0.46
USD	10,000,000	Province of Ontario Canada 1.05% 21/05/2027	7,227	1.32	USD	1,490,000	CDP Financial 1% 26/05/2026	1,085	0.20
CAD	1,800,000	Province of Ontario Canada 1.85% 01/02/2027	1,070	0.20	USD	3,000,000	CDP Financial 3.15% 24/07/2024	2,338	0.43
		<b>Total Canada</b>	<b>30,206</b>	<b>5.53</b>	GBP	2,750,000	CPPIB Capital 1.125% 14/12/2029	2,788	0.51
					USD	4,500,000	CPPIB Capital 2.25% 25/01/2022	3,289	0.60

## Threadneedle Global Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>JAPAN 8.46% (9.07%)</b>					<b>A- 0.37% (0.00%)</b>				
		<b>AA- 0.00% (0.21%)</b>			EUR	2,324,000	Community of Madrid 0.42% 30/04/2031	2,004	0.37
		<b>A+ 0.23% (0.23%)</b>					<b>A3 0.36% (0.36%)</b>		
USD	1,778,000	Development Bank of Japan 0.5% 27/08/2025	1,269	0.23	EUR	2,150,000	Basque Government 1.125% 30/04/2029	1,992	0.36
		<b>A1 5.84% (6.27%)</b>					<b>Baa1 0.07% (2.73%)</b>		
USD	715,000	Central Nippon Express 0.894% 10/12/2025	513	0.09	EUR	465,000	Spain Government Bond 0.35% 30/07/2023	408	0.07
JPY	1,302,100,000	Japan Government 0.3% 20/12/2039	8,477	1.55			<b>Not Rated 2.29% (0.98%)</b>		
JPY	1,923,550,000	Japan Government 0.4% 20/03/2050	11,951	2.19			Spain Government Bond 0.1% 30/04/2031	2,127	0.39
JPY	1,255,300,000	Japan Government 0.4% 20/03/2056	7,525	1.38	EUR	2,515,000	Spain Government Bond 1% 31/10/2050 (Stuttgart Exchange)	3,526	0.65
JPY	558,300,000	Japan Government 0.5% 20/03/2059	3,422	0.63	EUR	4,400,000	Spain Government Bond 1.2% 31/10/2040	2,862	0.52
		<b>A 0.22% (0.22%)</b>			EUR	5,077,000	Spain Government Bond 1.45% 31/10/2071	3,960	0.73
USD	1,662,000	Development Bank of Japan 0.5% 04/03/2024	1,205	0.22			<b>Total Spain</b>	<b>24,549</b>	<b>4.50</b>
		<b>Not Rated 2.17% (2.14%)</b>							
JPY	1,816,350,000	Japan Government 0.6% 20/09/2050	11,861	2.17					
		<b>Total Japan</b>	<b>46,223</b>	<b>8.46</b>					
<b>NETHERLANDS 1.34% (1.35%)</b>					<b>SUPRANATIONAL 13.75% (11.50%)</b>				
		<b>A+ 1.34% (1.35%)</b>			USD	4,675,000	<b>AAA 12.20% (10.64%)</b> Asian Development Bank 1.75% 19/09/2029	3,512	0.64
USD	3,850,000	Shell International Finance 3.4% 12/08/2023	2,956	0.54	USD	7,500,000	*Asian Development Bank FRN 27/08/2026	5,665	1.04
USD	6,000,000	Siemens Financieringsmaatschappij 1.7% 15/09/2021	4,352	0.80	USD	2,440,000	Asian Infrastructure 0.25% 29/09/2023	1,767	0.32
		<b>Total Netherlands</b>	<b>7,308</b>	<b>1.34</b>	USD	2,380,000	European Bank for Reconstruction and Development 1.5% 13/02/2025	1,779	0.33
<b>REPUBLIC OF IRELAND 1.26% (3.45%)</b>					USD	1,190,000	European Investment Bank 0.625% 21/10/2027	842	0.15
		<b>Liquidity Funds 1.26% (3.45%)<sup>1</sup></b>			CAD	1,400,000	European Investment Bank 1% 28/01/2028	793	0.15
EUR	6,290	BlackRock Institutional Cash Series Euro Liquidity Platinum	534	0.10	USD	1,874,000	European Investment Bank 1.625% 13/05/2031	1,384	0.25
GBP	6,015	BlackRock Institutional Cash Series Sterling Liquidity Platinum	6	–	USD	18,600,000	*European Investment Bank FRN 05/03/2024	13,546	2.48
USD	8,757,098	BlackRock Institutional Cash Series US Dollar Liquidity Platinum	6,350	1.16	USD	3,625,000	*European Investment Bank FRN 21/01/2026	2,727	0.50
		<b>Total Republic of Ireland</b>	<b>6,890</b>	<b>1.26</b>	USD	7,175,000	Inter-American Development Bank 0.5% 24/05/2023	5,230	0.96
<b>SINGAPORE 0.47% (0.46%)</b>					USD	3,815,000	Inter-American Development Bank 1.125% 13/01/2031	2,703	0.49
		<b>AAA 0.47% (0.46%)</b>			EUR	1,635,000	International Bank for Reconstruction and Development 0.2% 21/01/2061	1,229	0.23
USD	3,750,000	Temasek Financial 1% 06/10/2030	2,575	0.47	USD	5,900,000	International Bank for Reconstruction and Development 0.625% 22/04/2025	4,284	0.78
		<b>Total Singapore</b>	<b>2,575</b>	<b>0.47</b>	USD	3,300,000	International Bank for Reconstruction and Development 0.875% 14/05/2030	2,304	0.42
<b>SOUTH KOREA 0.80% (0.81%)</b>					USD	22,300,000	*International Bank for Reconstruction and Development FRN 18/09/2025	16,275	2.98
		<b>AA 0.80% (0.81%)</b>			USD	3,625,000	International Development Association 0.375% 23/09/2025	2,595	0.48
USD	6,000,000	Export-Import Bank of Korea 2.75% 25/01/2022	4,391	0.80			<b>AA+ 0.76% (0.48%)</b>		
		<b>Total South Korea</b>	<b>4,391</b>	<b>0.80</b>	USD	1,999,000	Inter-American Investment Corporation 0.5% 21/07/2023	1,453	0.27
<b>SPAIN 4.50% (4.85%)</b>					USD	3,700,000	New Development Bank 0.625% 29/09/2025	2,653	0.49
		<b>A 1.41% (0.78%)</b>							
EUR	3,500,000	FADE FTA 0.01% 17/09/2025	3,055	0.56					
EUR	5,300,000	Institut Credito Oficial 0% 30/04/2027	4,615	0.85					



