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UNAUDITED INTERIM REPORT AND FINANCIAL STATEMENTS
THREADNEEDLE SPECIALIST INVESTMENT FUNDS ICVC
OCTOBER 2016

THREADNEEDLE SPECIALIST INVESTMENT FUNDS ICVC

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Company Information

Company

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

Registered Office

Cannon Place, 78 Cannon Street, London EC4N 6AG

Director

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

Board of Directors of the ACD

K Cates (non-executive)
T N Gillbanks
D Jordison
D Kremer (Appointed to the Board on 22 July 2016)
A Roughead (non-executive)
L Weatherup (Appointed to the Board on 11 July 2016)

Authorised Corporate Director's Report

The ACD, Threadneedle Investment Services Limited, has pleasure in presenting the Unaudited Interim Report and Financial Statements for Threadneedle Specialist Investment Funds ICVC for the 6 months to 31 October 2016.

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

Thank you for your continued support.



Tim Gillbanks
Director

DIRECTORS' STATEMENT

We hereby certify the Interim Report and Financial Statements on behalf of the directors of Threadneedle Investment Services Limited.

T N Gillbanks
13 December 2016

L Weatherup

Threadneedle UK Mid 250 Fund

Investment Report

Investment Objective

The investment objective of the UK Mid 250 Fund is to achieve capital growth from a portfolio of UK 'mid cap' equities.

Investment Policy

The ACD's investment policy is to invest the assets of the Fund primarily in a selection of medium sized companies which are constituents of the FTSE 250 (ex Investment Trusts) Index. If the ACD considers it desirable, it may also invest in companies which are not included in that index, and may hold cash and/or money market instruments.

Performance of Net Accumulation Class 1 Shares*

Over the six months to 31 October 2016, the published share price of the Threadneedle UK Mid 250 Fund has risen from 216.20p to 217.08p.

For comparison, using noon prices, the performance of the Class 1 share class was +0.41% and +0.70% for the Class 2 share class compared to a return of +9.18% for the Morningstar UK Unit Trusts/OEICs - (IA) UK All Companies Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the FTSE Mid 250 (ex Investment Trusts) Index was +4.59%.

Market Overview and Portfolio Activity

Over the review period, the FTSE 250 rallied but underperformed the FTSE All Share Index as the political and economic uncertainty induced by the Brexit referendum hurt midcaps more than large-caps.

The swift appointment of a new prime minister cheered equities, as did the Bank of England's stimulus measures in August, which involved a rate cut, increased bond purchases and a cheaper bank funding scheme. The rally after the initial Brexit-related shock was led by large-caps, although mid-caps also benefitted as expectations of a severe economic slowdown in the UK were scaled back.

Economic indicators released immediately after the vote were gloomy but later indicators, notably third-quarter GDP data and Markit's services purchasing managers' indices (after July), proved to be stronger than expected. Towards the end of October, concerns about a "hard Brexit" (i.e. without access to the European single market) weighed on markets, particularly mid-caps.

New additions over the period under review included GVC Holdings; it has increased its exposure to highly regulated markets, and reduced its exposure to higher-risk markets. GVC's management also has a record of integrating acquisitions. Other new additions included Vectura, as part of a move to broaden our exposure to economically unrelated areas; Centamin, which we believe has good overseas exposure and cashflows and is

undervalued relative to its peers; FDM Group and Acacia Mining. We participated in the rights issue of Melrose Industries, which funded its successful acquisition of Nortek. On the sales side, we exited Pets at Home, which we think is vulnerable to a Brexit-induced downturn, Paypoint, Rathbone Brothers, Stock Spirits Group and Softcat. We sold out of Home Retail Group after its purchase by Sainsbury's, and closed our position in Hunting at a profit, following its strong run. We also trimmed some of our existing holdings, notably Rentokil and Close Brothers.

We believe inflation will rise in 2017 as the effects of a weaker exchange rate materialise. However, in our view, several companies should be able to offset this pressure by procurement and supply-chain efficiencies. The spectre of a closed economy and lack of labour supply could result in inflationary pressures, but the fear of increasing labour costs and the prospect of increased profits from a weaker sterling should support business investment, and hence productivity.

Domestic manufacturers should benefit, either from domestic markets or from exports, while the UK's services sector should benefit from increased demand.

We believe there is significant value in the small-cap environment but expect uncertainty to prevail. We will look to take advantage of market volatility if there are opportunities where business fundamentals remain strong and medium-term prospects are attractive.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|--------------|--------------|
| Income | | |
| Net capital (losses)/gains | (22) | 2,798 |
| Revenue | 1,245 | 1,453 |
| Expenses | (538) | (668) |
| Net revenue before taxation | 707 | 785 |
| Taxation | — | (23) |
| Net revenue after taxation | 707 | 762 |
| Total return before equalisation | 685 | 3,560 |
| Equalisation | (26) | (56) |
| Change in net assets attributable to shareholders from investment activities | 659 | 3,504 |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|---------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 97,739 | 105,322 |
| Current assets: | | |
| Debtors | 339 | 585 |
| Cash and bank balances | 6 | 1,126 |
| Total assets | 98,084 | 107,033 |
| Liabilities: | | |
| Creditors: | | |
| Bank overdrafts | (171) | — |
| Other creditors | (287) | (2,374) |
| Total liabilities | (458) | (2,374) |
| Net assets attributable to shareholders | 97,626 | 104,659 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|----------------|----------------|
| Opening net assets attributable to shareholders | 104,659 | 104,367 |
| Amounts receivable on the issue of shares | 7,759 | 38,039 |
| Amounts payable on the cancellation of shares | (15,484) | (35,809) |
| | (7,725) | 2,230 |
| Dilution adjustment | 33 | 180 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 659 | 3,504 |
| Closing net assets attributable to shareholders | 97,626 | 110,281 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

*In pound Sterling and against UK peer group.

Threadneedle UK Mid 250 Fund

Comparative Table Disclosure

| | Class 1 – Net accumulation shares | | | Class 2 – Net accumulation shares | | |
|---|-----------------------------------|------------|------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 215.87 | 213.97 | 186.57 | 232.13 | 228.77 | 198.33 |
| Return before operating charges (p) | 2.72 | 5.54 | 30.54 | 2.93 | 5.91 | 32.64 |
| Operating charges (p) | (1.79) | (3.64) | (3.14) | (1.25) | (2.55) | (2.20) |
| Return after operating charges (p)* | 0.93 | 1.90 | 27.40 | 1.68 | 3.36 | 30.44 |
| Distributions (p) | – | (1.60) | (1.64) | – | (3.08) | (2.92) |
| Retained distributions on accumulation shares (p)** | – | 1.60 | 1.64 | – | 3.08 | 2.92 |
| Closing net asset value per share (p) | 216.80 | 215.87 | 213.97 | 233.81 | 232.13 | 228.77 |
| *after direct transaction costs of (p) | 0.33 | 0.79 | 0.55 | 0.36 | 0.85 | 0.59 |
| Performance | | | | | | |
| Return after charges (%) | 0.43 | 0.89 | 14.69 | 0.72 | 1.47 | 15.35 |
| Other information | | | | | | |
| Closing net asset value (£000) | 14,998 | 17,692 | 23,970 | 27,082 | 27,386 | 53,860 |
| Closing number of shares | 6,917,887 | 8,196,031 | 11,202,200 | 11,583,050 | 11,797,761 | 23,543,378 |
| Operating charges (%)*** | 1.65 [†] | 1.64 | 1.65 | 1.07 [†] | 1.07 | 1.08 |
| Direct transaction costs (%)**** | 0.30 | 0.36 | 0.28 | 0.30 | 0.36 | 0.28 |
| Prices | | | | | | |
| Highest share price (p) | 233.40 | 231.84 | 217.75 | 251.60 | 248.72 | 232.75 |
| Lowest share price (p) | 189.90 | 204.01 | 170.75 | 204.41 | 219.11 | 181.99 |

| | Class X – Net accumulation shares | | Class Z – Net accumulation shares | | |
|---|-----------------------------------|-------------------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 [†] | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | |
| Opening net asset value per share (p) | 94.50 | 100.00 | 160.53 | 157.92 | 136.67 |
| Return before operating charges (p) | 1.18 | (5.50) | 2.02 | 4.07 | 22.53 |
| Operating charges (p) | (0.01) | – | (0.72) | (1.46) | (1.28) |
| Return after operating charges (p)* | 1.17 | (5.50) | 1.30 | 2.61 | 21.25 |
| Distributions (p) | – | (1.03) | – | (2.42) | (2.26) |
| Retained distributions on accumulation shares (p)** | – | 1.03 | – | 2.42 | 2.26 |
| Closing net asset value per share (p) | 95.67 | 94.50 | 161.83 | 160.53 | 157.92 |
| *after direct transaction costs of (p) | 0.15 | 0.14 | 0.25 | 0.59 | 0.41 |
| Performance | | | | | |
| Return after charges (%) | 1.24 | (5.50) | 0.81 | 1.65 | 15.55 |
| Other information | | | | | |
| Closing net asset value (£000) | 3 | 3 | 55,543 | 59,578 | 26,537 |
| Closing number of shares | 3,000 | 3,000 | 34,321,763 | 37,114,309 | 16,803,968 |
| Operating charges (%)*** | 0.02 [†] | 0.01 [†] | 0.89 [†] | 0.89 | 0.90 |
| Direct transaction costs (%)**** | 0.30 | 0.36 | 0.30 | 0.36 | 0.28 |
| Prices | | | | | |
| Highest share price (p) | 102.87 | 100.90 | 174.12 | 171.88 | 160.66 |
| Lowest share price (p) | 83.37 | 89.01 | 141.41 | 151.46 | 125.51 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

[†]Class X – Net accumulation shares commenced 2 December 2015.

[†]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

Threadneedle UK Mid 250 Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

| | 2016 |
|--|-------------|
| Class 1 – Net accumulation shares | |
| Opening shares | 8,196,031 |
| Shares issued | 891,376 |
| Shares redeemed | (2,089,047) |
| Net conversions | (80,473) |
| Closing shares | 6,917,887 |
| Class 2 – Net accumulation shares | |
| Opening shares | 11,797,761 |
| Shares issued | 1,787,098 |
| Shares redeemed | (1,999,740) |
| Net conversions | (2,069) |
| Closing shares | 11,583,050 |
| Class X – Net accumulation shares | |
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |
| Class Z – Net accumulation shares | |
| Opening shares | 37,114,309 |
| Shares issued | 1,019,816 |
| Shares redeemed | (3,923,435) |
| Net conversions | 111,073 |
| Closing shares | 34,321,763 |

Threadneedle Ethical UK Equity Fund

Investment Report

Investment Objective

The investment objective of the Fund is to achieve a total return by way of income and capital growth by investing in companies that meet the ACD's criteria for responsible and ethical practices.

Investment Policy

The investment policy is to invest predominantly in shares of UK companies that meet the Fund's ethical investment criteria as determined and published by the ACD from time to time.

In doing so, the ACD will have regard to the environmental, social and corporate governance standards and practice of companies and the extent to which they contribute to products, services or practices that enhance quality of life.

Depending on the number of companies that satisfy the ACD's ethical investment criteria from time to time, this may result in a concentrated portfolio of holdings.

The Fund's ethical investment criteria may be amended from time-to-time.

If the ACD considers it desirable, it may also invest in fixed income instruments, money market instruments, cash and near cash.

The Fund is permitted to use derivatives for efficient portfolio management purposes.

Performance of Net Accumulation Class Z Shares*

Over the six months to 31 October 2016, the published share price of the Threadneedle Ethical UK Equity Fund has risen from 100.32p to 108.67p.

For comparison, using noon prices, the performance of the Class Z share class was +8.32% and +8.10% for the Class T share class compared to a return of +9.18% for the Morningstar UK Unit Trusts/OEICs - (IA) UK All Companies Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the MSCI UK IMI extended SRI Index was +9.97%.

Market Overview and Portfolio Activity

During the six months under review, UK equities rallied in spite of the political and economic uncertainty induced by the Brexit referendum.

The swift appointment of a new prime minister cheered equities, as did the Bank of England's stimulus measures in August, which involved a rate cut, increased bond purchases and a cheaper bank funding scheme. UK equities erased their Brexit-induced losses halfway through the review period although sterling remained below its pre-referendum levels.

Economic indicators released immediately after the vote were gloomy but later indicators, notably third-quarter GDP data and Markit's services purchasing managers' indices (after July), proved to be stronger than expected. Towards the end of October, concerns about a "hard Brexit" (i.e. without access to the European single market) dominated markets and pushed sterling to new lows.

During the review period, there were several additions to the portfolio. Marks & Spencer was a new position – the company has strong sustainability credentials through its Plan A approach to integrating sustainability criteria into products and operations.

We offloaded ARM Holdings, following the takeover by SoftBank Group, and also Wm Morrison. The supermarket benefitted from a re-rating following a strong rally. Other exits included Stagecoach and Dignity. These companies are not our highest sustainability conviction names. Moreover Stagecoach has limited exposure to sustainable product opportunities. We also sold out of McCarthy & Stone. Although the company still maintains its strong approach to sustainability by providing eco-efficient housing as well as elderly-care services, we believe that the stock will come under pressure due to the uncertain outlook for the secondary housing market, which is largely due to the unexpected referendum result.

Looking ahead in the UK, the High Court's ruling about Article 50 could delay the Brexit process and lead to another general election. We believe the government may lean towards a "hard Brexit", as it is unlikely to compromise on immigration.

The Bank of England expects inflation to exceed its 2% target. We believe uncontrolled inflation is unlikely, which means that interest rates will probably stay on hold until Brexit is concluded.

The market initially responded negatively to Donald Trump's victory but this "risk-off" mood dissipated rapidly. His victory could benefit pharmaceutical, defence and infrastructure stocks but may hurt expensive "bond proxies".

Although the overall outlook is unclear, relatively cheap valuations should support equities. We continue to seek companies that deliver innovative solutions to achieving sustainable outcomes, where short-term sentiment is creating buying opportunities.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 |
|---|--------------|
| Income | |
| Net capital gains | 1,549 |
| Revenue | 322 |
| Expenses | (151) |
| Net revenue before taxation | 171 |
| Taxation | – |
| Net revenue after taxation | 171 |
| Total return before distributions | 1,720 |
| Distributions | (171) |
| Change in net assets attributable to shareholders from investment activities | 1,549 |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|---------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 22,283 | 21,562 |
| Current assets: | | |
| Debtors | 60 | 639 |
| Cash and bank balances | 271 | – |
| Total assets | 22,614 | 22,201 |
| Liabilities: | | |
| Creditors: | | |
| Bank overdrafts | – | (293) |
| Distribution payable | (168) | (204) |
| Other creditors | (32) | (47) |
| Total liabilities | (200) | (544) |
| Net assets attributable to shareholders | 22,414 | 21,657 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 |
|--|---------------|
| Opening net assets attributable to shareholders | 21,657 |
| Amounts receivable on the issue of shares | 339 |
| Amounts payable on the cancellation of shares | (1,132) |
| | (793) |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 1,549 |
| Retained distribution on accumulation shares | 1 |
| Closing net assets attributable to shareholders | 22,414 |

DISTRIBUTION TABLE

for the accounting period 1 May 2016 to 31 October 2016

Dividend distribution in pence per share

Class T Shares

Net income*

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 |
|--|-------------------|--------------|--------------------------------|
| Group 1 01/05/16 to 31/10/16 | 0.7969 | – | 0.7969 |
| Group 2 01/05/16 to 31/10/16 | 0.4890 | 0.3079 | 0.7969 |
| Total distributions in the period | | | 0.7969 |

Class Z Shares

Net accumulation*

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 |
|--|-------------------|--------------|--------------------------|
| Group 1 01/05/16 to 31/10/16 | 1.0198 | – | 1.0198 |
| Group 2 01/05/16 to 31/10/16 | 0.4866 | 0.5332 | 1.0198 |
| Total distributions in the period | | | 1.0198 |

Group 2: shares purchased during a distribution period.

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

*In pound Sterling and against UK peer group.

Threadneedle Ethical UK Equity Fund

Comparative Table Disclosure

| | Class T – Net income shares | | Class Z – Net accumulation shares | |
|---|-----------------------------|-------------------------|-----------------------------------|-------------------------|
| | 31/10/2016 | 30/04/2016 ¹ | 31/10/2016 | 30/04/2016 ² |
| Change in net assets per share | | | | |
| Opening net asset value per share (p) | 98.99 | 100.00 | 100.12 | 100.00 |
| Return before operating charges (p) | 8.63 | 0.59 | 8.73 | 0.58 |
| Operating charges (p) | (0.70) | (0.67) | (0.50) | (0.46) |
| Return after operating charges (p)* | 7.93 | (0.08) | 8.23 | 0.12 |
| Distributions (p) | (0.80) | (0.93) | (1.02) | (1.05) |
| Retained distributions on accumulation shares (p)** | – | – | 1.02 | 1.05 |
| Closing net asset value per share (p) | 106.12 | 98.99 | 108.35 | 100.12 |
| *after direct transaction costs of (p) | 0.08 | 0.42 | 0.08 | 0.41 |
| Performance | | | | |
| Return after charges (%) | 8.01 | (0.08) | 8.22 | 0.12 |
| Other information | | | | |
| Closing net asset value (£000) | 22,346 | 21,625 | 68 | 32 |
| Closing number of shares | 21,056,751 | 21,846,123 | 62,413 | 31,808 |
| Operating charges (%)*** | 1.34 [†] | 1.34 [†] | 0.94 [†] | 0.93 [†] |
| Direct transaction costs (%)**** | 0.15 | 0.42 | 0.15 | 0.42 |
| Prices | | | | |
| Highest share price (p) | 112.56 | 103.39 | 114.03 | 103.42 |
| Lowest share price (p) | 92.55 | 90.13 | 93.67 | 90.23 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

¹Class T – Net income shares commenced 30 October 2015.

²Class Z – Net accumulation shares commenced 30 October 2015.

[†]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

Threadneedle Ethical UK Equity Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

| | 2016 |
|--|-------------|
| Class T – Net income shares | |
| Opening shares | 21,846,123 |
| Shares issued | 309,247 |
| Shares redeemed | (1,098,619) |
| Net conversions | – |
| Closing shares | 21,056,751 |
| Class Z – Net accumulation shares | |
| Opening shares | 31,808 |
| Shares issued | 30,758 |
| Shares redeemed | (153) |
| Net conversions | – |
| Closing shares | 62,413 |

Threadneedle UK Extended Alpha Fund

Investment Report

Investment Objective

The investment objective of the UK Extended Alpha Fund is to achieve above average capital growth from a concentrated portfolio of UK equities.

Investment Policy

The ACD's investment policy is to actively manage an exposure primarily to a concentrated portfolio of UK equities, i.e. equities of companies domiciled in the UK, or which have significant UK operations, by investing directly or indirectly in such securities. This approach means that the ACD has the flexibility to take significant stock and sector positions which may lead to increased levels of volatility. If the ACD considers it desirable it may further invest up to one third of the assets of the Fund in markets outside the United Kingdom. The Fund's exposure may be gained through long and short positions.

