
Additional information regarding the use of Total Return Swaps in Threadneedle (Lux) – American Absolute Alpha and Threadneedle (Lux) – Pan European Absolute Alpha

American Absolute Alpha

It is expected that the Sub-Advisor will obtain part of its long and short exposure by investing in a single total return swap entered into with a counterparty, where the return is linked to the performance of a portfolio of actively managed investments. These investments will consist mainly of equity-related securities, exchange-traded funds and equity index positions and will be selected by the Sub-Advisor at its sole and entire discretion.

For further information on counterparties, please refer to Appendix B.I of the Prospectus and to the SICAV's annual report.

It is expected that the assets above mentioned will be subject to total return swaps under the following proportions:

	Maximum proportion of Net Asset Value¹	Expected proportion of Net Asset Value²
Total return swaps	200%	30-70%

Pan European Absolute Alpha

It is expected that the Sub-Advisor will obtain part of its long and short exposure by investing in a single total return swap entered into with a counterparty, where the return is linked to the performance of a portfolio of actively managed investments. These investments will consist mainly of equity-related securities, exchange-traded funds and equity index positions and will be selected by the Sub-Advisor at its sole and entire discretion.

For further information on counterparties, please refer to Appendix B.I of the Prospectus and to the SICAV's annual report.

¹ The proportion is determined on the basis of the sum of notionals approach.

² The proportion is determined on the basis of the sum of notionals approach.

It is expected that the assets mentioned above will be subject to total return swaps under the following proportions:

	Maximum proportion of Net Asset Value³	Expected proportion of Net Asset Value⁴
Total return swaps	200%	60-100%

³ The proportion is determined on the basis of the sum of notionals approach.

⁴ The proportion is determined on the basis of the sum of notionals approach.