## Threadneedle Global Bond Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value		Value £000	% of Investment
<b>DERIVATIVES 0.19% (-0.34%)</b>				<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>		
	<b>Forward Foreign Exchange Contracts 0.19% (-0.34%)</b>					
	Sell USD 2,495,746					
	Buy AUD 3,403,756	17	-	Fixed interest	484,992	90.26
	Sell USD 5,452,593			Floating rate notes	51,337	9.55
	Buy CAD 6,833,190	(17)	-	Derivatives	1,045	0.19
	Sell USD 1,604,228			<b>Total value of investments<sup>3</sup></b>	<b>537,374</b>	<b>100.00</b>
	Buy EUR 1,351,127	1	-			
	Sell USD 56,015,577			<b>Total Purchases and Sales</b>		
	Buy EUR 47,775,718	551	0.10	<i>for the accounting period 8 March 2021 to 7 September 2021</i>		
	Sell USD 1,688,756				<b>2021</b>	<b>2020</b>
	Buy GBP 1,231,107	7	-		<b>£000</b>	<b>£000</b>
	Sell USD 1,300,226			Total purchases for the period	388,072	620,462
	Buy JPY 142,810,866	(1)	-	Total sales for the period	398,416	543,967
	Sell USD 526,340					
	Buy JPY 57,499,176	(2)	-			
	Sell USD 81,103,561					
	Buy JPY 8,981,083,077	441	0.08			
	Sell USD 1,797,994					
	Buy SEK 15,671,452	25	0.01			
	Sell JPY 117,479,574					
	Buy USD 1,067,459	(1)	-			
	Sell CAD 1,381,445					
	Buy USD 1,100,356	2	-			
	Sell GBP 986,907					
	Buy USD 1,360,997 <sup>2</sup>	-	-			
	Sell GBP 1,083,251					
	Buy USD 1,494,234 <sup>2</sup>	-	-			
	Sell GBP 1,737,234					
	Buy USD 2,384,676	(8)	-			
	Sell GBP 2,128,808					
	Buy USD 2,941,906	4	-			
	Sell EUR 2,609,291					
	Buy USD 3,098,303	(2)	-			
	Sell GBP 2,290,719					
	Buy USD 3,175,509	12	-			
	Sell JPY 35,570,123					
	Buy USD 324,850	1	-			
	Sell GBP 5,370,880					
	Buy USD 7,430,873	17	-			
	Sell MXN 1,541,163					
	Buy USD 76,133 <sup>2</sup>	-	-			
	Sell EUR 709,027					
	Buy USD 840,027	(2)	-			
	Sell JPY 95,166,963					
	Buy USD 865,919 <sup>2</sup>	-	-			
	<b>Total Derivatives</b>	<b>1,045</b>	<b>0.19</b>			
	<b>Total value of investments<sup>3</sup></b>	<b>537,374</b>	<b>98.40</b>			
	<b>Net other assets (1.44%)</b>	<b>8,751</b>	<b>1.60</b>			
	<b>Net assets</b>	<b>546,125</b>	<b>100.00</b>			

March 2021 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.

\*\*The comparative percentage figures at 7 March 2021 have been amended due to change in country.

## Threadneedle UK Institutional Fund

### Portfolio Statement

as at 7 September 2021

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>BASIC MATERIALS 5.20% (5.70%)*</b>				414,815	Whitbread	13,440	1.28
	<b>Chemicals 2.52% (2.90%)*</b>			<b>Total Consumer Discretionary</b>			
1,156,780	Elementis	1,817	0.17			<b>183,111</b>	<b>17.43</b>
514,955	Johnson Matthey	15,129	1.44	<b>CONSUMER STAPLES 16.91% (17.13%)*</b>			
410,184	Synthomer	2,186	0.21		<b>Beverages 3.52% (3.31%)*</b>		
281,611	Victrex	7,384	0.70	904,254	Britvic	8,934	0.85
	<b>Industrial Metals and Mining 2.68% (2.80%)*</b>			710,036	Diageo	25,075	2.39
1,037,490	BHP Group	21,901	2.09	749,691	Stock Spirits Group	2,928	0.28
303,797	Bodycote	2,956	0.28		<b>Food Producers 1.79% (1.45%)*</b>		
125,985	Hill & Smith Holdings	2,399	0.23	173,304	Hilton Food Group	2,028	0.19
591,960	Trifast	829	0.08	359,248	<sup>†</sup> Hotel Chocolat Group	1,329	0.13
	<b>Total Basic Materials</b>	<b>54,601</b>	<b>5.20</b>	2,172,019	Tate & Lyle	15,486	1.47
<b>CONSUMER DISCRETIONARY 17.43% (18.49%)*</b>					<b>Personal Care, Drug and Grocery Stores 9.61% (9.21%)*</b>		
	<b>Consumer Services 0.98% (1.20%)*</b>			369,905	Reckitt Benckiser Group	21,221	2.02
697,473	Compass Group	10,330	0.98	6,355,045	Tesco	16,415	1.56
	<b>Household Goods and Home Construction 0.21% (0.22%)*</b>			1,046,485	Unilever	41,823	3.98
528,444	Crest Nicholson Holdings	2,225	0.21	7,397,564	WM Morrison Supermarkets	21,586	2.05
	<b>Leisure Goods 0.15% (0.14%)*</b>				<b>Tobacco 1.99% (3.16%)*</b>		
12,746	Games Workshop Group	1,559	0.15	1,342,664	Imperial Brands	20,858	1.99
	<b>Media 5.88% (5.90%)*</b>				<b>Total Consumer Staples</b>	<b>177,683</b>	<b>16.91</b>
20,834	4imprint Group	621	0.06	<b>ENERGY 7.55% (7.59%)*</b>			
88,312	Future	3,386	0.32		<b>Oil, Gas and Coal 7.55% (7.59%)*</b>		
697,279	Hyve Group	815	0.08	8,442,495	BP	25,256	2.40
11,221,985	ITV	13,096	1.25	836,170	Cairn Energy	1,631	0.16
1,836,066	Pearson	13,980	1.33	3,209,969	EnQuest	690	0.07
1,039,999	Reach	4,269	0.41	2,838,706	John Wood Group	6,924	0.66
945,288	RELX (London Listing)	20,787	1.98	3,104,832	Royal Dutch Shell 'B' Shares	44,797	4.26
246,209	S4 Capital	2,048	0.20		<b>Total Energy</b>	<b>79,298</b>	<b>7.55</b>
482,552	STV Group	1,626	0.15	<b>FINANCIALS 13.77% (14.22%)*</b>			
473,911	Wilmington Group	1,033	0.10		<b>Banks 5.89% (6.38%)*</b>		
	<b>Personal Goods 2.17% (1.96%)*</b>			9,733,513	Barclays	18,046	1.72
765,028	Burberry Group	15,067	1.43	2,057,510	HSBC Holdings	7,874	0.75
2,869,415	Ted Baker	4,826	0.46	8,207,572	NatWest Group	17,638	1.68
285,395	Watches of Switzerland Group	2,968	0.28	71,411	Secure Trust Bank	893	0.09
	<b>Retailers 2.32% (2.09%)*</b>			3,764,661	Standard Chartered	17,333	1.65
383,186	Halfords Group	1,346	0.13		<b>Finance and Credit Services 0.25% (0.44%)*</b>		
1,276,400	Howden Joinery Group	12,118	1.15	454,293	Paragon Banking Group	2,578	0.25
422,162	<sup>†</sup> Joules Group	992	0.09		<b>Investment Banking and Brokerage Services 2.89% (1.83%)*</b>		
5,293,232	Marks & Spencer Group	10,012	0.95	1,202,784	IP Group	1,758	0.17
	<b>Travel and Leisure 5.72% (6.98%)*</b>			315,848	JTC	2,416	0.23
2,225,598	Cineworld Group	1,484	0.14	87,267	Liontrust Asset Management	2,125	0.20
995,055	easyJet	7,863	0.75	5,077,299	M&G	10,348	0.98
7,679,934	Firstgroup	6,843	0.65	5,948,225	Quilter	8,970	0.85
148,674	Fuller Smith & Turner	1,070	0.10	82,464	Rathbone Brothers	1,695	0.16
277,144	Gamesys Group	5,116	0.49	306,911	Sanne Group IPO	2,781	0.26
972,471	Gym Group	2,723	0.26	11,068	Schroders	423	0.04
890,927	Hollywood Bowl Group	2,094	0.20		<b>Life Insurance 3.27% (3.63%)*</b>		
340,520	J D Wetherspoon	3,684	0.35	41,311	Jackson Financial	864	0.08
335,907	On The Beach Group	1,187	0.11	3,205,675	Legal & General Group	9,078	0.86
87,914	Pphe Hotel Group	1,284	0.12	1,578,161	Prudential	24,438	2.33
1,014,488	Rank Group	1,751	0.17		<b>Non-life Insurance 1.47% (1.94%)*</b>		
1,726,101	Restaurant Group	2,061	0.20	1,636,723	Hiscox	15,392	1.47
2,295,578	SSP Group	6,083	0.58		<b>Total Financials</b>	<b>144,650</b>	<b>13.77</b>
4,758,565	Stagecoach Group	3,324	0.32				