The ACD may take long and short positions through the use of derivatives and forward transactions. In addition in order to gain long exposure, the ACD may invest in equities, collective investment schemes including exchange traded funds and/or related indices. If the ACD considers it desirable, it may hold a substantial proportion or all of the Fund in cash and/or other securities (including fixed interest securities and money market instruments).

Performance of Net Accumulation Class 1 Shares*

Over the six months to 31 October 2016, the published share price of limited issue shares in the Threadneedle UK Extended Alpha Fund has risen from 385.63p to 416.04p.

For comparison, using noon prices, the performance of the Class 1 share class was +7.89% and +8.19% for the Class 2

share class compared to a return of +9.18% for the Morningstar UK Unit Trusts/OEICs – (IA) UK All Companies Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the FTSE All-Share Index was +12.21%.

Market Overview and Portfolio Activity

During the six months under review, the FTSE All Share Index posted a double-digit return in spite of the political and economic uncertainty induced by the Brexit referendum.

The swift appointment of a new prime minister cheered equities, as did the Bank of England's stimulus measures in August, which involved a rate cut, increased bond purchases and a cheaper bank funding scheme. UK equities erased their Brexit-induced losses halfway through the review period although sterling remained below its pre-referendum levels.

Economic indicators released immediately after the vote were gloomy but later indicators, notably third-quarter GDP data and Markit's services purchasing managers' indices (after July), proved to be stronger than expected. Towards the end of October, concerns about a "hard Brexit" (i.e. without access to the European single market) dominated markets and pushed sterling to new lows.

In the long book, we participated in a rights issue from Informa, which funded its acquisition of Penton Information Services. New additions included Tullett Prebon and Land Securities. The latter has a high-quality property portfolio of long, well-diversified inflation-protected leases. We took advantage of share-price weakness to top up our holding in ITV. We sold out

of ARM Holdings following its successful takeover by Softbank Group, trimmed our exposure to InterContinental Hotels and exited Barclays.

In the short book, we closed shorts in an airline company and a betting firm as we believed the scope for further share price declines was limited. We also closed an unsuccessful short in a global bottling business, as the position hit our stop-loss level. We closed short positions in an indebted oil services company and a miner. We initiated a new short position in an international engineering company which has stretched valuations (relative to the market) and has the potential for growth to underwhelm expectations.

Looking ahead in the UK, the High Court's ruling about Article 50 could delay the Brexit process and lead to another general election. We believe the government may lean towards a "hard Brexit", as it is unlikely to compromise on immigration.

The Bank of England expects inflation to exceed its 2% target. We believe uncontrolled inflation is unlikely, which means that interest rates will probably stay on hold until Brexit is concluded.

The market initially responded negatively to Donald Trump's victory but this "risk-off" mood dissipated rapidly. His victory could benefit pharmaceutical, defence and infrastructure stocks but may hurt expensive "bond proxies".

The overall outlook is unclear. Relatively cheap valuations should support equities. Our contrarian instinct is to seek high-quality businesses where short-term sentiment is creating buying opportunities. Currently, these are concentrated in domestically-oriented sectors, where relative valuations and sentiment are at multi-decade lows.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|--------------|----------------|
| Income | | |
| Net capital gains/(losses) | 5,826 | (2,200) |
| Revenue | 1,851 | 1,436 |
| Expenses | (447) | (667) |
| Interest payable and similar charges | (229) | (238) |
| Net revenue before taxation | 1,175 | 531 |
| Taxation | – | – |
| Net revenue after taxation | 1,175 | 531 |
| Total return before equalisation | 7,001 | (1,669) |
| Equalisation | 129 | 56 |
| Change in net assets attributable to shareholders from investment activities | 7,130 | (1,613) |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|----------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 128,125 | 87,907 |
| Current assets: | | |
| Debtors | 353 | 869 |
| Cash and bank balances | – | 1,523 |
| Total assets | 128,478 | 90,299 |
| Liabilities: | | |
| Investment liabilities | – | (66) |
| Creditors: | | |
| Bank overdrafts | (2,967) | – |
| Other creditors | (3,248) | (247) |
| Total liabilities | (6,215) | (313) |
| Net assets attributable to shareholders | 122,263 | 89,986 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|----------------|---------------|
| Opening net assets attributable to shareholders | 89,986 | 68,031 |
| Amounts receivable on the issue of shares | 38,109 | 11,760 |
| Amounts payable on the cancellation of shares | (13,160) | (3,188) |
| | 24,949 | 8,572 |
| Dilution adjustment | 198 | 54 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 7,130 | (1,613) |
| Closing net assets attributable to shareholders | 122,263 | 75,044 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

*In pound Sterling and against UK peer group.

Threadneedle UK Extended Alpha Fund

Comparative Table Disclosure

| | Class 1 – Net accumulation shares | | | Class 2 – Net accumulation shares | | |
|---|-----------------------------------|------------|------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 385.34 | 384.21 | 338.72 | 410.94 | 408.45 | 358.66 |
| Return before operating charges (p) | 33.34 | 6.37 | 50.54 | 35.59 | 5.84 | 53.04 |
| Operating charges (p) | (2.85) | (5.24) | (5.05) | (1.83) | (3.35) | (3.25) |
| Return after operating charges (p)* | 30.49 | 1.13 | 45.49 | 33.76 | 2.49 | 49.79 |
| Distributions (p) | – | (7.68) | (6.96) | – | (10.40) | (9.53) |
| Retained distributions on accumulation shares (p)** | – | 7.68 | 6.96 | – | 10.40 | 9.53 |
| Closing net asset value per share (p) | 415.83 | 385.34 | 384.21 | 444.70 | 410.94 | 408.45 |
| *after direct transaction costs of (p) | 0.97 | 1.33 | 1.41 | 1.04 | 1.41 | 1.50 |
| Performance | | | | | | |
| Return after charges (%) | 7.91 | 0.29 | 13.43 | 8.22 | 0.61 | 13.88 |
| Other information | | | | | | |
| Closing net asset value (£000) | 4,393 | 3,758 | 5,627 | 117,864 | 86,222 | 62,398 |
| Closing number of shares | 1,056,356 | 975,368 | 1,464,611 | 26,504,394 | 20,981,507 | 15,276,830 |
| Operating charges (%)*** | 1.40 [†] | 1.40 | 1.42 | 0.84 [†] | 0.84 | 0.86 |
| Performance fee (%) | – | 0.86 | 0.48 | – | 1.01 | 0.66 |
| Direct transaction costs (%)**** | 0.48 | 0.35 | 0.40 | 0.48 | 0.35 | 0.40 |
| Prices | | | | | | |
| Highest share price (p) | 433.94 | 396.62 | 394.50 | 463.87 | 421.79 | 419.46 |
| Lowest share price (p) | 367.13 | 338.13 | 319.24 | 391.86 | 360.23 | 338.67 |

| | Class X – Net accumulation shares | | |
|---|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | |
| Opening net asset value per share (p) | 185.33 | 180.90 | 156.63 |
| Return before operating charges (p) | 16.05 | 4.55 | 24.45 |
| Operating charges (p) | (0.06) | (0.12) | (0.18) |
| Return after operating charges (p)* | 15.99 | 4.43 | 24.27 |
| Distributions (p) | – | (6.02) | (5.47) |
| Retained distributions on accumulation shares (p)** | – | 6.02 | 5.47 |
| Closing net asset value per share (p) | 201.32 | 185.33 | 180.90 |
| *after direct transaction costs of (p) | 0.47 | 0.63 | 0.64 |
| Performance | | | |
| Return after charges (%) | 8.63 | 2.45 | 15.50 |
| Other information | | | |
| Closing net asset value (£000) | 6 | 6 | 6 |
| Closing number of shares | 3,000 | 3,000 | 3,000 |
| Operating charges (%)*** | 0.06 [†] | 0.07 | 0.11 |
| Performance fee (%) | – | – | – |
| Direct transaction costs (%)**** | 0.48 | 0.35 | 0.40 |
| Prices | | | |
| Highest share price (p) | 209.88 | 189.70 | 186.10 |
| Lowest share price (p) | 176.93 | 162.16 | 148.64 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

[†]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period.

Threadneedle UK Extended Alpha Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

| | 2016 |
|--|-------------|
| Class 1 – Net accumulation shares | |
| Opening shares | 975,368 |
| Shares issued | 273,598 |
| Shares redeemed | (191,598) |
| Net conversions | (1,012) |
| Closing shares | 1,056,356 |
| Class 2 – Net accumulation shares | |
| Opening shares | 20,981,507 |
| Shares issued | 8,376,113 |
| Shares redeemed | (2,854,174) |
| Net conversions | 948 |
| Closing shares | 26,504,394 |
| Class X – Net accumulation shares | |
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |

Threadneedle UK Equity Alpha Income Fund

Investment Report

Investment Objective

The investment objective of the UK Equity Alpha Income Fund is to achieve a reasonable and growing income with the prospects of capital growth from a concentrated portfolio of UK equities.

Investment Policy

The ACD's investment policy is to invest the assets of the Fund in a concentrated portfolio of predominantly UK equities. The Alpha Income investment approach is a highly focused management style, which gives the ACD the flexibility to take significant stock and sector positions, which may lead to increased levels of volatility. The portfolio will consist primarily of equities of companies domiciled in the UK, or which have significant UK operations.

Performance of Net Income Class 1 Shares*

Over the six months to 31 October 2016, the published share price of the Threadneedle UK Equity Alpha Income Fund has risen from 62.84p to 66.26p.

For comparison, using noon prices, the performance of the Class 1 share class was +8.07% and +8.38% for the Class 2 share class compared to a return of +7.50% for the Morningstar UK Unit Trusts/OEICs – (IA) UK Equity Income Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the FTSE All-Share Index was +12.21%.

Market Overview and Portfolio Activity

During the six months under review, the FTSE All Share Index posted a double-digit return, in spite of the political and economic uncertainty induced by the Brexit referendum.

The swift appointment of a new prime minister cheered equities, as did the Bank of England's stimulus measures in August, which involved a rate cut, increased bond purchases and a cheaper bank funding scheme. UK equities erased their Brexit-induced losses halfway through the review period although sterling remained below its pre-referendum levels.

Economic indicators released immediately after the vote were gloomy but later indicators, notably third-quarter GDP data and Markit's services purchasing managers' indices (after July), proved to be stronger than expected. Towards the end of October, concerns about a "hard Brexit" (i.e. without access to the European single market) dominated markets and pushed sterling to new lows.

During the review period, we sold out of a number of holdings and increased the concentration of the portfolio to 27 holdings. We re-introduced Smiths Group and ITV. In the latter's case, we were encouraged by management's upbeat outlook, although Brexit jitters had an adverse short-term impact on the broadcasting company. We offloaded subscale holdings including Chesnara, Kier and Close Brothers. We also exited some good businesses which we had acquired between 2010 and 2013 that had been re-rated. These included DS Smith, RELX, 3i and National Grid. We participated in the rights issues

of Cobham and Phoenix Group Holdings. The latter's rights issue funded its acquisition of Abbey Life.

The economy seems to have weathered June's vote better than predicted, but we believe the vote's medium-term implications are uncertain. We expected fiscal stimulus measures to be announced in the Autumn Statement, which came to pass. The stimulus package announced was not very large but we believe this should be enough to provide some support.

Sterling's fall has resulted in select earnings-per-share upgrades, and should help improve the current account, provide an opportunity for economic rebalancing and support mergers and acquisitions.

Overall, the outlook remains unclear. We remain cautious about the difference between equity and gilt yields. We shall focus on stock fundamentals and valuations while generally ignoring market noise. We are happy with the dollar earners we own but also cognisant of valuations. We are focusing on areas where market noise provides good value opportunities.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|---------------|-----------------|
| Income | | |
| Net capital gains/(losses) | 46,651 | (46,551) |
| Revenue | 20,055 | 19,278 |
| Expenses | (4,353) | (4,948) |
| Net revenue before taxation | 15,702 | 14,330 |
| Taxation | — | — |
| Net revenue after taxation | 15,702 | 14,330 |
| Total return before distributions | 62,353 | (32,221) |
| Distributions | (17,504) | (18,918) |
| Change in net assets attributable to shareholders from investment activities | 44,849 | (51,139) |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|-----------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 792,215 | 901,110 |
| Current assets: | | |
| Debtors | 4,563 | 11,983 |
| Cash and bank balances | 4,442 | 6,478 |
| Total assets | 801,220 | 919,571 |
| Liabilities: | | |
| Creditors: | | |
| Distribution payable | (16,436) | (22,227) |
| Other creditors | (8,708) | (2,947) |
| Total liabilities | (25,144) | (25,174) |
| Net assets attributable to shareholders | 776,076 | 894,397 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|----------------|----------------|
| Opening net assets attributable to shareholders | 894,397 | 894,898 |
| Amounts receivable on the issue of shares | 18,406 | 72,163 |
| Amounts payable on the cancellation of shares | (181,845) | (19,286) |
| | (163,439) | 52,877 |
| Dilution adjustment | 269 | — |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 44,849 | (51,139) |
| Closing net assets attributable to shareholders | 776,076 | 896,636 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

DISTRIBUTION TABLE

for the accounting period 1 May 2016 to 31 October 2016

Dividend distribution in pence per share

Class 1 Shares

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 1.3683 | — | 1.3683 | 1.3683 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.5609 | 0.8074 | 1.3683 | 1.3683 |
| Total distributions in the period | | | 1.3683 | 1.3683 |

Class 2 Shares

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 1.4600 | — | 1.4600 | 1.4600 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.4135 | 1.0465 | 1.4600 | 1.4600 |
| Total distributions in the period | | | 1.4600 | 1.4600 |

*In pound Sterling and against UK peer group.

Threadneedle UK Equity Alpha Income Fund

DISTRIBUTION TABLE

(continued)

Class X Shares

Net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 2.2020 | – | 2.2020 | 2.2020 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 2.2020 | – | 2.2020 | 2.2020 |
| Total distributions in the period | | | 2.2020 | 2.2020 |

Class Z Shares

Net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 2.8380 | – | 2.8380 | 2.8380 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 1.1652 | 1.6728 | 2.8380 | 2.8380 |
| Total distributions in the period | | | 2.8380 | 2.8380 |

Group 2: shares purchased during a distribution period.

Threadneedle UK Equity Alpha Income Fund

Comparative Table Disclosure

| | Class 1 – Net income shares | | | Class 2 – Net income shares | | |
|--|-----------------------------|-------------|-------------|-----------------------------|-------------|-------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 61.29 | 66.79 | 64.81 | 64.48 | 69.91 | 67.50 |
| Return before operating charges (p) | 5.45 | (1.58) | 5.86 | 5.75 | (1.66) | 6.13 |
| Operating charges (p) | (0.52) | (1.04) | (1.07) | (0.36) | (0.70) | (0.73) |
| Return after operating charges (p)* | 4.93 | (2.62) | 4.79 | 5.39 | (2.36) | 5.40 |
| Distributions (p) | (1.37) | (2.88) | (2.81) | (1.46) | (3.07) | (2.99) |
| Closing net asset value per share (p) | 64.85 | 61.29 | 66.79 | 68.41 | 64.48 | 69.91 |
| *after direct transaction costs of (p) | 0.05 | 0.11 | 0.13 | 0.05 | 0.12 | 0.14 |
| Performance | | | | | | |
| Return after charges (%) | 8.04 | (3.92) | 7.39 | 8.36 | (3.38) | 8.00 |
| Other information | | | | | | |
| Closing net asset value (£000) | 103,984 | 105,816 | 147,362 | 441,575 | 569,415 | 528,351 |
| Closing number of shares | 160,352,132 | 172,645,151 | 220,633,666 | 645,507,283 | 883,036,374 | 755,709,233 |
| Operating charges (%)** | 1.61 [†] | 1.62 | 1.63 | 1.05 [†] | 1.05 | 1.06 |
| Direct transaction costs (%)*** | 0.15 | 0.17 | 0.20 | 0.15 | 0.17 | 0.20 |
| Prices | | | | | | |
| Highest share price (p) | 69.07 | 72.26 | 71.09 | 72.85 | 68.99 | 74.40 |
| Lowest share price (p) | 58.59 | 60.19 | 59.42 | 61.70 | 57.26 | 62.04 |

| | Class X – Net income shares | | | Class Z – Net income shares | | |
|--|-----------------------------|------------|-------------------------|-----------------------------|-------------|-------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 [†] | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 97.43 | 104.60 | 100.00 | 127.85 | 138.27 | 133.12 |
| Return before operating charges (p) | 8.68 | (2.50) | 6.76 | 11.39 | (3.28) | 12.13 |
| Operating charges (p) | (0.01) | (0.02) | (0.01) | (0.59) | (1.16) | (1.19) |
| Return after operating charges (p)* | 8.67 | (2.52) | 6.75 | 10.80 | (4.44) | 10.94 |
| Distributions (p) | (2.20) | (4.65) | (2.15) | (2.84) | (5.98) | (5.79) |
| Closing net asset value per share (p) | 103.90 | 97.43 | 104.60 | 135.81 | 127.85 | 138.27 |
| *after direct transaction costs of (p) | 0.08 | 0.18 | 0.09 | 0.10 | 0.23 | 0.28 |
| Performance | | | | | | |
| Return after charges (%) | 8.90 | (2.41) | 6.75 | 8.45 | (3.21) | 8.22 |
| Other information | | | | | | |
| Closing net asset value (£000) | 3 | 3 | 3 | 230,514 | 219,163 | 219,182 |
| Closing number of shares | 3,000 | 3,000 | 3,000 | 169,732,367 | 171,417,409 | 158,514,732 |
| Operating charges (%)** | 0.02 [†] | 0.02 | 0.02 [†] | 0.87 [†] | 0.87 | 0.88 |
| Direct transaction costs (%)*** | 0.15 | 0.17 | 0.20 | 0.15 | 0.17 | 0.20 |
| Prices | | | | | | |
| Highest share price (p) | 110.54 | 108.19 | 110.95 | 144.54 | 142.92 | 147.05 |
| Lowest share price (p) | 93.39 | 90.76 | 96.20 | 122.37 | 119.25 | 122.47 |

**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.

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

[†]Class X – Net income shares commenced 19 November 2014.

[†]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

Threadneedle UK Equity Alpha Income Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

| | 2016 |
|------------------------------------|--------------------|
| Class 1 – Net income shares | |
| Opening shares | 172,645,151 |
| Shares issued | 2,334,583 |
| Shares redeemed | (11,188,336) |
| Net conversions | (3,439,266) |
| Closing shares | <u>160,352,132</u> |
| Class 2 – Net income shares | |
| Opening shares | 883,036,374 |
| Shares issued | 15,159,345 |
| Shares redeemed | (251,260,182) |
| Net conversions | (1,428,254) |
| Closing shares | <u>645,507,283</u> |
| Class X – Net income shares | |
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | <u>3,000</u> |
| Class Z – Net income shares | |
| Opening shares | 171,417,409 |
| Shares issued | 5,074,736 |
| Shares redeemed | (9,124,627) |
| Net conversions | 2,364,849 |
| Closing shares | <u>169,732,367</u> |

Threadneedle UK Absolute Alpha Fund

Investment Report

Investment Objective

The investment objective of the UK Absolute Alpha Fund is to achieve an absolute return, irrespective of market conditions, over the long term and a positive return over a 12 month period. There is a risk to capital, and there is no guarantee that such a return will be achieved within 12 months, or any other timescale.