## Threadneedle UK Institutional Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>HEALTH CARE 10.20% (9.37%)</b>				<b>REAL ESTATE 1.41% (1.27%)</b>			
	<b>Medical Equipment and Services 1.38% (1.23%)</b>				<b>Real Estate Investment and Services 0.40% (0.31%)</b>		
1,040,661	Smith & Nephew	14,486	1.38	541,493	CLS Holdings	1,308	0.12
	<b>Pharmaceuticals and Biotechnology 8.82% (8.14%)</b>			208,313	LSL Property Services	987	0.09
611,047	AstraZeneca	52,355	4.98	148,709	Savills	2,036	0.19
2,488,151	GlaxoSmithKline	36,785	3.50		<b>Real Estate Investment Trusts 1.01% (0.96%)</b>		
100,129	Oxford Biomedica	1,486	0.14	202,876	Derwent London	7,750	0.74
1,278,981	Vectura Group	2,095	0.20	780,595	Newriver REIT	614	0.06
	<b>Total Health Care</b>	<b>107,207</b>	<b>10.20</b>	227,452	Workspace Group	2,159	0.21
					<b>Total Real Estate</b>	<b>14,854</b>	<b>1.41</b>
<b>INDUSTRIALS 20.28% (20.91%)*</b>				<b>TECHNOLOGY 1.98% (1.63%)*</b>			
	<b>Aerospace and Defense 2.54% (2.17%)</b>				<b>Software and Computer Services 1.60% (1.36%)*</b>		
65,275	Avon Rubber	1,177	0.11	97,952	<sup>1</sup> Blue Prism Group	1,230	0.12
3,298,758	BAE Systems	18,493	1.76	247,279	Bytes Technology Group	1,359	0.13
803,222	Chemring Group	2,731	0.26	56,554	<sup>1</sup> First Derivatives	1,374	0.13
1,476,613	Senior	2,668	0.25	944,321	<sup>1</sup> IQGEO Group	1,133	0.11
52,512	Ultra Electronics Holdings	1,676	0.16	1,546,629	Sage Group	11,693	1.11
	<b>Construction and Materials 1.46% (1.47%)</b>				<b>Technology Hardware and Equipment 0.38% (0.26%)</b>		
9,138,780	<sup>1</sup> Breedon Aggregates	9,523	0.91	204,587	Discoverie Group	2,435	0.23
955,921	Galliford Try	1,626	0.16	543,932	TT electronics	1,553	0.15
419,271	Polypipe Group	3,199	0.30		<b>Total Technology</b>	<b>20,777</b>	<b>1.98</b>
1,174,193	Severfield	953	0.09				
	<b>Electronic and Electrical Equipment 1.70% (1.76%)*</b>			<b>TELECOMMUNICATIONS 1.92% (1.84%)*</b>			
521,721	Morgan Advanced Materials	2,165	0.21		<b>Telecommunications Equipment 0.23% (0.26%)*</b>		
167,748	Oxford Instruments	4,420	0.42	795,337	Spirent Communications	2,359	0.23
2,672,176	Rotork	9,513	0.91		<b>Telecommunications Service Providers 1.69% (1.58%)</b>		
31,481	XP Power	1,697	0.16	10,705,237	BT Group	17,797	1.69
	<b>General Industrials 3.14% (3.01%)*</b>				<b>Total Telecommunications</b>	<b>20,156</b>	<b>1.92</b>
395,457	Eurocell Group	1,107	0.11				
9,414,619	Melrose Industries	17,963	1.71	<b>UTILITIES 1.60% (1.36%)</b>			
967,964	Smiths Group	13,818	1.32		<b>Electricity 0.50% (0.00%)</b>		
	<b>Industrial Engineering 1.35% (1.43%)*</b>			317,461	SSE	5,200	0.50
764,653	Weir Group	13,385	1.27		<b>Gas, Water and Multi-utilities 1.10% (1.36%)</b>		
390,825	Xaar	879	0.08	7,918,253	Centrica	4,133	0.39
	<b>Industrial Support Services 7.85% (8.74%)*</b>			598,780	Pennon Group	7,503	0.71
177,232	DCC	11,389	1.08		<b>Total Utilities</b>	<b>16,836</b>	<b>1.60</b>
1,382,026	Electrocomponents	15,188	1.45	<b>COLLECTIVE INVESTMENT SCHEMES 3.48% (0.30%)</b>			
679,389	Essentra	2,008	0.19		<b>Liquidity Funds 3.48% (0.30%)<sup>1</sup></b>		
187,977	Euromoney Institutional Investor	2,011	0.19	36,552,919	BlackRock Institutional Cash Series		
221,887	FDM Group Holdings IPO	2,947	0.28		Sterling Liquidity Platinum	36,553	3.48
148,120	Ferguson	15,841	1.51		<b>Total Collective Investment Schemes</b>	<b>36,553</b>	<b>3.48</b>
5,168,082	Hays	8,522	0.81				
211,531	<sup>1</sup> Knights Group Holdings	846	0.08	<b>Total value of investments<sup>2</sup></b>			
671,197	Mears Group	1,456	0.14			<b>1,068,742</b>	<b>101.73</b>
314,895	PayPoint	2,261	0.22	<b>Net other (liabilities)/assets (0.19%)</b>			
2,462,582	Rentokil Initial	14,446	1.38			<b>(18,181)</b>	<b>(1.73)</b>
1,618,670	RPS Group	1,933	0.18	<b>Net assets</b>			
1,580,449	Serco Group	2,200	0.21			<b>1,050,561</b>	<b>100.00</b>
1,999,522	Speedy Hire	1,394	0.13				
	<b>Industrial Transportation 2.24% (2.32%)*</b>						
42,919	Clarkson	1,715	0.16				
176,358	James Fisher & Sons	1,681	0.16				
374,097	Northgate	1,599	0.15				
3,740,416	Royal Mail	18,586	1.77				
	<b>Total Industrials</b>	<b>213,016</b>	<b>20.28</b>				

March 2021 comparatives in brackets.

<sup>1</sup>Cash equivalents.

<sup>2</sup>Includes Cash equivalents.

<sup>1</sup>Alternative Investment Market.

\*The comparative percentage figures at 7 March 2021 have been amended due to change in sector names.

## Threadneedle UK Institutional Fund

### Portfolio Statement

*(continued)*

Holding	Investment	Value £000	% of Net Asset Value
<b>Total Purchases and Sales</b>			
<i>for the accounting period 8 March 2021 to 7 September 2021</i>			
		<b>2021</b>	<b>2020</b>
		<b>£000</b>	<b>£000</b>
Total purchases for the period		237,042	163,507
Total sales for the period		254,371	220,042

## Threadneedle UK Equity Opportunities Fund

### Portfolio Statement

as at 7 September 2021

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>BASIC MATERIALS 3.64% (3.79%)</b>				<b>Life Insurance 1.71% (3.31%)</b>			
	<b>Chemicals 3.64% (3.79%)</b>			2,015	Jackson Financial	42	0.06
58,957	Johnson Matthey	1,732	2.27	444,018	Legal & General Group	1,258	1.65
39,851	Victrex	1,045	1.37				
	<b>Total Basic Materials</b>	<b>2,777</b>	<b>3.64</b>	195,696	<b>Non-life Insurance 2.41% (2.16%)</b>		
					Hiscox	1,840	2.41
<b>CONSUMER DISCRETIONARY 26.92% (26.45%)*</b>					<b>Total Financials</b>	<b>10,201</b>	<b>13.38</b>
	<b>Media 7.44% (7.15%)</b>			<b>HEALTH CARE 11.45% (9.90%)</b>			
1,216,526	ITV	1,420	1.86	<b>Pharmaceuticals and Biotechnology 11.45% (9.90%)</b>			
255,908	Pearson	1,949	2.55	62,890	AstraZeneca	5,388	7.06
105,063	RELX (London Listing)	2,310	3.03	226,460	GlaxoSmithKline	3,348	4.39
	<b>Personal Goods 2.06% (1.93%)*</b>				<b>Total Health Care</b>	<b>8,736</b>	<b>11.45</b>
58,976	Burberry Group	1,162	1.52	<b>INDUSTRIALS 20.11% (20.44%)*</b>			
243,549	Ted Baker	410	0.54		<b>Aerospace and Defence 1.88% (1.71%)</b>		
	<b>Retailers 4.19% (3.43%)*</b>			255,531	BAE Systems	1,433	1.88
161,688	Howden Joinery Group	1,535	2.01		<b>Electronic and Electrical Equipment 1.88% (2.04%)</b>		
877,025	Marks & Spencer Group	1,659	2.18	402,468	Rotork	1,433	1.88
	<b>Travel and Leisure 13.23% (13.94%)</b>				<b>General Industrials 5.01% (4.03%)</b>		
117,826	easyJet	931	1.22	221,533	DS Smith	1,020	1.34
1,416,707	Firstgroup	1,262	1.66	700,841	Melrose Industries	1,337	1.75
74,426	J D Wetherspoon	805	1.06	102,707	Smiths Group	1,466	1.92
995,866	Rank Group	1,719	2.25		<b>Industrial Support Services 8.65% (10.06%)*</b>		
2,470,009	Restaurant Group	2,949	3.87	314,599	Electrocomponents	3,457	4.53
348,930	SSP Group	925	1.21	827,946	Hays	1,365	1.79
668,285	Stagecoach Group	467	0.61	302,427	Rentokil Initial	1,774	2.33
31,820	Whitbread	1,031	1.35		<b>Industrial Transportation 2.69% (2.60%)</b>		
	<b>Total Consumer Discretionary</b>	<b>20,534</b>	<b>26.92</b>	413,227	Royal Mail	2,053	2.69
<b>CONSUMER STAPLES 17.57% (16.09%)*</b>					<b>Total Industrials</b>	<b>15,338</b>	<b>20.11</b>
	<b>Food Producers 2.17% (2.43%)</b>			<b>TELECOMMUNICATIONS 2.37% (2.14%)</b>			
232,381	Tate & Lyle	1,657	2.17		<b>Telecommunications Service Providers 2.37% (2.14%)</b>		
	<b>Personal Care, Drug and Grocery Stores 12.42% (11.25%)*</b>			1,087,979	BT Group	1,809	2.37
36,518	Reckitt Benckiser Group	2,095	2.75		<b>Total Telecommunications</b>	<b>1,809</b>	<b>2.37</b>
551,256	Tesco	1,424	1.87	<b>UTILITIES 0.91% (0.95%)</b>			
61,600	Unilever	2,462	3.23		<b>Gas, Water and Multi-utilities 0.91% (0.95%)</b>		
1,195,831	WM Morrison Supermarkets	3,489	4.57	1,329,441	Centrica	694	0.91
	<b>Tobacco 2.98% (2.41%)</b>				<b>Total Utilities</b>	<b>694</b>	<b>0.91</b>
146,183	Imperial Brands	2,271	2.98	<b>Total value of investments</b>			
	<b>Total Consumer Staples</b>	<b>13,398</b>	<b>17.57</b>			<b>76,497</b>	<b>100.30</b>
<b>ENERGY 3.95% (4.08%)</b>					<b>Net other (liabilities)/assets (0.61%)</b>	<b>(226)</b>	<b>(0.30)</b>
	<b>Oil, Gas and Coal 3.95% (4.08%)*</b>			<b>Net assets</b>			
520,472	John Wood Group	1,269	1.67			<b>76,271</b>	<b>100.00</b>
120,693	Royal Dutch Shell 'B' Shares	1,741	2.28	<i>March 2021 comparatives in brackets.</i>			
	<b>Total Energy</b>	<b>3,010</b>	<b>3.95</b>	<i>*The comparative percentage figures at 7 March 2021 have been amended due to change in sector names.</i>			
<b>FINANCIALS 13.38% (15.55%)</b>				<b>Total Purchases and Sales</b>			
	<b>Banks 4.28% (4.41%)</b>			<i>for the accounting period 8 March 2021 to 7 September 2021</i>			
785,826	NatWest Group	1,689	2.22			<b>2021</b>	<b>2020</b>
340,976	Standard Chartered	1,570	2.06			<b>£000</b>	<b>£000</b>
	<b>Investment Banking and Brokerage Services 4.98% (5.67%)</b>			<b>Total purchases for the period</b>			
182,763	3i Group	2,434	3.19	3,981			
2,206,322	Sherborne Investors Guernsey	1,368	1.79	<b>Total sales for the period</b>			
				6,591			

## Performance Summary for the six months ended 31 August 2021

Fund Name	Sector	Index	Class 1 Net Return %	Class 2 Net Return %	Sector Median Net Return %	Index Total Return %
<b>UNITED KINGDOM</b>						
UK Fund	IA UK All Companies	FTSE ALL-SHARE (TR)	7.88	8.20	13.81	13.34
UK Select Fund	IA UK All Companies	FTSE ALL-SHARE (TR)	9.05	9.39	13.81	13.34
UK Smaller Companies Fund	IA UK Smaller Companies	Numis Smaller Companies Index ex Investment Companies	19.75	20.07	21.89	17.87
UK Growth and Income Fund	IA UK All Companies	FTSE ALL-SHARE (TR)	14.84	15.19	13.81	13.34
UK Equity Income Fund	IA UK Equity Income	FTSE ALL-SHARE (TR)	15.31	15.64	14.17	13.34
UK Monthly Income Fund	IA UK Equity Income	FTSE ALL-SHARE (TR)	14.29	14.57	14.17	13.34
Monthly Extra Income Fund	IA UK Equity and Bond Income	80% FTSE All Share, 20% ICE BofA Sterling Corporate & Collateralized (USD Unhedged)	12.81	-	-	11.25
Sterling Corporate Bond Fund	IA £ Corporate Bond	iBoxx GBP Non-Gilts	2.99	3.15	3.16	2.82
Strategic Bond Fund	IA £ Strategic Bond	60% iBoxx GBP Non-Gilts 1-10 Years, 40% ICE BofA European Currency High Yield Excluding Subordinated Financials Constrained (Hedged to Sterling)	1.38	1.62	2.66	1.95
Sterling Bond Fund	IA UK Gilts	FTSE Actuaries UK Conventional Gilts All Stocks	4.69	-	4.31	3.68
UK Institutional Fund	IA UK All Companies	FTSE ALL-SHARE (TR)	11.52	11.91	13.81	13.34
UK Equity Opportunities Fund	IA UK All Companies	FTSE ALL-SHARE (TR)	-	10.61	13.81	13.34
<b>EUROPE</b>						
European Fund	IA Europe Excluding UK	FTSE World Europe x UK	15.88	16.22	16.94	18.12
European Select Fund	IA Europe Excluding UK	FTSE World Europe x UK	20.30	20.64	16.94	18.12
European Smaller Companies Fund	Morningstar Category Europe ex-UK Small/Mid-Cap Eq	EMIX Smaller European Companies Ex UK	17.82	18.19	18.51	16.40
European Bond Fund	-	ICE BofA Pan-Europe Broad Market	-0.04	-	-	0.25
<b>US</b>						
American Fund	IA North America	S&P 500	17.99	18.26	19.26	21.42
American Select Fund	IA North America	S&P 500	20.07	20.40	19.26	21.42
American Smaller Companies Fund	Morningstar Category US Small-Cap Equity	Russell 2500	7.90	8.22	7.12	9.40
Dollar Bond Fund	Morningstar Category USD Diversified Bond	ICE BofA US Treasury Master (50%), ICE BofA Eurodollar Global (50%)	3.06	-	3.56	4.05
<b>JAPAN</b>						
Japan Fund	IA Japan	MSCI Japan	3.16	3.46	4.30	4.36
<b>PACIFIC BASIN &amp; EMERGING MARKETS, ASIA PACIFIC EXCLUDING JAPAN</b>						
Asia Fund	IA Asia Pacific Excluding Japan	MSCI AC Asia Pacific ex Japan	-4.76	-4.48	-0.22	-1.14
Latin America Fund	Morningstar Category Latin American Equity	MSCI EM Latin America 10/40	10.16	10.50	13.31	18.58
Emerging Market Bond Fund <sup>1</sup>	Morningstar Category Global Emerging Markets Bond	J.P. Morgan Emerging Market Bond Index Global (EMBI Global)	5.18	5.46	4.48	6.01
<b>GLOBAL</b>						
High Yield Bond Fund	IA £ High Yield	ICE BofA European Currency High Yield Excluding Subordinated Financials Constrained (Hedged to Sterling)	2.13	2.41	2.99	3.03
Global Select Fund	IA Global	MSCI AC World Index	16.00	16.34	15.33	15.88
Global Bond Fund	Morningstar Category Global Bond	J.P. Morgan Government Bond Index Global (GBI Global)	1.67	1.84	1.60	1.67
<b>CASH</b>						
Sterling Short-Term Money Market Fund	-	1 Month Compounded Sterling Overnight Index Average (SONIA)	-0.09	-	-	0.00