Investment Policy

The ACD's investment policy is to principally invest in: equity securities, or equity related derivatives, of corporate issuers headquartered in the United Kingdom (or corporate issuers who exercise a predominant part of their activity in the United Kingdom) fixed interest securities, cash, or money market instruments. If the ACD considers it desirable, the ACD may invest in securities and derivatives related to corporate issuers headquartered outside the United Kingdom. The Fund's exposure to any equities may be gained through long and short positions.

The ACD may take long and short positions through the use of derivatives and forward transactions. In addition in order to gain long exposure the ACD may invest in equities, collective investment schemes including exchange traded funds and/or related indices.

Performance of Net Accumulation Class 1 Shares*

Over the six months to 31 October 2016, the published share price of the Threadneedle UK Absolute Alpha Fund has fallen from 135.61p to 130.78p.

For comparison, using noon prices, the performance of the Class 1 share class was -3.56% and -3.27% for the Class 2 share class compared to a return of +1.37% for the Morningstar UK Unit Trusts/OEICs – (IA) UK Absolute Return Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, the UK LIBOR 3 Month returned +0.24%.

Market Overview and Portfolio Activity

During the six months under review, the FTSE All Share Index posted a double-digit return in spite of the political and economic uncertainty induced by the Brexit referendum.

The swift appointment of a new prime minister cheered equities, as did the Bank of England's stimulus measures in August, which involved a rate cut, increased bond purchases and a cheaper bank funding scheme. UK equities erased their Brexit-induced losses halfway through the review period although sterling remained below its pre-referendum levels.

Economic indicators released immediately after the vote were gloomy but later indicators, notably third-quarter GDP data and Markit's services purchasing managers' indices (after July), proved to be stronger than expected. Towards the end of October, concerns about a "hard Brexit" (i.e. without access to the European single market) dominated markets and pushed sterling to new lows.

The fund started the review period with a gross exposure of 96% and a net exposure of 24.5%. At the end of October, the gross exposure was 101% and the net exposure was 31%. The latter is now close to the middle of our historic 20% to 50% range.

Notable additions in the long book included DS Smith; we expect the firm to retain its market leadership and look to broaden overseas opportunities. Other new additions included Burberry, as we have a positive view of the management and operational restructuring, and Rio Tinto. The miner's valuation appears attractive and it operates in an industry with a favourable market structure. We also added Royal Mail; we believe the discount between the firm and its peers is likely to narrow. We participated in rights issues from Informa and Melrose Industries, which funded successful acquisitions of US firms. We purchased Ladbrokes but later sold it at a profit and closed a hedging short position in the same sector. This pair trade generated strong alpha. We also

took some profits in large-cap overseas earners which had rallied strongly after Brexit.

In the short book, we closed shorts in an airline company and a betting firm as we believed the scope for further share price declines was limited, and in a global bottling business as the position hit our stop loss. We initiated new shorts in an oil major that we believe is overvalued given the fact that over time, it has been value-destructive and badly managed. We also opened new shorts in areas of the UK economy most exposed to a Brexit-induced dip in CFO confidence and to "bond proxies" which are now fully valued but struggling to generate organic growth and are vulnerable to rising bond yields. We added a global mobile telecoms operator, as we feel it is only a matter of time before it has to cut its dividend.

Looking ahead in the UK, the High Court's ruling about Article 50 could delay the Brexit process and lead to another general election. We believe the government may lean towards a "hard Brexit", as it is unlikely to compromise on immigration.

The Bank of England expects inflation to exceed its 2% target. We believe uncontrolled inflation is unlikely, which means that interest rates will probably stay on hold until Brexit is concluded.

The market initially responded negatively to Donald Trump's victory but this "risk-off" mood dissipated rapidly. His victory could benefit pharmaceutical, defence and infrastructure stocks but may hurt expensive "bond proxies".

The overall outlook is unclear. Relatively cheap valuations should support equities. Our contrarian instinct is to seek high-quality businesses where short-term sentiment is creating buying opportunities. Currently, these are concentrated in domestically-oriented sectors, where relative valuations and sentiment are at multi-decade lows.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|---------------|---------------|
| Income | | |
| Net capital gains | 26,287 | 14,619 |
| Revenue | 4,722 | 2,975 |
| Expenses | (4,864) | (5,950) |
| Interest payable and similar charges | (2,430) | (942) |
| Net expense before taxation | (2,572) | (3,917) |
| Taxation | – | – |
| Net expense after taxation | (2,572) | (3,917) |
| Total return before equalisation | 23,715 | 10,702 |
| Equalisation | 16 | 39 |
| Change in net assets attributable to shareholders from investment activities | 23,731 | 10,741 |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|-----------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 608,505 | 506,044 |
| Current assets: | | |
| Debtors | 6,639 | 16,688 |
| Cash and bank balances | 215,763 | 497,292 |
| Total assets | 830,907 | 1,020,024 |
| Liabilities: | | |
| Investment liabilities | (6,076) | (5,113) |
| Creditors: | | |
| Distribution payable | – | (121) |
| Other creditors | (21,398) | (15,444) |
| Total liabilities | (27,474) | (20,678) |
| Net assets attributable to shareholders | 803,433 | 999,346 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|----------------|----------------|
| Opening net assets attributable to shareholders | 999,346 | 379,187 |
| Amounts receivable on the issue of shares | 126,367 | 282,150 |
| Amounts payable on the cancellation of shares | (346,203) | (24,144) |
| | (219,836) | 258,006 |
| Dilution adjustment | 192 | 254 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 23,731 | 10,741 |
| Closing net assets attributable to shareholders | 803,433 | 648,188 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

*In pound Sterling and against UK peer group.

Threadneedle UK Absolute Alpha Fund

Comparative Table Disclosure

| | Class 1 – Net accumulation shares | | | Class 1 EUR Hedged – Net accumulation shares | |
|---|-----------------------------------|------------|------------|--|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 ¹ |
| Change in net assets per share | | | | | |
| Opening net asset value per share (p) | 135.54 | 132.43 | 123.79 | 110.91 | 100.00 |
| Return before operating charges (p) | (3.72) | 5.30 | 10.74 | 13.10 | 12.72 |
| Operating charges (p) | (1.09) | (2.19) | (2.10) | (0.94) | (1.81) |
| Return after operating charges (p)* | (4.81) | 3.11 | 8.64 | 12.16 | 10.91 |
| Distributions (p) | – | – | – | – | (0.12) |
| Retained distributions on accumulation shares (p)** | – | – | – | – | 0.12 |
| Closing net asset value per share (p) | 130.73 | 135.54 | 132.43 | 123.07 | 110.91 |
| *after direct transaction costs of (p) | 0.23 | 0.59 | 0.32 | 0.20 | 0.48 |
| Performance | | | | | |
| Return after charges (%) | (3.55) | 2.35 | 6.98 | 10.96 | 10.91 |
| Other information | | | | | |
| Closing net asset value (£000) | 28,196 | 38,005 | 28,970 | 38,732 | 41,270 |
| Closing number of shares | 21,567,340 | 28,039,213 | 21,875,058 | 31,471,310 | 37,209,977 |
| Operating charges (%)*** | 1.63 [†] | 1.62 | 1.64 | 1.62 [†] | 1.64 [†] |
| Performance fee (%) | – | 1.11 | 1.52 | – | 0.52 |
| Direct transaction costs (%)**** | 0.35 | 0.44 | 0.24 | 0.35 | 0.44 |
| Prices | | | | | |
| Highest share price (p) | 137.31 | 138.25 | 134.07 | 125.12 | 116.13 |
| Lowest share price (p) | 130.07 | 132.01 | 123.90 | 108.49 | 99.55 |

| | Class 2 – Net income shares | | | Class 2 – Net accumulation shares | | |
|---|-----------------------------|------------|-------------------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 ² | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 105.87 | 102.70 | 100.00 | 138.57 | 134.78 | 125.42 |
| Return before operating charges (p) | (2.93) | 4.25 | 3.24 | (3.81) | 5.24 | 10.76 |
| Operating charges (p) | (0.54) | (1.08) | (0.41) | (0.72) | (1.45) | (1.40) |
| Return after operating charges (p)* | (3.47) | 3.17 | 2.83 | (4.53) | 3.79 | 9.36 |
| Distributions (p) | – | – | (0.13) | – | – | – |
| Retained distributions on accumulation shares (p)** | – | – | – | – | – | – |
| Closing net asset value per share (p) | 102.40 | 105.87 | 102.70 | 134.04 | 138.57 | 134.78 |
| *after direct transaction costs of (p) | 0.18 | 0.46 | 0.10 | 0.24 | 0.61 | 0.33 |
| Performance | | | | | | |
| Return after charges (%) | (3.28) | 3.09 | 2.83 | (3.27) | 2.81 | 7.46 |
| Other information | | | | | | |
| Closing net asset value (£000) | 281 | 3 | 3 | 135,150 | 134,956 | 85,090 |
| Closing number of shares | 274,784 | 3,000 | 3,000 | 100,826,730 | 97,391,528 | 63,133,102 |
| Operating charges (%)*** | 1.05 [†] | 1.03 | 1.00 [†] | 1.05 [†] | 1.05 | 1.07 |
| Performance fee (%) | – | 0.96 | 0.54 | – | 1.20 | 1.51 |
| Direct transaction costs (%)**** | 0.35 | 0.44 | 0.24 | 0.35 | 0.44 | 0.24 |
| Prices | | | | | | |
| Highest share price (p) | 107.28 | 107.77 | 104.04 | 140.44 | 141.06 | 136.44 |
| Lowest share price (p) | 101.68 | 102.49 | 98.96 | 133.10 | 134.47 | 125.56 |

Threadneedle UK Absolute Alpha Fund

Comparative Table Disclosure

(continued)

| | Class 2 EUR Hedged – Net accumulation shares | | | Class X – Net accumulation shares | |
|---|--|-------------|-------------|-----------------------------------|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 ³ |
| Change in net assets per share | | | | | |
| Opening net asset value per share (p) | 120.15 | 109.53 | 116.02 | 100.03 | 100.00 |
| Return before operating charges (p) | 14.21 | 11.83 | (5.29) | (2.77) | 0.05 |
| Operating charges (p) | (0.66) | (1.21) | (1.20) | (0.01) | (0.02) |
| Return after operating charges (p)* | 13.55 | 10.62 | (6.49) | (2.78) | 0.03 |
| Distributions (p) | – | (0.09) | – | – | (0.40) |
| Retained distributions on accumulation shares (p)** | – | 0.09 | – | – | 0.40 |
| Closing net asset value per share (p) | 133.70 | 120.15 | 109.53 | 97.25 | 100.03 |
| *after direct transaction costs of (p) | 0.22 | 0.51 | 0.29 | 0.17 | 0.43 |
| Performance | | | | | |
| Return after charges (%) | 11.28 | 9.70 | (5.59) | (2.78) | 0.03 |
| Other information | | | | | |
| Closing net asset value (£000) | 203,744 | 371,387 | 109,901 | 3 | 3 |
| Closing number of shares | 152,391,603 | 309,103,768 | 100,340,175 | 3,000 | 3,000 |
| Operating charges (%)*** | 1.05 [†] | 1.05 | 1.06 | 0.02 [†] | 0.02 [†] |
| Performance fee (%) | – | 1.03 | 1.36 | – | – |
| Direct transaction costs (%)**** | 0.35 | 0.44 | 0.24 | 0.35 | 0.44 |
| Prices | | | | | |
| Highest share price (p) | 135.88 | 125.75 | 117.47 | 101.23 | 100.82 |
| Lowest share price (p) | 117.62 | 106.77 | 106.47 | 96.24 | 99.83 |

| | Class Z – Net income shares | | | Class Z – Net accumulation shares | | |
|---|-----------------------------|------------|-------------------------|-----------------------------------|-------------|-------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 ⁴ | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 105.09 | 102.20 | 100.00 | 123.18 | 119.65 | 111.52 |
| Return before operating charges (p) | (2.89) | 4.00 | 2.87 | (3.39) | 4.60 | 9.16 |
| Operating charges (p) | (0.45) | (0.91) | (0.35) | (0.53) | (1.07) | (1.03) |
| Return after operating charges (p)* | (3.34) | 3.09 | 2.52 | (3.92) | 3.53 | 8.13 |
| Distributions (p) | – | (0.20) | (0.32) | – | (0.21) | (0.13) |
| Retained distributions on accumulation shares (p)** | – | – | – | – | 0.21 | 0.13 |
| Closing net asset value per share (p) | 101.75 | 105.09 | 102.20 | 119.26 | 123.18 | 119.65 |
| *after direct transaction costs of (p) | 0.18 | 0.46 | 0.10 | 0.21 | 0.54 | 0.29 |
| Performance | | | | | | |
| Return after charges (%) | (3.18) | 3.02 | 2.52 | (3.18) | 2.95 | 7.29 |
| Other information | | | | | | |
| Closing net asset value (£000) | 55,091 | 63,832 | 17,752 | 316,244 | 323,935 | 137,471 |
| Closing number of shares | 54,144,928 | 60,739,726 | 17,369,667 | 265,182,059 | 262,986,098 | 114,893,293 |
| Operating charges (%)*** | 0.87 [†] | 0.87 | 0.86 [†] | 0.87 [†] | 0.87 | 0.88 |
| Performance fee (%) | – | 1.12 | 0.75 | – | 1.17 | 1.86 |
| Direct transaction costs (%)**** | 0.35 | 0.44 | 0.24 | 0.35 | 0.44 | 0.24 |
| Prices | | | | | | |
| Highest share price (p) | 106.52 | 107.12 | 103.73 | 124.85 | 125.32 | 121.08 |
| Lowest share price (p) | 100.97 | 101.99 | 98.96 | 118.34 | 119.37 | 111.65 |

Threadneedle UK Absolute Alpha Fund

Comparative Table Disclosure

(continued)

| | Class Z CHF Hedged – Net accumulation shares | | Class Z EUR Hedged – Net accumulation shares | |
|---|--|-------------------------|--|-------------------------|
| | 31/10/2016 | 30/04/2016 ⁵ | 31/10/2016 | 30/04/2016 ⁶ |
| Change in net assets per share | | | | |
| Opening net asset value per share (p) | 105.81 | 100.00 | 106.45 | 100.00 |
| Return before operating charges (p) | 13.74 | 6.72 | 12.62 | 7.39 |
| Operating charges (p) | (0.49) | (0.91) | (0.49) | (0.94) |
| Return after operating charges (p)* | 13.25 | 5.81 | 12.13 | 6.45 |
| Distributions (p) | – | (0.13) | – | (0.26) |
| Retained distributions on accumulation shares (p)** | – | 0.13 | – | 0.26 |
| Closing net asset value per share (p) | 119.06 | 105.81 | 118.58 | 106.45 |
| *after direct transaction costs of (p) | 0.19 | 0.45 | 0.20 | 0.46 |
| Performance | | | | |
| Return after charges (%) | 12.52 | 5.81 | 11.40 | 6.45 |
| Other information | | | | |
| Closing net asset value (£000) | 4,754 | 7,480 | 17,449 | 15,789 |
| Closing number of shares | 3,992,718 | 7,069,856 | 14,715,144 | 14,832,227 |
| Operating charges (%)*** | 0.88 [†] | 0.88 [†] | 0.87 [†] | 0.89 [†] |
| Performance fee (%) | – | 0.67 | – | 0.37 |
| Direct transaction costs (%)**** | 0.35 | 0.44 | 0.35 | 0.44 |
| Prices | | | | |
| Highest share price (p) | 119.74 | 111.55 | 120.50 | 111.40 |
| Lowest share price (p) | 102.82 | 96.82 | 104.24 | 96.18 |
| | | | | |
| | Class Z USD Hedged – Net accumulation shares | | | |
| | 31/10/2016 | 30/04/2016 ⁷ | | |
| Change in net assets per share | | | | |
| Opening net asset value per share (p) | 105.20 | 100.00 | | |
| Return before operating charges (p) | 18.22 | 6.13 | | |
| Operating charges (p) | (0.49) | (0.93) | | |
| Return after operating charges (p)* | 17.73 | 5.20 | | |
| Distributions (p) | – | (0.21) | | |
| Retained distributions on accumulation shares (p)** | – | 0.21 | | |
| Closing net asset value per share (p) | 122.93 | 105.20 | | |
| *after direct transaction costs of (p) | 0.20 | 0.47 | | |
| Performance | | | | |
| Return after charges (%) | 16.85 | 5.20 | | |
| Other information | | | | |
| Closing net asset value (£000) | 3,789 | 2,686 | | |
| Closing number of shares | 3,082,086 | 2,553,384 | | |
| Operating charges (%)*** | 0.87 [†] | 0.88 [†] | | |
| Performance fee (%) | – | 0.60 | | |
| Direct transaction costs (%)**** | 0.35 | 0.44 | | |
| Prices | | | | |
| Highest share price (p) | 123.37 | 111.42 | | |
| Lowest share price (p) | 103.42 | 97.81 | | |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

⁵Class 1 EUR Hedged – Net accumulation shares commenced 1 July 2015.

⁶Class 2 – Net income shares commenced 3 December 2014.

⁷Class X – Net accumulation shares commenced 16 March 2016.

⁸Class Z – Net income shares commenced 3 December 2014.

⁹Class Z CHF Hedged – Net accumulation shares commenced 30 September 2015.

¹⁰Class Z EUR Hedged – Net accumulation shares commenced 30 September 2015.

¹¹Class Z USD Hedged – Net accumulation shares commenced 30 September 2015.