<sup>1</sup>Gross Shareclasses used

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

Fund	Share Class	SRRI*
<b>UK Fund</b>	Class 1 – Income shares	6
	Class 1 – Accumulation shares	6
	Class 2 – Income shares	6
	Class 2 – Accumulation shares	6
	Class L – Gross income shares	6
	Class L – Gross accumulation shares	6
	Class X – Income shares	6
	Class X – Accumulation shares	6
	Class Z – Income shares	6
	Class Z – Accumulation shares	6
<b>UK Select Fund</b>	Class 1 – Income shares	6
	Class 2 – Income shares	6
	Class D – Accumulation shares	6
	Class L – Accumulation shares	6
	Class X – Accumulation shares	6
	Class X2 – Accumulation shares	6
	Class Z – Income shares	6
	Class Z – Gross accumulation shares	6
<b>UK Smaller Companies Fund</b>	Class 1 – Income shares	6
	Class 2 – Income shares	6
	Class X – Income shares	6
	Class X – Gross accumulation shares	6
	Class Z – Income shares	6
	Class Z – Accumulation shares	6
	Class Z CHF Hedged – Gross accumulation shares	6
<b>UK Growth &amp; Income Fund</b>	Class 1 – Income shares	6
	Class 2 – Income shares	6
	Class X – Gross accumulation shares	6
	Class Z – Income shares	6
	Class Z – Accumulation shares	6
<b>UK Equity Income Fund</b>	Class 1 – Income shares	6
	Class 1 – Accumulation shares	6
	Class 2 – Income shares	6
	Class 2 – Accumulation shares	6
	Class D – Income shares	6
	Class L – Income shares	6
	Class L – Accumulation shares	6
	Class X – Income shares	6
	Class X – Accumulation shares	6
Class Z – Income shares	6	
	Class Z – Accumulation shares	6
<b>UK Monthly Income Fund</b>	Class 1 – Income shares	6
	Class 2 – Income shares	6
	Class X – Gross income shares	6
	Class Z – Income shares	6
<b>Monthly Extra Income Fund</b>	Class 1 – Income shares	5
	Class 1 EUR Hedged – Income shares	5
	Class 1 EUR Hedged – Accumulation shares	5
	Class X – Gross income shares	5
	Class X – Gross accumulation shares	5
	Class Z – Income shares	5
	Class Z – Accumulation shares	5
	Class Z EUR Hedged – Accumulation shares	5
<b>Sterling Corporate Bond Fund</b>	Class 1 – Income shares	3
	Class 1 – Accumulation shares	3
	Class 1 – Gross income shares	3
	Class 2 – Income shares	3
	Class 2 – Gross accumulation shares	3
	Class L – Income shares	3
	Class L – Accumulation shares	3
	Class L – Gross income shares	3
	Class X – Gross income shares	3
	Class X – Gross accumulation shares	3

## Risk and Reward Profiles

(continued)

Fund	Share Class	SRRI*
<b>Sterling Bond Fund</b>	Class 1 – Income shares	4
	Class 1 – Gross accumulation shares	4
	Class X – Gross income shares	4
	Class X – Gross accumulation shares	4
	Class Z – Income shares	4
	Class Z – Gross accumulation shares	4
<b>Sterling Short-Term Money Market Fund</b>	Class 1 – Income shares	1
	Class 2 – Accumulation shares	1
	Class X – Gross accumulation shares	1
<b>European Fund</b>	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class D – Accumulation shares	6
	Class L – Income shares	6
	Class L – Accumulation shares	6
	Class L GBP Hedged – Income shares	6
	Class X – Accumulation shares	6
	Class X2 – Accumulation shares	6
	Class X GBP Hedged – Gross accumulation shares	6
	Class Z – Income shares	6
	Class Z – Accumulation shares	6
	<b>European Select Fund</b>	Class 1 – Income shares
Class 1 – Accumulation shares		6
Class 2 – Income shares		6
Class 2 – Accumulation shares		6
Class 2 USD Hedged – Accumulation shares		6
Class X – Accumulation shares		6
Class Z – Income shares		6
Class Z – Accumulation shares		6
<b>European Smaller Companies Fund</b>	Class 1 – Income shares	6
	Class 1 EUR – Income shares	6
	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Gross accumulation shares	6
	Class Z – Income shares	6
<b>European Bond Fund</b>	Class Z – Accumulation shares	6
	Class 1 – Income shares	4
	Class 1 – Gross accumulation shares	4
	Class 2 – Gross accumulation shares	4
	Class X – Gross accumulation shares	4
	Class Z – Income shares	4
<b>Strategic Bond Fund</b>	Class Z – Gross accumulation shares	4
	Class 1 – Income shares	3
	Class 1 – Gross income shares	3
	Class 2 – Income shares	3
	Class 2 – Gross income shares	3
	Class 2 – Gross accumulation shares	3
	Class X – Gross accumulation shares	3
	Class Z – Income shares	3
Class Z – Gross income shares	3	
<b>American Fund</b>	Class Z – Gross accumulation shares	3
	Class 1 – Income shares	6
	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Accumulation shares	6
	Class X GBP Hedged – Gross accumulation shares	6
	Class Z – Income shares	6
Class Z – Accumulation shares	6	

## Risk and Reward Profiles

(continued)