¹²The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

Threadneedle UK Absolute Alpha Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

| | 2016 |
|---|---------------|
| Class 1 – Net accumulation shares | |
| Opening shares | 28,039,213 |
| Shares issued | 711,022 |
| Shares redeemed | (7,126,454) |
| Net conversions | (56,441) |
| Closing shares | 21,567,340 |
| Class 1 EUR Hedged – Net accumulation shares | |
| Opening shares | 37,209,977 |
| Shares issued | 21,799,370 |
| Shares redeemed | (27,538,037) |
| Net conversions | – |
| Closing shares | 31,471,310 |
| Class 2 – Net income shares | |
| Opening shares | 3,000 |
| Shares issued | 271,784 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 274,784 |
| Class 2 – Net accumulation shares | |
| Opening shares | 97,391,528 |
| Shares issued | 8,589,271 |
| Shares redeemed | (4,921,824) |
| Net conversions | (232,245) |
| Closing shares | 100,826,730 |
| Class 2 EUR Hedged – Net accumulation shares | |
| Opening shares | 309,103,768 |
| Shares issued | 33,714,131 |
| Shares redeemed | (190,319,891) |
| Net conversions | (106,405) |
| Closing shares | 152,391,603 |
| Class X – Net accumulation shares | |
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |
| Class Z – Net income shares | |
| Opening shares | 60,739,726 |
| Shares issued | 10,338,247 |
| Shares redeemed | (16,954,341) |
| Net conversions | 21,296 |
| Closing shares | 54,144,928 |

| | 2016 |
|---|--------------|
| Class Z – Net accumulation shares | |
| Opening shares | 262,986,098 |
| Shares issued | 28,729,560 |
| Shares redeemed | (26,958,487) |
| Net conversions | 424,888 |
| Closing shares | 265,182,059 |
| Class Z CHF Hedged – Net accumulation shares | |
| Opening shares | 7,069,856 |
| Shares issued | 226,311 |
| Shares redeemed | (3,303,449) |
| Net conversions | – |
| Closing shares | 3,992,718 |
| Class Z EUR Hedged – Net accumulation shares | |
| Opening shares | 14,832,227 |
| Shares issued | 1,018,873 |
| Shares redeemed | (1,135,956) |
| Net conversions | – |
| Closing shares | 14,715,144 |
| Class Z USD Hedged – Net accumulation shares | |
| Opening shares | 2,553,384 |
| Shares issued | 716,450 |
| Shares redeemed | (187,748) |
| Net conversions | – |
| Closing shares | 3,082,086 |

Threadneedle Absolute Return Bond Fund

Investment Report

Investment Objective

The investment objective of the Absolute Return Bond Fund is to achieve a total positive return over a 12 month period in all market conditions. There is a risk to capital, and there is no guarantee that such a return will be achieved within 12 months, or any other timescale.

Investment Policy

The ACD's investment policy is to invest the assets of the Fund so as to gain exposure to global bond and currency markets. The ACD will invest primarily in derivatives, cash and near cash, fixed interest securities, index linked securities, money market instruments and deposits. At times the portfolio may be concentrated in any one or a combination of such assets. The ACD may take long and short positions through derivatives in such issues.

Performance of Net Accumulation Class 1 Shares*

Over the six months to 31 October 2016, the published share price of the Threadneedle Absolute Return Bond Fund has fallen from 60.49p to 58.46p.

Using noon prices, the performance of the Class 1 share class was -3.36% and -3.00% for the Class 2 share class compared to a return of +1.37% for the Morningstar UK Unit Trusts/OEICs – (IA) Absolute Return Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, the LIBOR 3 Month Deposit Rate returned +0.24%.

Market Overview and Portfolio Activity

The review period was characterised by several regime changes, with central banks appearing to retreat from the dogma of flatter yield curves and negative interest rates. The rise of populism continued, manifesting itself most clearly in the UK's vote to exit the EU. In spite of this, risk markets remained buoyant and volatility remained subdued as central banks maintained or increased stimulus.

The Bank of Japan (BoJ) announced a change from targeting the quantity of money to the price of it; the central bank committed to keep medium-term bond yields at around 0% in an effort to steepen the yield curve. In addition, the BoJ committed to overshoot the inflation target to raise inflation expectations.

The Federal Reserve (Fed) opted not to tighten policy, although there were signs of increasing disharmony within the committee. The language in the Fed's statement tentatively pointed towards a hike this year.

Over the period, in rates, we broadly positioned for a flatter yield curve in the US, given subdued inflation levels around the world. Towards the end of the period, we moderated this exposure given the perceived shifts in central banks' reaction functions. We also held long positions in UK inflation-protected bonds, given the risk of higher inflation following the weakness in the currency. We increased our exposure to emerging market debt, given still-high real rates.

Within currency strategies, we increased exposure to US dollars over the period, as the market pricing of the Fed's intentions

remained too benign relative to our expectations. We closed exposure to the Mexican peso given the proximity of the US elections and the tail risk impact of a Trump victory. As a result, our long exposure to the US dollar was largely expressed against the Chinese renminbi and New Zealand dollar.

We view the BoJ's decision to target the price of money as opposed to the quantity of money as an acknowledgement of the limits to monetary policy. There are trade-offs between the benefits of a flatter yield curve and the potential impact of such a curve on financial institutions. While the BoJ will most likely need to slow the pace of its government bond purchases, this "tapering" need not be viewed as a tightening akin to the mid-2013 experience of the US. The Fed's tapering manifested itself through higher long-term bond yields, which the BoJ's policy is designed to avoid. In any event, the success of the BoJ's easing policy is dependent on increasing inflation expectations to lower real rates, as nominal rates now appear to be anchored. Until now, inflation expectations are unmoved, suggesting the market does not consider that the BoJ's latest actions have much chance of success. In any case, we believe there is not much scope for yield curves to flatten going forward.

The Fed appears to have edged closer to tightening policy again in one of the most drawn-out monetary policy cycles on record. We stick with our call for one rate hike this year, in December, which should lend support to the US dollar, given the benign pricing of the Fed's intentions. Accordingly, we hold a more positive stance on the dollar.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|----------------|-----------------|
| Income | | |
| Net capital losses | (4,520) | (9,508) |
| Revenue | 1,182 | 1,998 |
| Expenses | (622) | (1,239) |
| Interest payable and similar charges | (453) | (2,076) |
| Net revenue/(expense) before taxation | 107 | (1,317) |
| Taxation | – | – |
| Net revenue/(expense) after taxation | 107 | (1,317) |
| Total return before equalisation | (4,413) | (10,825) |
| Equalisation | (54) | – |
| Change in net assets attributable to shareholders from investment activities | (4,467) | (10,825) |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|---------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 83,510 | 149,437 |
| Current assets: | | |
| Debtors | 1,203 | 2,053 |
| Cash and bank balances | 8,721 | 35,190 |
| Total assets | 93,434 | 186,680 |
| Liabilities: | | |
| Investment liabilities | (934) | (4,162) |
| Creditors: | | |
| Bank overdrafts | (203) | (341) |
| Distribution payable | (9) | – |
| Other creditors | (497) | (796) |
| Total liabilities | (1,643) | (5,299) |
| Net assets attributable to shareholders | 91,791 | 181,381 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|----------------|----------------|
| Opening net assets attributable to shareholders | 181,381 | 234,423 |
| Amounts receivable on the issue of shares | 2,781 | 54,736 |
| Amounts payable on the cancellation of shares | (87,942) | (65,095) |
| | (85,161) | (10,359) |
| Dilution adjustment | 38 | 52 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | (4,467) | (10,825) |
| Closing net assets attributable to shareholders | 91,791 | 213,291 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

*In pound Sterling and against UK peer group.

Threadneedle Absolute Return Bond Fund

Comparative Table Disclosure

| | Class 1 – Net accumulation shares | | | Class 1 EUR Hedged – Net accumulation shares | |
|---|-----------------------------------|------------|-------------|--|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 ¹ |
| Change in net assets per share | | | | | |
| Opening net asset value per share (p) | 60.43 | 64.97 | 63.06 | 98.58 | 100.00 |
| Return before operating charges (p) | (1.60) | (3.67) | 2.79 | 11.47 | (1.18) |
| Operating charges (p) | (0.42) | (0.87) | (0.88) | (0.71) | (0.24) |
| Return after operating charges (p)* | (2.02) | (4.54) | 1.91 | 10.76 | (1.42) |
| Distributions (p) | – | – | – | – | – |
| Retained distributions on accumulation shares (p)** | – | – | – | – | – |
| Closing net asset value per share (p) | 58.41 | 60.43 | 64.97 | 109.34 | 98.58 |
| *after direct transaction costs of (p) | – | – | – | – | – |
| Performance | | | | | |
| Return after charges (%) | (3.34) | (6.99) | 3.03 | 10.91 | (1.42) |
| Other information | | | | | |
| Closing net asset value (£000) | 22,275 | 30,697 | 80,771 | 11 | 10 |
| Closing number of shares | 38,134,801 | 50,794,716 | 124,321,826 | 10,000 | 10,000 |
| Operating charges (%)*** | 1.40 [†] | 1.38 | 1.39 | 1.38 [†] | 1.37 [†] |
| Direct transaction costs (%)**** | – | – | – | – | – |
| Prices | | | | | |
| Highest share price (p) | 60.99 | 66.90 | 65.04 | 110.37 | 102.95 |
| Lowest share price (p) | 58.19 | 58.96 | 58.26 | 93.82 | 98.00 |

| | Class 1 – Gross accumulation shares ⁵ | | | Class 1 EUR Hedged – Gross accumulation shares ⁵ | |
|---|--|------------|------------|---|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 ² |
| Change in net assets per share | | | | | |
| Opening net asset value per share (p) | 61.92 | 66.56 | 64.61 | 98.58 | 100.00 |
| Return before operating charges (p) | (1.65) | (3.75) | 2.85 | 11.47 | (1.18) |
| Operating charges (p) | (0.43) | (0.89) | (0.90) | (0.71) | (0.24) |
| Return after operating charges (p)* | (2.08) | (4.64) | 1.95 | 10.76 | (1.42) |
| Distributions (p) | – | – | – | – | – |
| Retained distributions on accumulation shares (p)** | – | – | – | – | – |
| Closing net asset value per share (p) | 59.84 | 61.92 | 66.56 | 109.34 | 98.58 |
| *after direct transaction costs of (p) | – | – | – | – | – |
| Performance | | | | | |
| Return after charges (%) | (3.36) | (6.97) | 3.02 | 10.91 | (1.42) |
| Other information | | | | | |
| Closing net asset value (£000) | 5,256 | 39,830 | 45,592 | 11 | 10 |
| Closing number of shares | 8,783,198 | 64,329,631 | 63,987,368 | 10,000 | 10,000 |
| Operating charges (%)*** | 1.41 [†] | 1.38 | 1.39 | 1.38 [†] | 1.37 [†] |
| Direct transaction costs (%)**** | – | – | – | – | – |
| Prices | | | | | |
| Highest share price (p) | 62.48 | 68.54 | 66.63 | 110.37 | 102.95 |
| Lowest share price (p) | 59.61 | 60.41 | 59.69 | 93.82 | 98.03 |

Threadneedle Absolute Return Bond Fund

Comparative Table Disclosure

(continued)

| | Class 1 USD Hedged – Gross accumulation shares [§] | | Class 2 – Net accumulation shares | | |
|---|---|-------------------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 ³ | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | |
| Opening net asset value per share (p) | 95.00 | 100.00 | 64.25 | 68.61 | 66.14 |
| Return before operating charges (p) | 16.11 | (4.76) | (1.73) | (3.89) | 2.95 |
| Operating charges (p) | (0.70) | (0.24) | (0.23) | (0.47) | (0.48) |
| Return after operating charges (p)* | 15.41 | (5.00) | (1.96) | (4.36) | 2.47 |
| Distributions (p) | – | – | – | – | – |
| Retained distributions on accumulation shares (p)** | – | – | – | – | – |
| Closing net asset value per share (p) | 110.41 | 95.00 | 62.29 | 64.25 | 68.61 |
| *after direct transaction costs of (p) | – | – | – | – | – |
| Performance | | | | | |
| Return after charges (%) | 16.22 | (5.00) | (3.05) | (6.35) | 3.73 |
| Other information | | | | | |
| Closing net asset value (£000) | 11 | 10 | 22,830 | 40,212 | 42,450 |
| Closing number of shares | 10,000 | 10,000 | 36,651,430 | 62,586,519 | 61,873,221 |
| Operating charges (%)*** | 1.38 [†] | 1.38 [†] | 0.72 [†] | 0.71 | 0.72 |
| Direct transaction costs (%)**** | – | – | – | – | – |
| Prices | | | | | |
| Highest share price (p) | 111.14 | 100.48 | 64.85 | 70.69 | 68.68 |
| Lowest share price (p) | 90.52 | 95.10 | 62.02 | 62.60 | 61.15 |

| | Class 2 – Gross accumulation shares [§] | | | Class 2 EUR Hedged – Gross accumulation shares [§] | |
|---|--|-------------|------------|---|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 ⁴ |
| Change in net assets per share | | | | | |
| Opening net asset value per share (p) | 66.50 | 71.01 | 68.46 | 98.67 | 100.00 |
| Return before operating charges (p) | (1.77) | (4.02) | 3.05 | 11.54 | (1.21) |
| Operating charges (p) | (0.24) | (0.49) | (0.50) | (0.37) | (0.12) |
| Return after operating charges (p)* | (2.01) | (4.51) | 2.55 | 11.17 | (1.33) |
| Distributions (p) | – | – | – | – | (0.04) |
| Retained distributions on accumulation shares (p)** | – | – | – | – | 0.04 |
| Closing net asset value per share (p) | 64.49 | 66.50 | 71.01 | 109.84 | 98.67 |
| *after direct transaction costs of (p) | – | – | – | – | – |
| Performance | | | | | |
| Return after charges (%) | (3.02) | (6.35) | 3.72 | 11.32 | (1.33) |
| Other information | | | | | |
| Closing net asset value (£000) | 41,383 | 70,599 | 68,607 | 11 | 10 |
| Closing number of shares | 64,165,650 | 106,168,549 | 96,616,552 | 10,000 | 10,000 |
| Operating charges (%)*** | 0.72 [†] | 0.71 | 0.72 | 0.71 [†] | 0.70 [†] |
| Direct transaction costs (%)**** | – | – | – | – | – |
| Prices | | | | | |
| Highest share price (p) | 67.12 | 73.16 | 71.08 | 110.84 | 103.03 |
| Lowest share price (p) | 64.21 | 64.79 | 63.29 | 94.06 | 98.03 |

Threadneedle Absolute Return Bond Fund

Comparative Table Disclosure

(continued)

| | Class X – Gross accumulation shares [‡] | | |
|---|--|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | |
| Opening net asset value per share (p) | 103.07 | 109.33 | 104.70 |
| Return before operating charges (p) | (2.75) | (6.24) | 4.65 |
| Operating charges (p) | (0.01) | (0.02) | (0.02) |
| Return after operating charges (p)* | (2.76) | (6.26) | 4.63 |
| Distributions (p) | – | (0.29) | – |
| Retained distributions on accumulation shares (p)** | – | 0.29 | – |
| Closing net asset value per share (p) | 100.31 | 103.07 | 109.33 |
| *after direct transaction costs of (p) | – | – | – |
| Performance | | | |
| Return after charges (%) | (2.68) | (5.73) | 4.42 |
| Other information | | | |
| Closing net asset value (£000) | 3 | 3 | 3 |
| Closing number of shares | 3,001 | 3,001 | 3,001 |
| Operating charges (%)*** | 0.02 [†] | 0.02 | 0.02 |
| Direct transaction costs (%)**** | – | – | – |
| Prices | | | |
| Highest share price (p) | 104.05 | 112.71 | 109.44 |
| Lowest share price (p) | 99.82 | 100.28 | 96.82 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

[‡]Only available to eligible investors.

[†]Class 1 EUR Hedged – Net accumulation shares commenced 24 February 2016.

[‡]Class 1 EUR Hedged – Gross accumulation shares commenced 24 February 2016.

[‡]Class 1 USD Hedged – Gross accumulation shares commenced 24 February 2016.

[‡]Class 2 EUR Hedged – Gross accumulation shares commenced 24 February 2016.

[†]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

Threadneedle Absolute Return Bond Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

2016

Class 1 – Net accumulation shares

| | |
|-----------------|--------------|
| Opening shares | 50,794,716 |
| Shares issued | 356,737 |
| Shares redeemed | (12,624,102) |
| Net conversions | (392,550) |
| Closing shares | 38,134,801 |

Class 1 EUR Hedged – Net accumulation shares

| | |
|-----------------|--------|
| Opening shares | 10,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 10,000 |

Class 1 – Gross accumulation shares

| | |
|-----------------|--------------|
| Opening shares | 64,329,631 |
| Shares issued | 294,837 |
| Shares redeemed | (55,841,270) |
| Net conversions | – |
| Closing shares | 8,783,198 |

Class 1 EUR Hedged – Gross accumulation shares

| | |
|-----------------|--------|
| Opening shares | 10,000 |
| Shares issued | 28 |
| Shares redeemed | (28) |
| Net conversions | – |
| Closing shares | 10,000 |

Class 1 USD Hedged – Gross accumulation shares

| | |
|-----------------|--------|
| Opening shares | 10,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 10,000 |

Class 2 – Net accumulation shares

| | |
|-----------------|--------------|
| Opening shares | 62,586,519 |
| Shares issued | 317,035 |
| Shares redeemed | (26,620,948) |
| Net conversions | 368,824 |
| Closing shares | 36,651,430 |

Class 2 – Gross accumulation shares

| | |
|-----------------|--------------|
| Opening shares | 106,168,549 |
| Shares issued | 3,363,328 |
| Shares redeemed | (45,366,227) |
| Net conversions | – |
| Closing shares | 64,165,650 |

2016

Class 2 EUR Hedged – Gross accumulation shares

| | |
|-----------------|--------|
| Opening shares | 10,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 10,000 |

Class X – Gross accumulation shares

| | |
|-----------------|-------|
| Opening shares | 3,001 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,001 |

Threadneedle Target Return Fund

Investment Report

Investment Objective

The investment objective of the Target Return Fund is to achieve a total positive return in Euros over a 12 month period in all market conditions. There is a risk to capital, and there is no guarantee that such a return will be achieved within 12 months, or any other timescale.

Investment Policy

The ACD's investment policy is to invest the assets of the Fund to gain exposure to global bond and currency markets. The ACD will invest in derivatives, cash and near cash, fixed interest securities, index linked securities, money market instruments and deposits. At times the portfolio may be concentrated in any one or a combination of such assets. The ACD may take long and short positions through derivatives in such issues. Where securities are non-euro denominated they may be hedged into Euros on a Portfolio Currency level.

Performance of Gross Accumulation Class 1 Shares

Over the six months to 31 October 2016, the published share price of the Threadneedle Target Return Fund has fallen from 1.1405 to 1.0942 Euros.

The performance of the Class 1 gross accumulation share class was -4.06% and -3.74% for the Class 2 gross accumulation share class, in EUR terms.

For information purposes, the Euribor 3 Month Deposit Rate returned -0.15%.

Market Overview and Portfolio Activity

The review period was characterised by several regime changes, with central banks appearing to retreat from the dogma of flatter yield curves and negative interest rates. The rise of populism continued, which manifested itself most clearly in the UK's vote to exit the EU. In spite of this, risk markets remained buoyant and volatility remained subdued as central banks maintained or increased stimulus.

The Bank of Japan (BoJ) announced a change from targeting the quantity of money to the price of it; the central bank committed to keep medium-term bond yields at around 0% in an effort to steepen the yield curve. In addition, the BoJ committed to overshoot the inflation target to raise inflation expectations.

The Federal Reserve (Fed) opted not to tighten policy, although there were signs of increasing disharmony within the committee. The language in the Fed's statement tentatively pointed towards a hike this year.

Over the period, in rates, we broadly positioned for a flatter yield curve in the US, given subdued inflation levels around the world. Towards the end of the period, we moderated this exposure given the perceived shifts in central banks' reaction functions. We also held long positions in UK inflation-protected bonds, given the risk of higher inflation following the weakness in the currency. We increased our exposure to emerging market debt, given still-high real rates.

Within currency strategies, we increased exposure to US dollars over the period, as the market pricing of the Fed's

intentions remained too benign relative to our expectations. We closed exposure to the Mexican peso given the proximity of the US elections and the tail risk impact of a Trump victory. As a result, our long exposure to the US dollar was largely expressed against the Chinese renminbi and New Zealand dollar.

We view the BoJ's decision to target the price of money as opposed to the quantity of money as an acknowledgement of the limits to monetary policy. There are trade-offs between the benefits of a flatter yield curve and the potential impact of such a curve on financial institutions. While the BoJ will most likely need to slow the pace of its government bond purchases, this "tapering" need not be viewed as a tightening akin to the mid-2013 experience of the US. The Fed's tapering manifested itself through higher long-term bond yields, which the BoJ's policy is designed to avoid. In any event, the success of the BoJ's easing policy is dependent on increasing inflation expectations to lower real rates, as nominal rates now appear to be anchored. Until now, inflation expectations are unmoved, suggesting the market does not consider that the BoJ's latest actions have much chance of success. In any case, we believe there is not much scope for yield curves to flatten going forward.

The Fed appears to have edged closer to tightening policy again in one of the most drawn-out monetary policy cycles on record. We stick with our call for one rate hike this year, in December, which should lend support to the US dollar, given the benign pricing of the Fed's intentions. Accordingly, we hold a more positive stance on the dollar.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|--------------|----------------|
| Income | | |
| Net capital gains/(losses) | 1,596 | (1,051) |
| Revenue | 99 | 131 |
| Expenses | (111) | (141) |
| Interest payable and similar charges | (50) | (189) |
| Net expense before taxation | (62) | (199) |
| Taxation | — | — |
| Net expense after taxation | (62) | (199) |
| Total return | 1,534 | (1,250) |
| Change in net assets attributable to shareholders from investment activities | 1,534 | (1,250) |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|---------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 13,697 | 13,974 |
| Current assets: | | |
| Debtors | 245 | 163 |
| Cash and bank balances | 1,159 | 1,780 |
| Total assets | 15,101 | 15,917 |
| Liabilities: | | |
| Investment liabilities | (82) | (366) |
| Creditors: | | |
| Bank overdrafts | (30) | (32) |
| Other creditors | (47) | (97) |
| Total liabilities | (159) | (495) |
| Net assets attributable to shareholders | 14,942 | 15,422 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|---------------|---------------|
| Opening net assets attributable to shareholders | 15,422 | 18,588 |
| Amounts receivable on the issue of shares | 2,219 | 9,381 |
| Amounts payable on the cancellation of shares | (4,234) | (9,681) |
| | (2,015) | (300) |
| Dilution adjustment | 1 | 10 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 1,534 | (1,250) |
| Closing net assets attributable to shareholders | 14,942 | 17,048 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

DISTRIBUTION TABLE

for the accounting period 1 May 2016 to 31 October 2016

Interest distribution in pence per share

Class 1 Shares

Net accumulation

There is no distribution for the accounting period 1 May 2016 to 31 October 2016, as expenses exceed revenue (2015: Nil).

Class 1 Shares

Gross accumulation

There is no distribution for the accounting period 1 May 2016 to 31 October 2016, as expenses exceed revenue (2015: Nil).

Class 1 CHF Hedged Shares

Gross accumulation

There is no distribution for the accounting period 1 May 2016 to 31 October 2016, as expenses exceed revenue (2015: Nil).

Class 1 USD Hedged Shares

Gross accumulation

There is no distribution for the accounting period 1 May 2016 to 31 October 2016, as expenses exceed revenue (2015: Nil).

Class 2 Shares

Gross income

There is no distribution for the accounting period 1 May 2016 to 31 October 2016, as expenses exceed revenue (2015: Nil).

Threadneedle Target Return Fund

DISTRIBUTION TABLE

(continued)

Class 2 Shares

Gross accumulation

There is no distribution for the accounting period 1 May 2016 to 31 October 2016, as expenses exceed revenue (2015: Nil).

Class X Shares

Gross accumulation

| Distribution Period | Gross Revenue | Equalisation | Gross Revenue Accumulated 2016 | Gross Revenue Accumulated 2015 |
|--|---------------|--------------|--------------------------------|--------------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 0.2079 | – | 0.2079 | – |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.2079 | – | 0.2079 | – |
| Total distributions in the period | | | 0.2079 | – |

Class Z Shares

Net accumulation

| Distribution Period | Gross Revenue | Income Tax | Net Revenue | Equalisation | Net Revenue Accumulated 2016 | Net Revenue Accumulated 2015 |
|--|---------------|------------|-------------|--------------|------------------------------|------------------------------|
| Group 1 | | | | | | |
| 01/05/16 to 31/10/16 | 0.0029 | 0.0006 | 0.0023 | – | 0.0023 | – |
| Group 2 | | | | | | |
| 01/05/16 to 31/10/16 | 0.0029 | 0.0006 | 0.0023 | – | 0.0023 | – |
| Total distributions in the period | | | | | 0.0023 | – |

Class Z Shares

Gross accumulation

There is no distribution for the accounting period 1 May 2016 to 31 October 2016, as expenses exceed revenue (2015: Nil).

Group 2: shares purchased during a distribution period.

Threadneedle Target Return Fund

Comparative Table Disclosure

| | Class 1 – Net accumulation shares | | | Class 1 – Gross accumulation shares [§] | | |
|---|---|------------|------------|---|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 87.16 | 87.90 | 96.99 | 88.85 | 89.61 | 98.73 |
| Return before operating charges (p) | 10.04 | 0.55 | (7.70) | 10.24 | 0.55 | (7.70) |
| Operating charges (p) | (0.71) | (1.29) | (1.39) | (0.72) | (1.31) | (1.42) |
| Return after operating charges (p)* | 9.33 | (0.74) | (9.09) | 9.52 | (0.76) | (9.12) |
| Distributions (p) | – | – | – | – | – | – |
| Retained distributions on accumulation shares (p)** | – | – | – | – | – | – |
| Closing net asset value per share (p) | 96.49 | 87.16 | 87.90 | 98.37 | 88.85 | 89.61 |
| *after direct transaction costs of (p) | – | – | – | – | – | – |
| Performance | | | | | | |
| Return after charges (%) | 10.70 | (0.84) | (9.37) | 10.71 | (0.85) | (9.24) |
| Other information | | | | | | |
| Closing net asset value (£000) | 964 | 1,099 | 1,411 | 11,231 | 12,548 | 14,378 |
| Closing number of shares | 999,591 | 1,260,835 | 1,605,013 | 11,417,116 | 14,123,047 | 16,045,619 |
| Operating charges (%)*** | 1.56 [†] | 1.50 | 1.51 | 1.56 [†] | 1.49 | 1.51 |
| Direct transaction costs (%)**** | – | – | – | – | – | – |
| Prices | | | | | | |
| Highest share price (p) | 97.36 | 91.65 | 97.12 | 99.25 | 93.43 | 98.84 |
| Lowest share price (p) | 82.93 | 81.11 | 84.41 | 84.54 | 82.69 | 85.93 |
| | Class 1 CHF Hedged – Gross accumulation shares [§] | | | Class 1 USD Hedged – Gross accumulation shares [§] | | |
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 96.58 | 102.83 | 98.31 | 65.03 | 66.31 | 59.14 |
| Return before operating charges (p) | 12.25 | (4.80) | 6.00 | 10.92 | (0.30) | 8.15 |
| Operating charges (p) | (0.78) | (1.45) | (1.48) | (0.54) | (0.98) | (0.98) |
| Return after operating charges (p)* | 11.47 | (6.25) | 4.52 | 10.38 | (1.28) | 7.17 |
| Distributions (p) | – | – | – | – | – | – |
| Retained distributions on accumulation shares (p)** | – | – | – | – | – | – |
| Closing net asset value per share (p) | 108.05 | 96.58 | 102.83 | 75.41 | 65.03 | 66.31 |
| *after direct transaction costs of (p) | – | – | – | – | – | – |
| Performance | | | | | | |
| Return after charges (%) | 11.88 | (6.08) | 4.60 | 15.96 | (1.93) | 12.12 |
| Other information | | | | | | |
| Closing net asset value (£000) | 8 | 7 | 8 | 280 | 293 | 240 |
| Closing number of shares | 7,751 | 7,751 | 7,751 | 370,677 | 450,136 | 361,931 |
| Operating charges (%)*** | 1.53 [†] | 1.49 | 1.51 | 1.56 [†] | 1.49 | 1.58 |
| Direct transaction costs (%)**** | – | – | – | – | – | – |
| Prices | | | | | | |
| Highest share price (p) | 108.32 | 108.91 | 113.04 | 75.88 | 69.22 | 70.19 |
| Lowest share price (p) | 92.50 | 90.94 | 89.88 | 61.94 | 63.01 | 55.03 |

Threadneedle Target Return Fund

Comparative Table Disclosure

(continued)

| | Class 2 – Gross income shares [§] | | | Class 2 – Gross accumulation shares [§] | | |
|---|--|------------|------------|--|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 89.51 | 89.66 | 98.26 | 95.06 | 95.23 | 104.34 |
| Return before operating charges (p) | 10.35 | 0.57 | (7.81) | 10.99 | 0.61 | (8.26) |
| Operating charges (p) | (0.42) | (0.72) | (0.79) | (0.44) | (0.78) | (0.85) |
| Return after operating charges (p)* | 9.93 | (0.15) | (8.60) | 10.55 | (0.17) | (9.11) |
| Distributions (p) | – | – | – | – | – | – |
| Retained distributions on accumulation shares (p)** | – | – | – | – | – | – |
| Closing net asset value per share (p) | 99.44 | 89.51 | 89.66 | 105.61 | 95.06 | 95.23 |
| *after direct transaction costs of (p) | – | – | – | – | – | – |
| Performance | | | | | | |
| Return after charges (%) | 11.09 | (0.17) | (8.75) | 11.10 | (0.18) | (8.73) |
| Other information | | | | | | |
| Closing net asset value (£000) | 87 | 78 | 78 | 1,467 | 863 | 1,824 |
| Closing number of shares | 87,285 | 87,285 | 87,285 | 1,388,650 | 907,527 | 1,915,067 |
| Operating charges (%)*** | 0.89 [†] | 0.82 | 0.84 | 0.89 [†] | 0.83 | 0.84 |
| Direct transaction costs (%)**** | – | – | – | – | – | – |
| Prices | | | | | | |
| Highest share price (p) | 100.29 | 93.49 | 98.36 | 106.52 | 99.30 | 104.46 |
| Lowest share price (p) | 85.25 | 83.05 | 86.02 | 90.55 | 88.21 | 91.35 |
| | Class X – Gross accumulation shares [§] | | | Class Z – Net accumulation shares | | |
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 97.14 | 96.64 | 105.14 | 92.54 | 92.78 | 101.75 |
| Return before operating charges (p) | 11.25 | 0.62 | (8.34) | 10.70 | 0.57 | (8.09) |
| Operating charges (p) | (0.12) | (0.12) | (0.16) | (0.47) | (0.81) | (0.88) |
| Return after operating charges (p)* | 11.13 | 0.50 | (8.50) | 10.23 | (0.24) | (8.97) |
| Distributions (p) | (0.21) | – | – | (0.00) | – | – |
| Retained distributions on accumulation shares (p)** | 0.21 | – | – | 0.00 | – | – |
| Closing net asset value per share (p) | 108.27 | 97.14 | 96.64 | 102.77 | 92.54 | 92.78 |
| *after direct transaction costs of (p) | – | – | – | – | – | – |
| Performance | | | | | | |
| Return after charges (%) | 11.46 | 0.52 | (8.08) | 11.05 | (0.26) | (8.82) |
| Other information | | | | | | |
| Closing net asset value (£000) | 3 | 3 | 3 | 362 | 63 | 67 |
| Closing number of shares | 3,001 | 3,001 | 3,001 | 352,113 | 68,348 | 72,071 |
| Operating charges (%)*** | 0.24 [†] | 0.13 | 0.16 | 0.95 [†] | 0.89 | 0.91 |
| Direct transaction costs (%)**** | – | – | – | – | – | – |
| Prices | | | | | | |
| Highest share price (p) | 109.16 | 101.36 | 105.28 | 103.66 | 96.74 | 101.87 |
| Lowest share price (p) | 92.62 | 89.86 | 92.63 | 88.14 | 85.90 | 89.01 |

Threadneedle Target Return Fund

Comparative Table Disclosure

(continued)

| | Class Z - Gross accumulation shares [§] | | |
|---|--|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | |
| Opening net asset value per share (p) | 89.77 | 89.99 | 98.70 |
| Return before operating charges (p) | 10.37 | 0.58 | (7.85) |
| Operating charges (p) | (0.45) | (0.80) | (0.86) |
| Return after operating charges (p)* | 9.92 | (0.22) | (8.71) |
| Distributions (p) | — | — | — |
| Retained distributions on accumulation shares (p)** | — | — | — |
| Closing net asset value per share (p) | 99.69 | 89.77 | 89.99 |
| *after direct transaction costs of (p) | — | — | — |
| Performance | | | |
| Return after charges (%) | 11.05 | (0.24) | (8.82) |
| Other information | | | |
| Closing net asset value (£000) | 540 | 468 | 579 |
| Closing number of shares | 541,972 | 520,787 | 643,426 |
| Operating charges (%)*** | 0.96 [†] | 0.90 | 0.92 |
| Direct transaction costs (%)**** | — | — | — |
| Prices | | | |
| Highest share price (p) | 100.55 | 93.84 | 98.80 |
| Lowest share price (p) | 85.49 | 83.32 | 86.34 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

[§]Only available to eligible investors.

[†]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period.

Threadneedle Target Return Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

2016

Class 1 – Net accumulation shares

| | |
|-----------------|-----------|
| Opening shares | 1,260,835 |
| Shares issued | 8,661 |
| Shares redeemed | (269,905) |
| Net conversions | – |
| Closing shares | 999,591 |

Class 1 – Gross accumulation shares

| | |
|-----------------|-------------|
| Opening shares | 14,123,047 |
| Shares issued | 1,218,859 |
| Shares redeemed | (3,924,790) |
| Net conversions | – |
| Closing shares | 11,417,116 |

Class 1 CHF Hedged – Gross accumulation shares

| | |
|-----------------|-------|
| Opening shares | 7,751 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 7,751 |

Class 1 USD Hedged – Gross accumulation shares

| | |
|-----------------|-----------|
| Opening shares | 450,136 |
| Shares issued | 34,587 |
| Shares redeemed | (114,046) |
| Net conversions | – |
| Closing shares | 370,677 |

Class 2 – Gross income shares

| | |
|-----------------|--------|
| Opening shares | 87,285 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 87,285 |

Class 2 – Gross accumulation shares

| | |
|-----------------|-----------|
| Opening shares | 907,527 |
| Shares issued | 556,894 |
| Shares redeemed | (75,771) |
| Net conversions | – |
| Closing shares | 1,388,650 |

Class X – Gross accumulation shares

| | |
|-----------------|-------|
| Opening shares | 3,001 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,001 |

Class Z – Net accumulation shares

| | |
|-----------------|-----------|
| Opening shares | 68,348 |
| Shares issued | 397,989 |
| Shares redeemed | (114,224) |
| Net conversions | – |
| Closing shares | 352,113 |

Class Z – Gross accumulation shares

| | |
|-----------------|----------|
| Opening shares | 520,787 |
| Shares issued | 69,386 |
| Shares redeemed | (48,201) |
| Net conversions | – |
| Closing shares | 541,972 |

Threadneedle Pan European Focus Fund

Investment Report

Investment Objective

The investment objective of the Pan European Focus Fund is to achieve above average capital growth.

Investment Policy

The ACD's investment policy is to actively manage a concentrated portfolio of primarily European equities including UK Equities with the ability to hold cash and/or money market securities in order to enable the pursuit of the Fund's investment objective. This approach means that the ACD has the flexibility to take significant stock and sector positions, which may lead to increased levels of volatility. The portfolio will primarily consist of equities of companies domiciled in Europe including the UK or which have a significant part of their economic activities in Europe and/or the UK. Where securities are noneuro denominated they may be hedged into Euros. If the ACD considers it desirable it may hold a substantial proportion or all of the Funds in cash and/or money market instruments.

Performance of Net Accumulation Class 1 Shares*

Over the six months to 31 October 2016, the published share price of the Threadneedle Pan European Focus Fund has risen from 218.10p to 225.69p in sterling terms and fallen from 2.7970 to 2.5085 Euros.

For comparison, using noon prices, the sterling performance of the Class 1 share class was +3.48% and +3.78% for the Class 2 share class compared to a return of +14.38% for the Morningstar UK Unit Trusts/OEICs - (IA) Europe Including UK Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the MSCI Europe Index was +16.57%.

Market Overview and Portfolio Activity

Economic data in the UK and the eurozone initially provided grounds for optimism, as did a firmer oil price. However, equity markets later suffered bouts of volatility. The Italian banking system is under strain and requires recapitalisation, while in Germany, concerns grew regarding the financial stability of Deutsche Bank, which was threatened with a multi-billion dollar penalty following a legal investigation. The bitterly contested US election campaign also caused some nervousness. After months of wrangling, a new Spanish government was formed, but a pivotal referendum loomed in Italy.

Markets received a shock in June when the UK voted to leave the EU, introducing a period of political and economic uncertainty, causing sterling to plummet, and boosting support for anti-EU and anti-euro factions elsewhere. Mindful of recessionary risks, the Bank of England reassured markets by providing additional economic support and cutting interest rates to a new record low. In the US, the uncertain economic outlook led to a delay in raising interest rates, which helped propel US equities to fresh record highs, further boosting market sentiment in Europe. The UK stock market also touched record levels; many of the UK's largest companies have operations abroad, so stand to benefit from sterling's weakness.

New holdings included food group Nestlé, which has a powerful brand portfolio and an extensive global presence; the stock also has defensive merits. We took advantage of share-price weakness to open a new position in Sampo, a Scandinavian

insurance group which owns a stake in Nordea Bank, and has an attractive business model. Other purchases included Continental; the company is well placed to benefit from the trend towards electric and hybrid cars as it has a strong advantage in drive-train technology. It also sells branded tyres at premium prices. Sales included Italian firm Rai Way (broadcasting infrastructure) and El Towers (telecoms infrastructure); we believe better opportunities can be found elsewhere, given the uncertain political and economic environment in Italy.

Equity markets may be volatile in the wake of the UK's Brexit vote – it will take time before the full political, financial and economic repercussions become clear, and there is the risk of anti-EU political contagion. Italy's prime minister has called a constitutional referendum in December, and has staked his political career on the outcome. Austria's general election is also imminent, while France and Germany head to the polls next year. Donald Trump's recent victory in the US presidential election is likely to unsettle markets; he has no proven track record in government office and his presidency will take the US into uncharted territory. The oil price and China's economic outlook have also affected equity markets in recent months, and will continue to do so.