Fund	Share Class	SRRI*
<b>American Select Fund</b>	Class 1 – Income shares	6
	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Accumulation shares	6
	Class Z – Income shares	6
	Class Z – Accumulation shares	6
	Class Z CHF Hedged – Accumulation shares	6
	Class Z GBP Hedged – Accumulation shares	6
<b>American Smaller Companies Fund (US)</b>	Class 1 – Income shares	6
	Class 1 – Accumulation shares	6
	Class 1 EUR – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Accumulation shares	6
	Class Z – Income shares	6
	Class Z – Accumulation shares	6
<b>Dollar Bond Fund</b>	Class 1 – Income shares	4
	Class 1 – Gross accumulation shares	4
	Class X – Gross accumulation shares	4
	Class Z – Income shares	4
	Class Z – Gross accumulation shares	4
<b>Japan Fund</b>	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Income shares	6
	Class X – Accumulation shares	6
	Class X2 – Accumulation shares	6
	Class X GBP Hedged – Gross accumulation shares	6
	Class Z – Accumulation shares	6
<b>Asia Fund</b>	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Accumulation shares	6
	Class X2 – Accumulation shares	6
	Class Z – Accumulation shares	6
<b>Latin America Fund</b>	Class 1 – Accumulation shares	7
	Class 2 – Accumulation shares	7
	Class X – Accumulation shares	7
	Class Z – Accumulation shares	7
<b>Emerging Market Bond Fund</b>	Class 1 – Income shares	5
	Class 1 – Gross income shares	5
	Class 1 – Gross accumulation shares	5
	Class 2 – Income shares	5
	Class 2 – Gross accumulation shares	5
	Class X – Gross income shares	5
	Class X – Gross accumulation shares	5
	Class Z – Income shares	5
	Class Z – Gross income shares	5
Class Z – Gross accumulation shares	5	
<b>High Yield Bond Fund</b>	Class 1 – Income shares	4
	Class 1 – Gross income shares	4
	Class 1 USD Hedged – Gross income shares	4
	Class 1 – Gross accumulation shares	4
	Class 2 – Income shares	4
	Class 2 – Gross income shares	4
	Class 2 – Gross accumulation shares	4
	Class X – Gross income shares	4
	Class X – Gross accumulation shares	4
	Class Z – Income shares	4
	Class Z – Accumulation shares	4
	Class Z – Gross income shares	4
	Class Z – Gross accumulation shares	4

## Risk and Reward Profiles

(continued)

Fund	Share Class	SRRI*
Global Select Fund	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Accumulation shares	6
	Class Z – Income shares	6
	Class Z – Accumulation shares	6
Global Bond Fund	Class 1 – Income shares	4
	Class 1 – Accumulation shares	4
	Class 1 – Gross income shares	4
	Class 1 – Gross accumulation shares	4
	Class 2 – Income shares	4
	Class 2 – Gross accumulation shares	4
	Class X – Gross accumulation shares	4
	Class Z – Income shares	4
	Class Z – Gross income shares	4
	Class Z – Gross accumulation shares	4
UK Institutional Fund	Class 1 – Accumulation shares	6
	Class 2 – Accumulation shares	6
	Class X – Gross accumulation shares	6
UK Equity Opportunities Fund	Class 2 – Income shares	6
	Class 2 – Accumulation shares	6
	Class Z – Income shares	6

\* As at 7 September 2021 the synthetic risk and reward indicator (SRRI) is explained in the table below:

SRRI	
1	The fund is in this specific category because historically it has shown a low level of volatility (how much the value of the fund went up and down compared to other categories).
2	The fund is in this specific category because historically it has shown a relatively low level of volatility (how much the value of the fund went up and down compared to other categories).
3	The fund is in this specific category because historically it has shown a medium to low level of volatility (how much the value of the fund went up and down compared to other categories).
4	The fund is in this specific category because historically it has shown a medium level of volatility (how much the value of the fund went up and down compared to other categories).
5	The fund is in this specific category because historically it has shown a medium to high level of volatility (how much the value of the fund went up and down compared to other categories).
6	The fund is in this specific category because historically it has shown a high level of volatility (how much the value of the fund went up and down compared to other categories).
7	The fund is in this specific category because historically it has shown a very high level of volatility (how much the value of the fund went up and down compared to other categories).

The Risk and Reward Profile is based on past performance data in pound sterling. If your investment in the fund is not in pound sterling, please check the figure for the risk and reward profile disclosed on our website (columbiathreadneedle.com) according to the currency of your investment in the fund.

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

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

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

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

The risk and reward profile of the Sterling Bond Fund changed to a 4 for the Class 1 – Income share on 8 June 2021.

The risk and reward profile of the Latin American Fund changed to a 7 for all share classes on 28 May 2021.

## Important Information

Threadneedle Investment Funds ICVC (the Company) is an open-ended investment company with variable capital incorporated in England and Wales under regulation 14 (Authorisation) of the Open-Ended Investment Companies Regulations 2001 (as amended) and the shareholders are not liable for the debts of the Company.

The Company is structured as an umbrella company in which different sub-funds (funds) may be established from time to time by the Directors of the Company with the approval of the Financial Conduct Authority (FCA) and the agreement of the Depositary.

References in this document to any fund do not constitute an offer or invitation to subscribe to shares in such a fund. We recommend you obtain detailed information before the purchase of shares. Subscriptions to a fund may only be made on the basis of the current Prospectus or Key Investor Information document (KIID) and the latest annual and interim reports. Please refer also to the Risk Factors in the Prospectus.

Past performance is not a guide to future returns. The value of investments and any income from them is not guaranteed and may fall as well as rise and the investor may not get back the original investment. Exchange rate movements could increase or decrease the value of underlying investments/holdings. The dealing price of the funds may include a dilution adjustment. Further details are available in the Prospectus.

The mention of any specific shares or bonds should not be taken as a recommendation to deal and anyone considering dealing in these financial instruments should consult a stockbroker or financial adviser. The research and analysis included in this document has been produced by Columbia Threadneedle Investments for its own investment management activities, may have been acted upon prior to publication and is made available here incidentally. Any opinions expressed are made as at the date of publication but are subject to change without notice.

### Prospectus

A prospectus (the Prospectus), which describes each fund in detail, is available from Threadneedle Investment Services Limited, International Financial Data Services, P.O. Box 10033, Chelmsford, Essex CM99 2AL and from the paying agents and distributors in the countries where the fund is distributed.

The funds are segregated portfolios of assets and, accordingly, the assets of a fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the umbrella, or any other fund, and shall not be available for any such purpose.

Each fund has the investment powers equivalent to those of a UCITS scheme (as defined in the FCA rules).

Other funds may be launched in the future.

### Key Investor Information Document – Subscription requirements

The KIID is a pre contractual document and investors have to confirm that they have read the latest KIID before making a subscription. Threadneedle has the right to reject a subscription

if the investor does not confirm that they have read the latest KIID at the time of application. Investors can obtain the latest KIID from [columbiathreadneedle.com](http://columbiathreadneedle.com).

### Changes to the management of the ACD

During the period from 8 March 2021 to 7 September 2021 there were no changes to the directors of the ACD.

### Changes to the Directors of the Company

Effective 19 August 2021, the following independent non-executive directors were appointed as additional directors of the Company who together with a representative of the ACD form the new Company Board:

- Kirstene Baillie
- Rita Bajaj

### Changes to the Prospectus

During the period from 8 March 2021 to 7 September 2021 the following changes were made to the Prospectus of the Company:

- Removal of the IA UK Equity & Bond Income Sector which has been decommissioned as of 30 April 2021. The Threadneedle Monthly Extra Income fund will no longer show this sector for performance comparison purposes, or any other sector as there is no suitable alternative.
- Change of performance benchmark for the Sterling Short-Term Money Market Fund from 1-month GBP LIBID to SONIA 1-month compounded in arrears, with effect from 1 May 2021.
- Addition of Sustainability Risk Assessment and Sustainability Risk Integration Risk Factors.
- Addition of new risk factor regarding the potential impact of US Banking Laws on the funds.
- Reduction of the Registrar fee applicable to the American Fund and the American Select Fund.
- Updates to Appendix V (dilution adjustment estimates).
- Updates to Appendix VI (Performance of the Funds).

Effective on 16 October 2021, the legal entity acting as the Depositary of the Company changed from Citibank Europe plc, UK Branch to Citibank UK Limited.

### Changes to the Instrument of Incorporation

During the period from 8 March 2021 to 7 September 2021 the following changes were made to the instrument of incorporation of the Company:

- Change of performance benchmark for the Sterling Short-Term Money Market Fund from 1-month GBP LIBID to SONIA 1-month compounded in arrears, with effect from 1 May 2021.