However, volatile markets provide us with investment opportunities. We may see a resurgence in mergers and acquisitions, particularly as interest rates are likely to remain low, especially in the UK and Europe. Quantitative easing, relatively low energy prices and loose credit conditions continue to support the trading environment for European companies. In the UK, exporters and global businesses will benefit from sterling's weakness. We continue to favour companies with robust earnings prospects and pricing power.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|--------------|--------------|
| Income | | |
| Net capital gains/(losses) | 2,521 | (1,802) |
| Revenue | 809 | 1,133 |
| Expenses | (480) | (545) |
| Interest payable and similar charges | (3) | (2) |
| Net revenue before taxation | 326 | 586 |
| Taxation | (56) | (23) |
| Net revenue after taxation | 270 | 563 |
| Total return before equalisation | 2,791 | (1,239) |
| Equalisation | (41) | 39 |
| Change in net assets attributable to shareholders from investment activities | 2,750 | (1,200) |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|---|--------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 68,770 | 75,797 |
| Current assets: | | |
| Debtors | 95 | 355 |
| Cash and bank balances | 3,917 | 160 |
| Total assets | 72,782 | 76,312 |
| Liabilities: | | |
| Creditors: | | |
| Other creditors | (3,510) | (114) |
| Total liabilities | (3,510) | (114) |
| Net assets attributable to shareholders | 69,272 | 76,198 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|--------------|--------------|
| Opening net assets attributable to shareholders | 76,198 | 84,567 |
| Amounts receivable on the issue of shares | 2,970 | 24,972 |
| Amounts payable on the cancellation of shares | (12,650) | (16,120) |
| | (9,680) | 8,852 |
| Dilution adjustment | 4 | 29 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 2,750 | (1,200) |
| Closing net assets attributable to shareholders | 69,272 | 92,248 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

* In pound Sterling and against UK peer group.

Threadneedle Pan European Focus Fund

Comparative Table Disclosure

| | Class 1 – Net income shares | | Class 1 – Net accumulation shares | | |
|---|-----------------------------|-------------------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 ¹ | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | |
| Opening net asset value per share (p) | 101.67 | 100.00 | 217.96 | 216.94 | 195.11 |
| Return before operating charges (p) | 4.44 | 3.56 | 9.53 | 4.58 | 25.14 |
| Operating charges (p) | (0.85) | (1.66) | (1.86) | (3.56) | (3.31) |
| Return after operating charges (p)* | 3.59 | 1.90 | 7.67 | 1.02 | 21.83 |
| Distributions (p) | – | (0.23) | – | (0.61) | (0.31) |
| Retained distributions on accumulation shares (p)** | – | – | – | 0.61 | 0.31 |
| Closing net asset value per share (p) | 105.26 | 101.67 | 225.63 | 217.96 | 216.94 |
| *after direct transaction costs of (p) | 0.28 | 0.63 | 0.61 | 1.36 | 1.09 |
| Performance | | | | | |
| Return after charges (%) | 3.53 | 1.90 | 3.52 | 0.47 | 11.19 |
| Other information | | | | | |
| Closing net asset value (£000) | 3 | 3 | 21,852 | 22,205 | 19,850 |
| Closing number of shares | 3,000 | 3,000 | 9,684,953 | 10,187,450 | 9,150,025 |
| Operating charges (%)*** | 1.64 [†] | 1.66 [†] | 1.67 [†] | 1.65 | 1.69 |
| Direct transaction costs (%)**** | 0.54 | 0.63 | 0.54 | 0.63 | 0.56 |
| Prices | | | | | |
| Highest share price (p) | 108.69 | 104.41 | 232.99 | 225.00 | 225.05 |
| Lowest share price (p) | 96.15 | 100.00 | 206.12 | 200.34 | 171.06 |

| | Class 2 – Net accumulation shares | | | Class X – Net accumulation shares | |
|---|-----------------------------------|------------|------------|-----------------------------------|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 ² |
| Change in net assets per share | | | | | |
| Opening net asset value per share (p) | 231.18 | 228.78 | 204.58 | 99.37 | 100.00 |
| Return before operating charges (p) | 10.12 | 4.86 | 26.51 | 4.36 | (0.60) |
| Operating charges (p) | (1.30) | (2.46) | (2.31) | (0.02) | (0.03) |
| Return after operating charges (p)* | 8.82 | 2.40 | 24.20 | 4.34 | (0.63) |
| Distributions (p) | – | (1.96) | (1.51) | – | (0.61) |
| Retained distributions on accumulation shares (p)** | – | 1.96 | 1.51 | – | 0.61 |
| Closing net asset value per share (p) | 240.00 | 231.18 | 228.78 | 103.71 | 99.37 |
| *after direct transaction costs of (p) | 0.64 | 1.44 | 1.15 | 0.28 | 0.62 |
| Performance | | | | | |
| Return after charges (%) | 3.82 | 1.05 | 11.83 | 4.37 | (0.63) |
| Other information | | | | | |
| Closing net asset value (£000) | 44,697 | 51,127 | 61,675 | 3 | 3 |
| Closing number of shares | 18,623,233 | 22,115,405 | 26,958,573 | 3,000 | 3,000 |
| Operating charges (%)*** | 1.10 [†] | 1.08 | 1.12 | 0.04 [†] | 0.03 [†] |
| Direct transaction costs (%)**** | 0.54 | 0.63 | 0.56 | 0.54 | 0.63 |
| Prices | | | | | |
| Highest share price (p) | 247.53 | 238.19 | 237.27 | 106.72 | 102.02 |
| Lowest share price (p) | 218.82 | 212.23 | 179.84 | 94.21 | 91.01 |

Threadneedle Pan European Focus Fund

Comparative Table Disclosure

(continued)

| | Class Z – Net accumulation shares | | |
|---|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | |
| Opening net asset value per share (p) | 156.16 | 154.27 | 137.69 |
| Return before operating charges (p) | 6.84 | 3.28 | 17.89 |
| Operating charges (p) | (0.73) | (1.39) | (1.31) |
| Return after operating charges (p)* | 6.11 | 1.89 | 16.58 |
| Distributions (p) | – | (1.59) | (1.26) |
| Retained distributions on accumulation shares (p)** | – | 1.59 | 1.26 |
| Closing net asset value per share (p) | 162.27 | 156.16 | 154.27 |
| *after direct transaction costs of (p) | 0.43 | 0.97 | 0.78 |
| Performance | | | |
| Return after charges (%) | 3.91 | 1.23 | 12.04 |
| Other information | | | |
| Closing net asset value (£000) | 2,717 | 2,860 | 3,042 |
| Closing number of shares | 1,674,671 | 1,831,136 | 1,972,215 |
| Operating charges (%)*** | 0.92 ¹ | 0.90 | 0.94 |
| Direct transaction costs (%)**** | 0.54 | 0.63 | 0.56 |
| Prices | | | |
| Highest share price (p) | 167.30 | 160.80 | 159.98 |
| Lowest share price (p) | 147.86 | 143.31 | 121.16 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

¹Class 1 – Net income shares commenced 24 February 2016.

²Class X – Net accumulation shares commenced 2 December 2015.

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

Threadneedle Pan European Focus Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

| | 2016 |
|--|-------------|
| Class 1 – Net income shares | |
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |
| Class 1 – Net accumulation shares | |
| Opening shares | 10,187,450 |
| Shares issued | 77,566 |
| Shares redeemed | (580,018) |
| Net conversions | (45) |
| Closing shares | 9,684,953 |
| Class 2 – Net accumulation shares | |
| Opening shares | 22,115,405 |
| Shares issued | 577,737 |
| Shares redeemed | (4,067,451) |
| Net conversions | (2,458) |
| Closing shares | 18,623,233 |
| Class X – Net accumulation shares | |
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |
| Class Z – Net accumulation shares | |
| Opening shares | 1,831,136 |
| Shares issued | 948,624 |
| Shares redeemed | (1,108,790) |
| Net conversions | 3,701 |
| Closing shares | 1,674,671 |

Threadneedle Pan European Equity Dividend Fund

Investment Report

Investment Objective

The investment objective of the Pan European Equity Dividend Fund is to achieve a growing income combined with prospects for capital growth from a portfolio of Pan European equities.

Investment Policy

The ACD's investment policy is to invest the assets of the Fund primarily in the equities of companies domiciled in Continental Europe and the UK or with significant Continental European and UK activities.

The ACD will look to invest in companies that exhibit a high potential for paying above average dividends.

If the ACD considers it desirable it may further invest up to one third of the total assets of the Fund in other securities (including fixed interest securities, other equities, money market securities, cash and near cash).

Performance of Net Income Class 1 Shares*

Over the six months to 31 October 2016, the published share price of the Threadneedle Pan European Equity Dividend Fund has risen from 82.10p to 90.00p in sterling terms and fallen from 1.0529 to 1.0003 Euros.

For comparison, using noon prices, the performance of the Class 1 share class was +12.18% and +12.51% for the Class 2 share class compared to a return of +14.38% for the Morningstar UK Unit Trusts/OEICs – (IA) Europe Including UK Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the MSCI Europe Index was +16.57%.

Market Overview and Portfolio Activity

Economic data in the UK and the eurozone initially provided grounds for optimism, as did a firmer oil price. However, equity markets later suffered bouts of volatility. The Italian banking system is under strain and requires recapitalisation, while in Germany, concerns grew regarding the financial stability of Deutsche Bank, which was threatened with a multi-billion dollar penalty following a legal investigation. The bitterly contested US election campaign also caused some nervousness. After months of wrangling, a new Spanish government was formed, but a pivotal referendum loomed in Italy.

Markets received a shock in June when the UK voted to leave the EU, introducing a period of political and economic uncertainty, causing sterling to plummet, and boosting support for anti-EU and anti-euro factions elsewhere. Mindful of recessionary risks, the Bank of England reassured markets by providing additional economic support and cutting interest rates to a new record low. In the US, the uncertain economic outlook led to a delay in raising interest rates, which helped propel US equities to fresh record highs, further boosting market sentiment in Europe. The UK stock market also touched record levels; many of the UK's largest companies have operations abroad, so stand to benefit from sterling's weakness.

New holdings included luxury-goods company Richemont, which was trading at an attractive valuation. We also took advantage of share-price weakness to open a new position in KBC, a Belgian bank-assurance firm with a high-quality franchise. Heineken was another new position; the drinks business has an impressive brand portfolio and exciting opportunities for expansion in Mexico, Nigeria and Vietnam, all of which have fast-growing populations.

We sold crane business Cargotec following a period of good returns and we exited Bayer; we are not satisfied that the proposed acquisition of Monsanto would represent good value for shareholders. Other sales included Eurotunnel – sterling's depreciation may deter UK tourists from travelling abroad, and the threat of terrorist attacks remains high.

Equity markets may be volatile in the wake of the UK's Brexit vote – it will take time before the full political, financial and economic repercussions become clear, and there is the risk of anti-EU political contagion. Italy's prime minister has called a constitutional referendum in December, and has staked his political career on the outcome. Austria's general election is also imminent, while France and Germany head to the polls next year. Donald Trump's recent victory in the US presidential election is likely to unsettle markets; he has no proven track record in government office and his presidency will take the US into uncharted territory. The oil price and China's economic outlook have also affected equity markets in recent months, and will continue to do so.

However, volatile markets provide us with investment opportunities. We may see a resurgence in mergers and acquisitions, particularly as interest rates are likely to remain low, especially in the UK and Europe. Quantitative easing, relatively low energy prices and loose credit conditions continue to support the trading environment for European companies. In the UK, exporters and global businesses will benefit from sterling's weakness. We continue to favour companies with robust earnings prospects and pricing power.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|--------------|----------------|
| Income | | |
| Net capital gains/(losses) | 7,978 | (2,862) |
| Revenue | 1,220 | 1,056 |
| Expenses | (534) | (490) |
| Interest payable and similar charges | (4) | (1) |
| Net revenue before taxation | 682 | 565 |
| Taxation | (98) | (54) |
| Net revenue after taxation | 584 | 511 |
| Total return before distributions | 8,562 | (2,351) |
| Distributions | (1,061) | (953) |
| Change in net assets attributable to shareholders from investment activities | 7,501 | (3,304) |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|---------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 76,947 | 69,982 |
| Current assets: | | |
| Debtors | 395 | 1,605 |
| Cash and bank balances | 951 | 569 |
| Total assets | 78,293 | 72,156 |
| Liabilities: | | |
| Creditors: | | |
| Distribution payable | (723) | (1,023) |
| Other creditors | (179) | (250) |
| Total liabilities | (902) | (1,273) |
| Net assets attributable to shareholders | 77,391 | 70,883 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|---------------|---------------|
| Opening net assets attributable to shareholders | 70,883 | 65,610 |
| Amounts receivable on the issue of shares | 16,883 | 16,919 |
| Amounts payable on the cancellation of shares | (18,233) | (10,567) |
| | (1,350) | 6,352 |
| Dilution adjustment | 25 | 24 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 7,501 | (3,304) |
| Retained distribution on accumulation shares | 332 | 393 |
| Closing net assets attributable to shareholders | 77,391 | 69,075 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

DISTRIBUTION TABLE

for the accounting period 1 May 2016 to 31 October 2016

Dividend distribution in pence per share

Class 1 Shares

| Net income | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Distribution Period | | | | |
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 1.2094 | – | 1.2094 | 1.1804 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.4195 | 0.7899 | 1.2094 | 1.1804 |
| Total distributions in the period | | | 1.2094 | 1.1804 |

Class 1 Shares

| Net accumulation | Revenue per Share | Equalisation | Revenue Accumulated 2016 | Revenue Accumulated 2015 |
|--|-------------------|--------------|--------------------------|--------------------------|
| Distribution Period | | | | |
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 1.8198 | – | 1.8198 | 1.7105 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.7801 | 1.0397 | 1.8198 | 1.7105 |
| Total distributions in the period | | | 1.8198 | 1.7105 |

*In pound Sterling and against UK peer group.

Threadneedle Pan European Equity Dividend Fund

DISTRIBUTION TABLE

(continued)

Class 2 Shares

Net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 1.3094 | – | 1.3094 | 1.2706 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.6714 | 0.6380 | 1.3094 | 1.2706 |
| Total distributions in the period | | | 1.3094 | 1.2706 |

Class 2 Shares

Net accumulation

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 | Revenue Accumulated 2015 |
|--|-------------------|--------------|--------------------------|--------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 2.0014 | – | 2.0014 | 1.8692 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.4371 | 1.5643 | 2.0014 | 1.8692 |
| Total distributions in the period | | | 2.0014 | 1.8692 |

Class X Shares

Net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 1.6386 | – | 1.6386 | 1.5732 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.8799 | 0.7587 | 1.6386 | 1.5732 |
| Total distributions in the period | | | 1.6386 | 1.5732 |

Class X Shares

Net accumulation

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 | Revenue Accumulated 2015 |
|--|-------------------|--------------|--------------------------|--------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 1.7433 | – | 1.7433 | 1.6100 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 1.7433 | – | 1.7433 | 1.6100 |
| Total distributions in the period | | | 1.7433 | 1.6100 |

Class Z Shares

Net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 1.8875 | – | 1.8875 | 1.8276 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.6086 | 1.2789 | 1.8875 | 1.8276 |
| Total distributions in the period | | | 1.8875 | 1.8276 |

Class Z Shares

Net accumulation

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 | Revenue Accumulated 2015 |
|--|-------------------|--------------|--------------------------|--------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 1.6911 | – | 1.6911 | 1.5782 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.7728 | 0.9183 | 1.6911 | 1.5782 |
| Total distributions in the period | | | 1.6911 | 1.5782 |

Group 2: shares purchased during a distribution period.

Threadneedle Pan European Equity Dividend Fund

Comparative Table Disclosure

| | Class 1 – Net income shares | | | Class 1 – Net accumulation shares | | |
|---|-----------------------------|------------|------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 80.20 | 84.24 | 81.34 | 120.68 | 122.07 | 113.26 |
| Return before operating charges (p) | 10.49 | 0.35 | 7.56 | 15.78 | 0.59 | 10.76 |
| Operating charges (p) | (0.72) | (1.35) | (1.38) | (1.08) | (1.98) | (1.95) |
| Return after operating charges (p)* | 9.77 | (1.00) | 6.18 | 14.70 | (1.39) | 8.81 |
| Distributions (p) | (1.21) | (3.04) | (3.28) | (1.82) | (4.45) | (4.61) |
| Retained distributions on accumulation shares (p)** | – | – | – | 1.82 | 4.45 | 4.61 |
| Closing net asset value per share (p) | 88.76 | 80.20 | 84.24 | 135.38 | 120.68 | 122.07 |
| *after direct transaction costs of (p) | 0.07 | 0.17 | 0.28 | 0.10 | 0.24 | 0.39 |
| Performance | | | | | | |
| Return after charges (%) | 12.18 | (1.19) | 7.60 | 12.18 | (1.14) | 7.78 |
| Other information | | | | | | |
| Closing net asset value (£000) | 32,304 | 31,556 | 29,659 | 15,541 | 14,903 | 16,462 |
| Closing number of shares | 36,394,756 | 39,344,572 | 35,206,169 | 11,479,757 | 12,349,052 | 13,485,347 |
| Operating charges (%)*** | 1.66 [†] | 1.67 | 1.69 | 1.66 [†] | 1.67 | 1.69 |
| Direct transaction costs (%)**** | 0.15 | 0.21 | 0.34 | 0.15 | 0.21 | 0.34 |
| Prices | | | | | | |
| Highest share price (p) | 93.39 | 85.89 | 90.55 | 140.52 | 124.51 | 128.45 |
| Lowest share price (p) | 77.64 | 74.67 | 72.16 | 116.82 | 109.79 | 100.47 |

| | Class 2 – Net income shares | | | Class 2 – Net accumulation shares | | |
|---|-----------------------------|------------|------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 84.48 | 88.29 | 84.83 | 129.13 | 129.89 | 119.81 |
| Return before operating charges (p) | 11.07 | 0.39 | 7.91 | 16.89 | 0.63 | 11.45 |
| Operating charges (p) | (0.50) | (0.94) | (0.96) | (0.75) | (1.39) | (1.37) |
| Return after operating charges (p)* | 10.57 | (0.55) | 6.95 | 16.14 | (0.76) | 10.08 |
| Distributions (p) | (1.31) | (3.26) | (3.49) | (2.00) | (4.84) | (4.98) |
| Retained distributions on accumulation shares (p)** | – | – | – | 2.00 | 4.84 | 4.98 |
| Closing net asset value per share (p) | 93.74 | 84.48 | 88.29 | 145.27 | 129.13 | 129.89 |
| *after direct transaction costs of (p) | 0.07 | 0.17 | 0.30 | 0.11 | 0.26 | 0.43 |
| Performance | | | | | | |
| Return after charges (%) | 12.51 | (0.62) | 8.19 | 12.50 | (0.59) | 8.41 |
| Other information | | | | | | |
| Closing net asset value (£000) | 6,125 | 5,784 | 5,890 | 8,678 | 11,759 | 9,242 |
| Closing number of shares | 6,533,849 | 6,845,532 | 6,671,607 | 5,973,792 | 9,106,816 | 7,115,294 |
| Operating charges (%)*** | 1.09 [†] | 1.10 | 1.11 | 1.09 [†] | 1.10 | 1.10 |
| Direct transaction costs (%)**** | 0.15 | 0.21 | 0.34 | 0.15 | 0.21 | 0.34 |
| Prices | | | | | | |
| Highest share price (p) | 98.62 | 90.02 | 94.90 | 150.74 | 133.22 | 136.63 |
| Lowest share price (p) | 81.80 | 78.58 | 75.45 | 125.02 | 117.34 | 106.56 |

Threadneedle Pan European Equity Dividend Fund

Comparative Table Disclosure

(continued)

| | Class X – Net income shares | | | Class X – Net accumulation shares | | |
|---|-----------------------------|------------|-------------------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 ¹ | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 105.54 | 109.18 | 100.00 | 110.10 | 109.73 | 100.02 |
| Return before operating charges (p) | 13.85 | 0.52 | 12.04 | 14.44 | 0.42 | 9.79 |
| Operating charges (p) | (0.05) | (0.11) | (0.09) | (0.02) | (0.05) | (0.08) |
| Return after operating charges (p)* | 13.80 | 0.41 | 11.95 | 14.42 | 0.37 | 9.71 |
| Distributions (p) | (1.64) | (4.05) | (2.77) | (1.74) | (4.17) | (4.43) |
| Retained distributions on accumulation shares (p)** | – | – | – | 1.74 | 4.17 | 4.43 |
| Closing net asset value per share (p) | 117.70 | 105.54 | 109.18 | 124.52 | 110.10 | 109.73 |
| *after direct transaction costs of (p) | 0.09 | 0.22 | 0.38 | 0.09 | 0.22 | 0.34 |
| Performance | | | | | | |
| Return after charges (%) | 13.08 | 0.38 | 11.95 | 13.10 | 0.34 | 9.71 |
| Other information | | | | | | |
| Closing net asset value (£000) | 1,276 | 875 | 257 | 4 | 3 | 3 |
| Closing number of shares | 1,083,925 | 829,014 | 235,076 | 3,000 | 3,000 | 3,000 |
| Operating charges (%)*** | 0.09 [†] | 0.10 | 0.08 [†] | 0.04 [†] | 0.05 | 0.08 |
| Direct transaction costs (%)**** | 0.15 | 0.21 | 0.34 | 0.15 | 0.21 | 0.34 |
| Prices | | | | | | |
| Highest share price (p) | 123.76 | 111.42 | 117.30 | 129.13 | 113.55 | 115.21 |
| Lowest share price (p) | 102.24 | 97.95 | 91.39 | 106.66 | 99.82 | 89.35 |

| | Class Z – Net income shares | | | Class Z – Net accumulation shares | | |
|---|-----------------------------|------------|------------|-----------------------------------|------------|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 ² |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 125.01 | 130.30 | 124.88 | 112.01 | 112.48 | 100.00 |
| Return before operating charges (p) | 16.38 | 0.59 | 11.66 | 14.66 | 0.55 | 13.50 |
| Operating charges (p) | (0.62) | (1.16) | (1.19) | (0.55) | (1.02) | (1.02) |
| Return after operating charges (p)* | 15.76 | (0.57) | 10.47 | 14.11 | (0.47) | 12.48 |
| Distributions (p) | (1.89) | (4.72) | (5.05) | (1.69) | (4.10) | (3.96) |
| Retained distributions on accumulation shares (p)** | – | – | – | 1.69 | 4.10 | 3.96 |
| Closing net asset value per share (p) | 138.88 | 125.01 | 130.30 | 126.12 | 112.01 | 112.48 |
| *after direct transaction costs of (p) | 0.10 | 0.26 | 0.43 | 0.09 | 0.23 | 0.38 |
| Performance | | | | | | |
| Return after charges (%) | 12.61 | (0.44) | 8.38 | 12.60 | (0.42) | 12.48 |
| Other information | | | | | | |
| Closing net asset value (£000) | 13,188 | 5,806 | 4,023 | 275 | 197 | 74 |
| Closing number of shares | 9,495,918 | 4,643,822 | 3,087,378 | 218,269 | 175,631 | 65,320 |
| Operating charges (%)*** | 0.91 [†] | 0.92 | 0.94 | 0.91 [†] | 0.93 | 0.91 [†] |
| Direct transaction costs (%)**** | 0.15 | 0.21 | 0.34 | 0.15 | 0.21 | 0.34 |
| Prices | | | | | | |
| Highest share price (p) | 146.05 | 132.86 | 139.99 | 130.85 | 115.56 | 118.29 |
| Lowest share price (p) | 121.06 | 116.18 | 111.16 | 108.46 | 101.75 | 92.38 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

¹Class X – Net income shares commenced 28 July 2014.

²Class Z – Net accumulation shares commenced 20 August 2014.

[†]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

Threadneedle Pan European Equity Dividend Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

2016

Class 1 – Net income shares

| | |
|-----------------|-------------|
| Opening shares | 39,344,572 |
| Shares issued | 1,488,836 |
| Shares redeemed | (4,438,652) |
| Net conversions | – |
| Closing shares | 36,394,756 |

Class 1 – Net accumulation shares

| | |
|-----------------|-------------|
| Opening shares | 12,349,052 |
| Shares issued | 3,260,021 |
| Shares redeemed | (4,120,607) |
| Net conversions | (8,709) |
| Closing shares | 11,479,757 |

Class 2 – Net income shares

| | |
|-----------------|-----------|
| Opening shares | 6,845,532 |
| Shares issued | 324,208 |
| Shares redeemed | (635,891) |
| Net conversions | – |
| Closing shares | 6,533,849 |

Class 2 – Net accumulation shares

| | |
|-----------------|-------------|
| Opening shares | 9,106,816 |
| Shares issued | 2,368,376 |
| Shares redeemed | (5,499,668) |
| Net conversions | (1,732) |
| Closing shares | 5,973,792 |

Class X – Net income shares

| | |
|-----------------|-----------|
| Opening shares | 829,014 |
| Shares issued | 825,548 |
| Shares redeemed | (570,637) |
| Net conversions | – |
| Closing shares | 1,083,925 |

Class X – Net accumulation shares

| | |
|-----------------|-------|
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |

Class Z – Net income shares

| | |
|-----------------|-----------|
| Opening shares | 4,643,822 |
| Shares issued | 5,163,208 |
| Shares redeemed | (311,112) |
| Net conversions | – |
| Closing shares | 9,495,918 |

2016

Class Z – Net accumulation shares

| | |
|-----------------|----------|
| Opening shares | 175,631 |
| Shares issued | 45,225 |
| Shares redeemed | (13,941) |
| Net conversions | 11,354 |
| Closing shares | 218,269 |

Threadneedle American Extended Alpha Fund

Investment Report

Investment Objective

The investment objective of the American Extended Alpha Fund is to achieve above average capital growth.

Investment Policy

The ACD's investment policy is to actively manage an exposure primarily to equities of companies which are domiciled in North America or which have significant North American operations, by investing directly or indirectly in such securities. If the ACD considers it desirable it may further invest up to one third of the total assets of the Fund in markets other than in North America. Exposure to North American and other markets may be gained through both long and short positions.

The ACD may invest in equities, derivatives, forward transactions and collective investment schemes. The ACD may also invest in other securities (including fixed interest securities and money market securities), deposits and cash.

In order to gain short exposure the ACD will invest in derivatives. The ACD may also invest in derivatives to gain long exposure.

Performance of Net Accumulation Class 1 Shares*

Over the six months to 31 October 2016, the published share price of the Threadneedle American Extended Alpha Fund has risen from 242.83p to 302.91p.

For comparison, on a total return basis using noon prices, the performance of the Class 1 share class was +24.74% and +25.27% for the Class 2 share class compared to a return of +23.78% for the Morningstar UK Unit Trusts/OEICs – (IA) North America Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the S&P 500 Composite Index was +24.85%.

Market Overview and Portfolio Activity

US equities continued to rally over the six months under review, despite significant headwinds, including muted earnings growth, the Brexit referendum, and a closely contested presidential election campaign. The UK's vote to leave the European Union resulted in some short-term market weakness and a rally in the dollar. However, risk assets subsequently gained ground with the dollar stabilising and volatility declining rapidly during the summer months.

Domestic economic data over the period continued to point to expansion. Hiring trends were highly volatile during the period, but in aggregate showed that the US economy continues to add jobs. Data from the Institute of Supply Management showed that services continued to expand, while the manufacturing sector recovered. Manufacturing had been impacted by the stronger dollar and weaker oil prices, but began to recover as these headwinds started to fade. The consumer, the backbone of the US economy, still appears to be spending, albeit at a modest rate. Oil prices firmed, helping energy stocks outperform. Additionally, towards the end of the reviewed period, the Organisation of Petroleum Exporting Countries (OPEC) announced plans to implement a production cut, which briefly buoyed the energy sector. Muted second-quarter earnings results reflected weakness in energy and exports, but third-quarter earnings turned positive, boosted by the improving economic backdrop. In terms of sector performance, the technology sector rallied after the Brexit vote, recovering from underperformance earlier in the year. The financial sector also rebounded strongly, as bond yields rose in the third quarter of the year.

In terms of portfolio activity we did not make any significant strategic shifts around the Brexit vote or prior to the US election. We retain conviction in our core holdings, for which we typically have a five-year investment time horizon. Over the period we added to our position in Apple, on signs that gross margins were stabilising and of the healthy uptake of the new iPhone 7. We also built a position in Devon Energy, a diversified exploration and production company with strong valuation upside potential from a stabilisation or recovery in energy prices. The company has taken steps to shore up its balance sheet, offering an attractive risk/return profile. We increased our exposure to Lam Research, which offers attractive value-growth, the potential to diversify its revenues, and the capacity to improve end-product performance. In terms of sales, our holding in Time Warner Cable, which was held within the fund's portfolio swap, was acquired by Charter Communications. We also exited our positions in Nike and General Electric, where we no longer found the risk/return profile compelling.

Mr Trump's victory in the US election may bring an increase in market volatility until his policy positions become clearer. He appears to broadly favour a more protectionist agenda, which may negatively affect international trade. However, deregulation may favour some industries, such as energy. Potential benefits from a Trump presidency could include tax reform, made more likely by Republican wins in the House of Representatives and the Senate. We may see tax cuts that benefit US firms, and potentially higher fiscal spending if Congress assents to his plans. Such tax plans may favour certain domestic cyclical areas, such as infrastructure, machinery and semiconductors. While a period of general uncertainty looks likely in the near term, we will continue to be vigilant for individual stock opportunities, brought forward by the significant change in political regime.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|---------------|--------------|
| Income | | |
| Net capital gains | 46,619 | 6,828 |
| Revenue | 1,798 | 1,771 |
| Expenses | (1,284) | (1,391) |
| Interest payable and similar charges | (444) | (615) |
| Net revenue/(expense) before taxation | 70 | (235) |
| Taxation | (180) | (37) |
| Net expense after taxation | (110) | (272) |
| Total return before equalisation | 46,509 | 6,556 |
| Equalisation | (17) | (19) |
| Change in net assets attributable to shareholders from investment activities | 46,492 | 6,537 |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|----------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 189,589 | 165,509 |
| Current assets: | | |
| Debtors | 6,839 | 14,420 |
| Cash and bank balances | 21,966 | 30,225 |
| Total assets | 218,394 | 210,154 |
| Liabilities: | | |
| Investment liabilities | (397) | (1) |
| Creditors: | | |
| Bank overdrafts | (1,237) | (831) |
| Other creditors | (916) | (2,730) |
| Total liabilities | (2,550) | (3,562) |
| Net assets attributable to shareholders | 215,844 | 206,592 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|----------------|----------------|
| Opening net assets attributable to shareholders | 206,592 | 256,243 |
| Amounts receivable on the issue of shares | 4,867 | 8,283 |
| Amounts payable on the cancellation of shares | (42,141) | (58,899) |
| | (37,274) | (50,616) |
| Dilution adjustment | 34 | 15 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 46,492 | 6,537 |
| Closing net assets attributable to shareholders | 215,844 | 212,179 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

*In pound Sterling and against UK peer group.

Threadneedle American Extended Alpha Fund

Comparative Table Disclosure

| | Class 1 – Net accumulation shares | | | Class 1 EUR Hedged – Net accumulation shares | | |
|---|-----------------------------------|------------|------------|--|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 242.77 | 232.37 | 193.11 | 207.27 | 194.52 | 200.65 |
| Return before operating charges (p) | 62.36 | 14.29 | 42.71 | 41.06 | 15.97 | (2.82) |
| Operating charges (p) | (2.25) | (3.89) | (3.45) | (1.87) | (3.22) | (3.31) |
| Return after operating charges (p)* | 60.11 | 10.40 | 39.26 | 39.19 | 12.75 | (6.13) |
| Distributions (p) | – | – | – | – | – | – |
| Retained distributions on accumulation shares (p)** | – | – | – | – | – | – |
| Closing net asset value per share (p) | 302.88 | 242.77 | 232.37 | 246.46 | 207.27 | 194.52 |
| *after direct transaction costs of (p) | 0.29 | 0.29 | 0.56 | 0.24 | 0.24 | 0.54 |
| Performance | | | | | | |
| Return after charges (%) | 24.76 | 4.48 | 20.33 | 18.91 | 6.55 | (3.06) |
| Other information | | | | | | |
| Closing net asset value (£000) | 113,026 | 94,137 | 125,329 | 1,286 | 1,312 | 2,837 |
| Closing number of shares | 37,317,248 | 38,776,171 | 53,934,161 | 521,935 | 632,927 | 1,458,549 |
| Operating charges (%)*** | 1.64 [†] | 1.64 | 1.63 | 1.64 [†] | 1.64 | 1.61 |
| Direct transaction costs (%)**** | 0.21 | 0.12 | 0.26 | 0.21 | 0.12 | 0.26 |
| Prices | | | | | | |
| Highest share price (p) | 308.52 | 254.95 | 247.06 | 254.30 | 217.46 | 213.13 |
| Lowest share price (p) | 238.42 | 214.62 | 190.38 | 201.79 | 183.82 | 184.81 |

| | Class 2 – Net accumulation shares | | | Class Z – Net accumulation shares | | |
|---|-----------------------------------|------------|------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 258.00 | 244.92 | 201.87 | 131.68 | 125.08 | 103.19 |
| Return before operating charges (p) | 66.40 | 15.14 | 44.88 | 33.89 | 7.75 | 22.95 |
| Operating charges (p) | (1.19) | (2.06) | (1.83) | (0.67) | (1.15) | (1.06) |
| Return after operating charges (p)* | 65.21 | 13.08 | 43.05 | 33.22 | 6.60 | 21.89 |
| Distributions (p) | – | (0.77) | (0.53) | – | (0.30) | (0.18) |
| Retained distributions on accumulation shares (p)** | – | 0.77 | 0.53 | – | 0.30 | 0.18 |
| Closing net asset value per share (p) | 323.21 | 258.00 | 244.92 | 164.90 | 131.68 | 125.08 |
| *after direct transaction costs of (p) | 0.31 | 0.31 | 0.59 | 0.16 | 0.16 | 0.32 |
| Performance | | | | | | |
| Return after charges (%) | 25.28 | 5.34 | 21.33 | 25.23 | 5.28 | 21.21 |
| Other information | | | | | | |
| Closing net asset value (£000) | 100,180 | 110,300 | 127,275 | 1,352 | 843 | 802 |
| Closing number of shares | 30,994,875 | 42,752,521 | 51,966,483 | 819,849 | 640,388 | 641,494 |
| Operating charges (%)*** | 0.82 [†] | 0.82 | 0.81 | 0.89 [†] | 0.89 | 0.88 |
| Direct transaction costs (%)**** | 0.21 | 0.12 | 0.26 | 0.21 | 0.12 | 0.26 |
| Prices | | | | | | |
| Highest share price (p) | 329.08 | 270.79 | 260.30 | 167.91 | 138.22 | 132.97 |
| Lowest share price (p) | 253.67 | 226.80 | 199.05 | 129.46 | 115.82 | 101.75 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

[†]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period.

Threadneedle American Extended Alpha Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

2016

Class 1 – Net accumulation shares

| | |
|-----------------|-------------|
| Opening shares | 38,776,171 |
| Shares issued | 818,512 |
| Shares redeemed | (2,199,061) |
| Net conversions | (78,374) |
| Closing shares | 37,317,248 |

Class 1 EUR Hedged – Net accumulation shares

| | |
|-----------------|-----------|
| Opening shares | 632,927 |
| Shares issued | 15,605 |
| Shares redeemed | (126,597) |
| Net conversions | – |
| Closing shares | 521,935 |

Class 2 – Net accumulation shares

| | |
|-----------------|--------------|
| Opening shares | 42,752,521 |
| Shares issued | 643,440 |
| Shares redeemed | (12,474,805) |
| Net conversions | 73,719 |
| Closing shares | 30,994,875 |

Class Z – Net accumulation shares

| | |
|-----------------|-----------|
| Opening shares | 640,388 |
| Shares issued | 476,061 |
| Shares redeemed | (296,600) |
| Net conversions | – |
| Closing shares | 819,849 |

Threadneedle US Equity Income Fund*

Investment Report

Investment Objective

The objective of the Fund is to achieve a high level of income combined with the potential for long-term capital growth.

Investment Policy

The Fund will invest principally in a portfolio of US equities, unconstrained by company size or sector classification. The Fund may also invest in other transferable securities, collective investment schemes, money market instruments, deposits, and cash and near cash when deemed appropriate.

The ACD will look to invest in companies that exhibit a high potential for paying above average income.

Performance of Net Income Class 1 Shares**

From launch to 31 October 2016, the published share price of the Threadneedle US Equity Income Fund has risen from 100.00p to 122.72p.

For comparison, on a total return basis using noon prices, the performance of the Class 1 share class was +23.19% and +23.50% for the Class 2 share class compared to a return of +23.73% for the Morningstar UK Unit Trusts/OEICs – (IA) North America Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the S&P 500 Composite Index was +24.85%.

Market Overview and Portfolio Activity

US equities continued to rally over the six months under review, despite significant headwinds, including muted earnings growth, the Brexit referendum, and a closely contested presidential

election campaign. The UK's vote to leave the European Union resulted in some short-term market weakness and a rally in the dollar. However, risk assets subsequently gained ground with the dollar stabilising and volatility declining rapidly during the summer months.

Domestic economic data over the period continued to point to expansion. Hiring trends were highly volatile during the period, but in aggregate showed that the US economy continues to add jobs. Data from the Institute of Supply Management showed that services continued to expand, while the manufacturing sector recovered. Manufacturing had been impacted by the stronger dollar and weaker oil prices, but began to recover as these headwinds started to fade. The consumer, the backbone of the US economy, still appears to be spending, albeit at a modest rate. Oil prices firmed, helping energy stocks outperform. Additionally, towards the end of the reviewed period, the Organisation of Petroleum Exporting Countries (OPEC) announced plans to implement a production cut, which briefly buoyed the energy sector. Muted second-quarter earnings results reflected weakness in energy and exports, but third-quarter earnings turned positive, boosted by the improving economic backdrop. In terms of sector performance, the technology sector rallied after the Brexit vote, recovering from underperformance earlier in the year. The financial sector also rebounded strongly, as bond yields rose in the third quarter of the year.