### Scheme of arrangement for the merger of the UK Select Fund into the UK Fund

On 20 October 2021, shareholders at an extraordinary general meeting of the UK Select Fund approved a proposal to merge the fund into the UK Fund by way of scheme of arrangement, and the subsequent termination of the UK Select Fund. The scheme of

## Important Information

(continued)

arrangement will be implemented on or around 19 November 2021. Further information is available at [www.columbiathreadneedle.com](http://www.columbiathreadneedle.com)

### Brexit

The UK's departure from the European Union (EU) single market became effective from 1 January 2021 with the end of the Brexit transition period and the post-Brexit trade deal between the UK and EU taking effect at 11pm on 31 December 2020.

As a result of the UK leaving the EU, UK funds managed by a UK manager such as the Funds will no longer qualify as EEA UCITS Schemes under the UCITS Directive and can therefore no longer benefit from the passporting rights under the European UCITS regime. Under the UCITS Directive, both the collective investment funds and their managers must be established and registered or authorised in the EU in order to be able to market funds to retail and professional investors across the EU.

The Funds, authorised as UK UCITS Schemes, still follow all the same rules and regulations as EEA UCITS Schemes, but they can no longer be marketed in the EEA States using a UCITS passport.

### COVID-19

The coronavirus disease 2019 (COVID-19) public health crisis has become a pandemic that has resulted in, and may continue to result in, significant global economic and societal disruption and market volatility due to disruptions in market access, resource availability, facilities operations, imposition of tariffs, export controls and supply chain disruption, among others. Such disruptions may be caused, or exacerbated by, quarantines and travel restrictions, workforce displacement and loss in human and other resources. The uncertainty surrounding the magnitude, duration, reach, costs and effects of the global pandemic, as well as actions that have been or could be taken by governmental authorities or other third parties, present unknowns that are yet to unfold. The impacts, as well as the uncertainty over impacts to come, of COVID-19 – and any other infectious illness outbreaks, epidemics and pandemics that may arise in the future – could negatively affect global economies and markets in ways that cannot necessarily be foreseen. In addition, the impact of infectious illness outbreaks and epidemics in emerging market countries may be greater due to generally less established healthcare systems, governments and financial markets. Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The disruptions caused by COVID-19 could prevent the Company from executing advantageous investment decisions in a timely manner and negatively impact the Company's ability to achieve their investment objectives. Any such event(s) could have a significant adverse impact on the value and risk profile of the Company.

### 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>

### Characteristics of Shares

The Company is structured as an umbrella company and currently consists of 28 different sub-funds. Several classes of share may be issued in respect of the fund, distinguished by their criteria for subscription and fee structure.

Share Class	Minimum Investment	Availability
Class 1 (including Hedged Shares)	GBP 2,000 EUR 2,500 USD 3,000 JPY 280,000 CHF 3,000 SGD 4,000	All investors, and typically where rebates are paid to the investor or commission is paid to an intermediary.
Class 2 (including Hedged Shares)	GBP 0.5 million EUR 0.75 million USD 0.8 million JPY 70 million CHF 1.2 million	Institutional investors and retail investors. At the discretion of the ACD, to eligible distributors that have entered into separate fee arrangements with their clients.
Class D	GBP 2,000	All investors at the ACD's discretion
Class L	GBP 100 million	Institutional investors and retail investors at the ACD's discretion.
Class M (including Hedged Shares)	AUD 750 USD 3,000	All investors at the ACD's discretion
Class N (including Hedged Shares)	USD 1.5 million	All investors not precluded by law or by the terms of the Prospectus. At the discretion of the ACD, to eligible distributors that have entered into separate fee arrangements with their clients.
Class X (including Hedged Shares)	GBP 3 million EUR 5 million USD 5 million JPY 420 million AUD 5 million	Eligible Shareholders investing under a specific agreement.
Class Z (including Hedged Shares)	GBP 1 million EUR 1.5 million USD 1.5 million JPY 140 million CHF 1.5 million	All investors not precluded by law or by the terms of the Prospectus. At the discretion of the ACD, to eligible distributors 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.

## Important Information

*(continued)*

These HSCs should not be confused with other share classes that may be denominated in other currencies but will not be hedged. For full details of the HSCs available, including details of the Reference Currency or Portfolio Currency of each fund for which HSCs are available, please refer to the latest version of the Prospectus.

The documents will also be available from the paying agents in the countries where the funds are registered. The reports will provide information on the performance of the funds, the market background, and details of each of the portfolios.

### Income Equalisation

Since each Fund operates equalisation, the first allocation made after the acquisition of shares will include an amount of equalisation. This amount represents the ACD's best estimate of the income included in the price at which the shares were acquired (subject to grouping where appropriate) and represents a capital repayment for UK tax purposes which should be deducted from the cost of shares in arriving at any capital gain realised on their subsequent disposal.

### Performance

For the period under review, where applicable, fund performance has been compared to the relevant peer group. We show a peer group comparison as this more accurately reflects the way the fund is managed. We continue to show stock market indices for information purposes and for those funds where The Investment Association sector is not felt to be a representative peer group. Audited peer group information is only available from Morningstar's Fund Services at month end points.

The limits for minimum initial investment, minimum subsequent investment and minimum holding of shares may be waived at the discretion of the ACD. The level of net income attributable to each share class will differ. For further information please refer to the Prospectus.

### Investor Reports

Annual long-form reports and financial statements of the Company will be made available and published within four months of the close of each annual accounting period and half-yearly long report and financial statements will be published within two months of the close of each interim accounting period.

The annual accounting period for the Company ends on 7 March and the interim reporting period ends on 7 September.

Where there is any inconsistency between the version presented in English and any translation, the English language version takes precedence.

The documents will also be available from the paying agents in the countries where the funds are registered. The reports will provide information on the performance of the funds, the market background, and details of each of the portfolios.

### Foreign Account Tax Compliance Act (FATCA)

Threadneedle and its funds (Threadneedle) have registered with the US Internal Revenue Service in accordance with FATCA and other current related legislation. Threadneedle has put in place appropriate processes and procedures to maintain its compliance with the statutory requirements, including ensuring that Threadneedle obtain the required certification from its clients and investors as necessary to mitigate any requirement upon Threadneedle to withhold or report such clients under the legislation. This registration and compliance process will ensure that Threadneedle will not suffer withholding tax under FATCA.

### Common reporting standard (CRS)

The Common Reporting Standard ('CRS') has come into effect in stages, starting from 1 January 2016, was developed by the Organisation for Economic Co operation and Development ('OECD'). The CRS has been adopted in the UK by The International Tax Compliance Regulations 2015, and may require Threadneedle funds to report account holder information to HMRC about their shareholdings. HMRC will in turn pass this information onto the competent authorities with which it has an agreement.

### Holdings in shares of other funds of the Company

None of the funds of the Company held shares in other funds of the Company (listed on the contents page on page 1) at the end of the period.

## Important Information

(continued)

### Key Risks of the Fund:

The following table below shows the key risks applying to each Fund. A definition of the key risks can be found overleaf.

Funds/Key risks	Investment	Currency	No Capital Guarantee	Counterparty	Issuer	Political and Financial	Liquidity	Effect of Portfolio Concentration	Inflation	Interest Rate	Valuation	Short Selling	Investment in Derivatives	Leverage	Derivatives for EPM / Hedging	Volatility	High Volatility	Investment in Deposits	China-Hong Kong Stock Connect	China Interbank Bond Market - Hong Kong Bond Connect
UK Fund	X	X													X	X				
UK Select Fund	X	X						X							X	X				
UK Smaller Companies Fund	X	X					X								X	X				
UK Growth and Income Fund	X	X													X	X				
UK Equity Income Fund	X	X													X	X				
UK Monthly Income Fund	X	X													X	X				
Monthly Extra Income Fund	X	X			X	X			X	X					X	X				
Sterling Corporate Bond Fund	X	X			X	X			X	X					X					
High Yield Bond Fund	X	X			X	X			X	X	X				X	X				
Strategic Bond Fund	X	X		X	X	X			X	X	X	X	X	X						
Sterling Bond Fund	X	X			X	X			X	X					X					
Sterling Short-Term Money Market Fund	X		X	X					X						X			X		
European Fund	X	X													X	X				
European Select Fund	X	X						X							X	X				
European Smaller Companies Fund	X	X					X								X	X				
European Bond Fund	X	X			X	X			X	X					X					
American Fund	X	X													X	X				
American Select Fund	X	X						X							X	X				
American Smaller Companies Fund (US)	X	X					X								X		X			
Dollar Bond Fund	X	X			X	X			X	X					X					
Japan Fund	X	X						X							X		X			
Asia Fund	X	X				X	X								X		X		X	
Latin America Fund	X	X				X	X								X		X			
Emerging Market Bond Fund	X	X		X	X	X		X	X						X	X				X
Global Select Fund	X	X						X							X	X				
Global Bond Fund	X	X		X	X			X	X						X					
UK Institutional Fund	X	X													X	X				
UK Equity Opportunities Fund	X	X													X	X				

### Description of the Key Risks:

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

**Currency Risk:** Where investments are in assets that are denominated in multiple currencies, or currencies other than your own, changes in exchange rates may affect the value of the investments.

**No Capital Guarantee Risk:** Positive returns are not guaranteed and no form of capital protection applies.

**Counterparty Risk:** The fund may enter into financial transactions with selected counterparties. Any financial difficulties arising at these counterparties could significantly affect the availability and the value of fund assets.

**Issuer Risk:** The Fund invests in securities whose value would be significantly affected if the issuer refused, was unable to or was perceived to be unable to pay.

**Political and Financial Risk:** The fund invests in markets where economic and regulatory risk can be significant. These factors can affect liquidity, settlement and asset values. Any such event can have a negative effect on the value of your investment.

## Important Information

*(continued)*

**Liquidity Risk:** The fund holds assets which could prove difficult to sell. The fund may have to lower the selling price, sell other investments or forego more appealing investment opportunities.

**Effect of Portfolio Concentration Risk:** The fund has a concentrated portfolio (holds a limited number of investments and/or has a restricted investment universe) and if one or more of these investments declines or is otherwise affected, it may have a pronounced effect on the fund's value.

**Inflation Risk:** Most bond and cash funds offer limited capital growth potential and an income that is not linked to inflation. Inflation is likely to affect the value of capital and income over time.

**Interest Rate Risk:** Changes in interest rates are likely to affect the fund's value. In general, as interest rates rise, the price of a fixed rate bond will fall, and vice versa.

**Valuation Risk:** The fund's assets may sometimes be difficult to value objectively and the actual value may not be recognised until assets are sold.

**Short Selling Risk:** Short selling intends to make a profit from falling prices. However if the value of the underlying investment increases, the value of the short position will decrease. The potential losses are unlimited as the prices of the underlying investments can increase very significantly in a short space of time.

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

**Leverage Risk:** Leverage amplifies the effect that a change in the price of an investment has on the fund's value. As such, leverage can enhance returns to investors but can also increase losses, including losses in excess of the amount invested.

**Derivatives for EPM / Hedging Risk:** The Investment Policy of the fund allows it to invest in derivatives for the purposes of reducing risk or minimising the cost of transactions.

**Volatility Risk:** The fund may exhibit significant price volatility.

**High Volatility Risk:** The fund typically carries a risk of high volatility due to its portfolio composition or the portfolio management techniques used. This means that the fund's value is likely to fall and rise more frequently and this could be more pronounced than with other funds.

**Investment in Deposits:** The Investment Policy of the fund allows it to invest principally in deposits.

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

### **China Interbank Bond Market - Hong Kong Bond Connect:**

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

Further risks applicable to the fund can be found in the Prospectus.

## Directory

### Registered Office

Cannon Place  
78 Cannon Street  
London EC4N 6AG

### Authorised Corporate Director (ACD)

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

### Registrar

Threadneedle Investment Services Limited  
Delegated to:  
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 Sutherland (International) LLP  
One Wood Street  
London EC2V 7WS

### Independent Auditor

PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street  
Edinburgh EH3 8EX

### Authorised Corporate Director Client Services Details

#### UK Investors

**Address:** Threadneedle Investment Services Limited  
PO Box 10033  
Chelmsford  
Essex CM99 2AL  
**Telephone** (dealing & customer enquiries): 0800 953 0134\*\*  
**Fax** (dealing): 0845 113 0274  
**Email** (enquiries): questions@service.columbiathreadneedle.co.uk

#### Asian Investors

**Address:** Threadneedle Investment Services Limited  
International Financial Data Services  
47, avenue JF Kennedy  
L-1855 Luxembourg  
**Telephone** (dealing & customer enquiries): +852 3667 7111\*\*  
**Fax** (dealing): +352 2452 9807  
**Email** (enquiries): threadneedleenquiries@statestreet.com

### All Other Investors

**Address:** Threadneedle Investment Services Limited  
International Financial Data Services  
47, avenue JF Kennedy  
L-1855 Luxembourg  
**Telephone** (dealing & customer enquiries): +352 464 010 7020\*\*  
**Fax** (dealing): +352 2452 9807  
**Email** (enquiries): questions@service.columbiathreadneedle.co.uk  
**Website:** columbiathreadneedle.com

### Paying and Information Agent in Austria

Raiffeisen Zentralbank Österreich AG  
Am Stadtpark 9  
1030 Vienna  
Austria

### Paying and Information Agent in Belgium

CACEIS Belgium  
Avenue du Port 86C Bte 320  
1000 Brussels  
Belgium

### Paying and Information Agent in France

BNP Paribas Securities Services  
Les Grands Moulins de Pantin  
9 rue du Débarcadère  
93500 Pantin  
France

### Paying and Information Agent in Germany

J.P. Morgan AG  
Junghofstr. 14  
60311 Frankfurt am Main  
Germany

### Paying and Information Agent in Hong Kong

HSBC Institutional Trust Services (Asia) Limited  
Services Transfer Agency, Fund Services  
1 Queen's Road Central  
Hong Kong

### Paying and Information Agent in Ireland

J.P. Morgan Bank Administration Services (Ireland) Limited  
J.P. Morgan House, International Financial Services Centre  
Dublin 1  
Ireland

### Paying and Information Agent in Italy

Allfunds Bank S.A., filiale di Milano  
via Bocchetto, 6  
20123 Milan  
Italy

BNP Paribas Securities Services,  
succursale di Milano  
Piazza Lina Bo Bardi, 3  
20124 Milan  
Italy

SGSS S.p.A.  
con sede legale in Milano  
via Benigno Crespi 19/A – MAC2  
Italy

State Street Bank S.p.A.  
Via Ferrante Aporti, 10  
20125 Milan  
Italy

\*Effective on 16 October 2021, the legal entity acting as the Depository of the Company changed from Citibank Europe plc, UK Branch to Citibank UK Limited.  
\*\*Calls will be recorded.

## Directory

*(continued)*

### **Paying and Information Agent in Luxembourg**

State Street Bank Luxembourg S.A.  
49 avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

### **Paying and Information Agent in Sweden**

Skandinaviska Enskilda Banken AB  
Kungsträdgårdsgatan  
SE-10640 Stockholm  
Sweden

### **Representative and Paying Agent in Switzerland**

BNP Paribas Securities Services, Paris, succursale de Zurich  
Selnaustrasse 16  
8002 Zurich  
Switzerland

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



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