In terms of portfolio activity we did not make any fundamental strategic shifts around the Brexit vote or prior to the US election. Following Brexit we exited our position in PPL, a utility, in favour of WEC, a Wisconsin-based utility, as the former had some UK revenue exposure. Activity was otherwise driven by

stock-specific opportunities. We initiated a position in Valero, an attractively valued independent refiner with margins near trough. The company has good geographic diversification with Gulf, West Coast and mid-continent operations, meaning it is well placed to seize on cost advantages. We also initiated a position in Watco (HVAC and refrigeration distributor); the firm's installed base is at an advantageous point in terms of the replacement cycle, which offers growth in earnings. We expect additional support from healthy US consumer spending and confidence. Our holding in FirstMerit (banks) was subject to an acquisition by Huntington Bancshares. We exited our position in Aflac (life insurance) which we no longer view as an attractive risk/return opportunity.

Mr Trump's victory in the US election may bring an increase in market volatility until his policy positions become clearer. He appears to broadly favour a more protectionist agenda, which may negatively affect international trade. However, deregulation may favour some industries, such as energy. Potential benefits from a Trump presidency could include tax reform, made more likely by Republican wins in the House of Representatives and the Senate. We may see tax cuts that benefit US firms, and potentially higher fiscal spending if Congress assents to his plans. Such tax plans may favour certain domestic cyclical areas, such as infrastructure, machinery and semiconductors. While a period of general uncertainty looks likely in the near term, we will continue to be vigilant for individual stock opportunities, brought forward by the significant change in political regime.

STATEMENT OF TOTAL RETURN

for the accounting period 23 May 2016 to 31 October 2016

| | 2016 £000 |
|---|---------------|
| Income | |
| Net capital gains | 22,345 |
| Revenue | 1,413 |
| Expenses | (85) |
| Net revenue before taxation | 1,328 |
| Taxation | (197) |
| Net revenue after taxation | 1,131 |
| Total return before distributions | 23,476 |
| Distributions | (1,210) |
| Change in net assets attributable to shareholders from investment activities | 22,266 |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 |
|--|----------------|
| Assets: | |
| Fixed assets: | |
| Investments | 111,851 |
| Current assets: | |
| Debtors | 182 |
| Cash and bank balances | 1,030 |
| Total assets | 113,063 |
| Liabilities: | |
| Creditors: | |
| Distribution payable | (758) |
| Other creditors | (27) |
| Total liabilities | (785) |
| Net assets attributable to shareholders | 112,278 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 23 May 2016 to 31 October 2016

| | 2016 £000 |
|--|----------------|
| Opening net assets attributable to shareholders | – |
| Amounts receivable on the issue of shares | 13,109 |
| Amounts payable on the cancellation of shares | (16,584) |
| Amounts receivable on inspecie transfers | 93,473 |
| | 89,998 |
| Dilution adjustment | 14 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 22,266 |
| Closing net assets attributable to shareholders | 112,278 |

DISTRIBUTION TABLE

for the accounting period 23 May 2016 to 31 October 2016

Dividend distribution in pence per share

Class 1 Shares

Net income*

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 |
|--|-------------------|--------------|--------------------------------|
| Group 1 | | | |
| 23/05/16 to 31/07/16 | 0.4476 | – | 0.4476 |
| 01/08/16 to 31/10/16 | 0.8256 | – | 0.8256 |
| Group 2 | | | |
| 23/05/16 to 31/07/16 | 0.2376 | 0.2100 | 0.4476 |
| 01/08/16 to 31/10/16 | 0.2456 | 0.5800 | 0.8256 |
| Total distributions in the period | | | 1.2732 |

Class 1 Shares

Net accumulation*

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 |
|--|-------------------|--------------|--------------------------|
| Group 1 | | | |
| 01/08/16 to 31/10/16 | 0.0743 | – | 0.0743 |
| Group 2 | | | |
| 01/08/16 to 31/10/16 | 0.0743 | – | 0.0743 |
| Total distributions in the period | | | 0.0743 |

*Fund launched on 23 May 2016.

**In pound Sterling and against UK peer group.

Threadneedle US Equity Income Fund

DISTRIBUTION TABLE

(continued)

Class 1 EUR Hedged Shares

Net accumulation*

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 |
|--|-------------------|--------------|--------------------------|
| Group 1 | | | |
| 01/08/16 to 31/10/16 | 0.0855 | – | 0.0855 |
| Group 2 | | | |
| 01/08/16 to 31/10/16 | 0.0855 | – | 0.0855 |
| Total distributions in the period | | | 0.0855 |

Class 2 Shares

Net income*

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 |
|--|-------------------|--------------|--------------------------------|
| Group 1 | | | |
| 23/05/16 to 31/07/16 | 0.4490 | – | 0.4490 |
| 01/08/16 to 31/10/16 | 0.8263 | – | 0.8263 |
| Group 2 | | | |
| 23/05/16 to 31/07/16 | 0.4490 | – | 0.4490 |
| 01/08/16 to 31/10/16 | 0.8263 | – | 0.8263 |
| Total distributions in the period | | | 1.2753 |

Class 2 EUR Hedged Shares

Net income*

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 |
|--|-------------------|--------------|--------------------------------|
| Group 1 | | | |
| 23/05/16 to 31/07/16 | 0.4490 | – | 0.4490 |
| 01/08/16 to 31/10/16 | 0.8236 | – | 0.8236 |
| Group 2 | | | |
| 23/05/16 to 31/07/16 | 0.4490 | – | 0.4490 |
| 01/08/16 to 31/10/16 | 0.8236 | – | 0.8236 |
| Total distributions in the period | | | 1.2726 |

Class 2 EUR Hedged Shares

Net accumulation*

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 |
|--|-------------------|--------------|--------------------------|
| Group 1 | | | |
| 01/08/16 to 31/10/16 | 0.0855 | – | 0.0855 |
| Group 2 | | | |
| 01/08/16 to 31/10/16 | 0.0855 | – | 0.0855 |
| Total distributions in the period | | | 0.0855 |

Class L Shares

Net income*

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 |
|--|-------------------|--------------|--------------------------------|
| Group 1 | | | |
| 23/05/16 to 31/07/16 | 0.7366 | – | 0.7366 |
| 01/08/16 to 31/10/16 | 1.3609 | – | 1.3609 |
| Group 2 | | | |
| 23/05/16 to 31/07/16 | 0.3390 | 0.3976 | 0.7366 |
| 01/08/16 to 31/10/16 | 0.5767 | 0.7842 | 1.3609 |
| Total distributions in the period | | | 2.0975 |

Class X Shares

Net income*

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 |
|--|-------------------|--------------|--------------------------------|
| Group 1 | | | |
| 23/05/16 to 31/07/16 | 0.7490 | – | 0.7490 |
| 01/08/16 to 31/10/16 | 1.3888 | – | 1.3888 |
| Group 2 | | | |
| 23/05/16 to 31/07/16 | 0.2062 | 0.5428 | 0.7490 |
| 01/08/16 to 31/10/16 | 0.4149 | 0.9739 | 1.3888 |
| Total distributions in the period | | | 2.1378 |

Class Z Shares

Net income*

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 |
|--|-------------------|--------------|--------------------------------|
| Group 1 | | | |
| 23/05/16 to 31/07/16 | 0.4486 | – | 0.4486 |
| 01/08/16 to 31/10/16 | 0.8261 | – | 0.8261 |
| Group 2 | | | |
| 23/05/16 to 31/07/16 | 0.4486 | – | 0.4486 |
| 01/08/16 to 31/10/16 | 0.2461 | 0.5800 | 0.8261 |
| Total distributions in the period | | | 1.2747 |

Class Z CHF Hedged Shares

Net income*

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 |
|--|-------------------|--------------|--------------------------------|
| Group 1 | | | |
| 01/08/16 to 31/10/16 | 0.0856 | – | 0.0856 |
| Group 2 | | | |
| 01/08/16 to 31/10/16 | 0.0856 | – | 0.0856 |
| Total distributions in the period | | | 0.0856 |

Class Z Shares

Net accumulation*

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 |
|--|-------------------|--------------|--------------------------|
| Group 1 | | | |
| 01/08/16 to 31/10/16 | 0.0743 | – | 0.0743 |
| Group 2 | | | |
| 01/08/16 to 31/10/16 | 0.0743 | – | 0.0743 |
| Total distributions in the period | | | 0.0743 |

Class Z EUR Hedged Shares

Net accumulation*

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 |
|--|-------------------|--------------|--------------------------|
| Group 1 | | | |
| 01/08/16 to 31/10/16 | 0.0854 | – | 0.0854 |
| Group 2 | | | |
| 01/08/16 to 31/10/16 | 0.0854 | – | 0.0854 |
| Total distributions in the period | | | 0.0854 |

Group 2: shares purchased during a distribution period.

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

Threadneedle US Equity Income Fund

Comparative Table Disclosure

| | Class 1 – Net income shares 31/10/2016 ¹ | Class 1 – Net accumulation shares 31/10/2016 ² |
|---|---|--|
| Change in net assets per share | | |
| Opening net asset value per share (p) | 100.00 | 100.00 |
| Return before operating charges (p) | 23.99 | 4.23 |
| Operating charges (p) | (0.85) | (0.12) |
| Return after operating charges (p)* | 23.14 | 4.11 |
| Distributions (p) | (1.27) | (0.07) |
| Retained distributions on accumulation shares (p)** | – | 0.07 |
| Closing net asset value per share (p) | 121.87 | 104.11 |
| *after direct transaction costs of (p) | 0.03 | 0.03 |
| Performance | | |
| Return after charges (%) | 23.14 | 4.11 |
| Other information | | |
| Closing net asset value (£000) | 248 | 3 |
| Closing number of shares | 203,618 | 3,000 |
| Operating charges (%)*** | 1.61 [†] | 1.63 [†] |
| Direct transaction costs (%)**** | 0.07 | 0.07 |
| Prices | | |
| Highest share price (p) | 123.34 | 104.66 |
| Lowest share price (p) | 98.94 | 99.68 |
| | Class 1 EUR Hedged – Net accumulation shares 31/10/2016 ³ | Class 2 – Net income shares 31/10/2016 ⁴ |
| Change in net assets per share | | |
| Opening net asset value per share (p) | 100.00 | 100.00 |
| Return before operating charges (p) | 2.07 | 23.96 |
| Operating charges (p) | (0.13) | (0.51) |
| Return after operating charges (p)* | 1.94 | 23.45 |
| Distributions (p) | (0.09) | (1.28) |
| Retained distributions on accumulation shares (p)** | 0.09 | – |
| Closing net asset value per share (p) | 101.94 | 122.17 |
| *after direct transaction costs of (p) | 0.03 | 0.03 |
| Performance | | |
| Return after charges (%) | 1.94 | 23.45 |
| Other information | | |
| Closing net asset value (£000) | 10 | 4 |
| Closing number of shares | 10,000 | 3,000 |
| Operating charges (%)*** | 1.69 [†] | 1.02 [†] |
| Direct transaction costs (%)**** | 0.07 | 0.07 |
| Prices | | |
| Highest share price (p) | 103.45 | 123.64 |
| Lowest share price (p) | 100.00 | 98.95 |

Threadneedle US Equity Income Fund

Comparative Table Disclosure

(continued)

| | Class 2 EUR Hedged – Net income shares 31/10/2016 ⁵ | Class 2 EUR Hedged – Net accumulation shares 31/10/2016 ⁵ |
|---|---|---|
| Change in net assets per share | | |
| Opening net asset value per share (p) | 100.00 | 100.00 |
| Return before operating charges (p) | 20.27 | 2.05 |
| Operating charges (p) | (0.53) | (0.08) |
| Return after operating charges (p)* | 19.74 | 1.97 |
| Distributions (p) | (1.27) | (0.09) |
| Retained distributions on accumulation shares (p)** | – | 0.09 |
| Closing net asset value per share (p) | 118.47 | 101.97 |
| *after direct transaction costs of (p) | 0.03 | 0.03 |
| Performance | | |
| Return after charges (%) | 19.74 | 1.97 |
| Other information | | |
| Closing net asset value (£000) | 12 | 10 |
| Closing number of shares | 10,000 | 10,000 |
| Operating charges (%)*** | 1.06 [†] | 1.11 [†] |
| Direct transaction costs (%)**** | 0.07 | 0.07 |
| Prices | | |
| Highest share price (p) | 121.09 | 103.46 |
| Lowest share price (p) | 98.75 | 100.00 |
| | Class L – Net income shares 31/10/2016 ⁷ | Class X – Net income shares 31/10/2016 ⁸ |
| Change in net assets per share | | |
| Opening net asset value per share (p) | 100.00 | 100.00 |
| Return before operating charges (p) | 102.22 | 108.18 |
| Operating charges (p) | (0.53) | (0.03) |
| Return after operating charges (p)* | 101.69 | 108.15 |
| Distributions (p) | (2.10) | (2.14) |
| Retained distributions on accumulation shares (p)** | – | – |
| Closing net asset value per share (p) | 199.59 | 206.01 |
| *after direct transaction costs of (p) | 0.05 | 0.06 |
| Performance | | |
| Return after charges (%) | 101.69 | 108.15 |
| Other information | | |
| Closing net asset value (£000) | 23,192 | 88,647 |
| Closing number of shares | 11,619,853 | 43,030,458 |
| Operating charges (%)*** | 0.65 [†] | 0.04 [†] |
| Direct transaction costs (%)**** | 0.07 | 0.07 |
| Prices | | |
| Highest share price (p) | 202.01 | 208.47 |
| Lowest share price (p) | 161.48 | 166.28 |

Threadneedle US Equity Income Fund

Comparative Table Disclosure

(continued)

| | Class Z – Net income shares 31/10/2016 ⁹ | Class Z CHF Hedged – Net income shares 31/10/2016 ¹⁰ |
|---|---|--|
| Change in net assets per share | | |
| Opening net asset value per share (p) | 100.00 | 100.00 |
| Return before operating charges (p) | 23.98 | 3.13 |
| Operating charges (p) | (0.47) | (0.07) |
| Return after operating charges (p)* | 23.51 | 3.06 |
| Distributions (p) | (1.27) | (0.09) |
| Retained distributions on accumulation shares (p)** | – | – |
| Closing net asset value per share (p) | 122.24 | 102.97 |
| *after direct transaction costs of (p) | 0.04 | 0.03 |
| Performance | | |
| Return after charges (%) | 23.51 | 3.06 |
| Other information | | |
| Closing net asset value (£000) | 129 | 10 |
| Closing number of shares | 104,936 | 10,000 |
| Operating charges (%)*** | 0.88 [†] | 0.93 [†] |
| Direct transaction costs (%)**** | 0.07 | 0.07 |
| Prices | | |
| Highest share price (p) | 123.70 | 103.46 |
| Lowest share price (p) | 98.95 | 99.98 |
| | Class Z – Net accumulation shares 31/10/2016 ¹¹ | Class Z EUR Hedged – Net accumulation shares 31/10/2016 ¹² |
| Change in net assets per share | | |
| Opening net asset value per share (p) | 100.00 | 100.00 |
| Return before operating charges (p) | 4.22 | 2.05 |
| Operating charges (p) | (0.06) | (0.07) |
| Return after operating charges (p)* | 4.16 | 1.98 |
| Distributions (p) | (0.07) | (0.09) |
| Retained distributions on accumulation shares (p)** | 0.07 | 0.09 |
| Closing net asset value per share (p) | 104.16 | 101.98 |
| *after direct transaction costs of (p) | 0.03 | 0.03 |
| Performance | | |
| Return after charges (%) | 4.16 | 1.98 |
| Other information | | |
| Closing net asset value (£000) | 3 | 10 |
| Closing number of shares | 3,000 | 10,000 |
| Operating charges (%)*** | 0.85 [†] | 0.93 [†] |
| Direct transaction costs (%)**** | 0.07 | 0.07 |
| Prices | | |
| Highest share price (p) | 104.70 | 103.46 |
| Lowest share price (p) | 99.69 | 100.00 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

¹Class 1 – Net income shares commenced 23 May 2016.

²Class 1 – Net accumulation shares commenced 4 October 2016.

³Class 1 EUR Hedged – Net accumulation shares commenced 4 October 2016.

⁴Class 2 – Net income shares commenced 23 May 2016.

⁵Class 2 EUR Hedged – Net income shares commenced 23 May 2016.

⁶Class 2 EUR Hedged – Net accumulation shares commenced 4 October 2016.

⁷Class L – Net income shares commenced 23 May 2016.

⁸Class X – Net income shares commenced 23 May 2016.

⁹Class Z – Net income shares commenced 23 May 2016.

¹⁰Class Z CHF Hedged – Net income shares commenced 4 October 2016.

¹¹Class Z – Net accumulation shares commenced 4 October 2016.

¹²Class Z EUR Hedged – Net accumulation shares commenced 4 October 2016.

[†]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

Threadneedle US Equity Income Fund

Notes to the financial statements

for the accounting period 23 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

| | 2016 |
|--|-------------|
| Class 1 – Net income shares* | |
| Opening shares | – |
| Shares issued | 203,618 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 203,618 |
| Class 1 – Net accumulation shares* | |
| Opening shares | – |
| Shares issued | 3,000 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |
| Class 1 EUR Hedged – Net accumulation shares* | |
| Opening shares | – |
| Shares issued | 10,000 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 10,000 |
| Class 2 – Net income shares * | |
| Opening shares | – |
| Shares issued | 3,000 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |
| Class 2 EUR Hedged – Net income shares* | |
| Opening shares | – |
| Shares issued | 10,000 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 10,000 |
| Class 2 EUR Hedged – Net accumulation shares* | |
| Opening shares | – |
| Shares issued | 10,000 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 10,000 |
| Class L – Net income shares* | |
| Opening shares | – |
| Shares issued | 15,997,016 |
| Shares redeemed | (4,377,163) |
| Net conversions | – |
| Closing shares | 11,619,853 |

| | 2016 |
|--|-------------|
| Class X – Net income shares* | |
| Opening shares | – |
| Shares issued | 46,760,053 |
| Shares redeemed | (3,729,595) |
| Net conversions | – |
| Closing shares | 43,030,458 |
| Class Z – Net income shares* | |
| Opening shares | – |
| Shares issued | 104,936 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 104,936 |
| Class Z CHF Hedged – Net income shares* | |
| Opening shares | – |
| Shares issued | 10,000 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 10,000 |
| Class Z – Net accumulation shares* | |
| Opening shares | – |
| Shares issued | 3,000 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |
| Class Z EUR Hedged – Net accumulation shares* | |
| Opening shares | – |
| Shares issued | 10,000 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 10,000 |

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

Threadneedle China Opportunities Fund

Investment Report

Investment Objective

The investment objective of the China Opportunities Fund is to achieve long-term capital growth.

Investment Policy

The ACD's investment policy is to invest the assets of the Fund primarily in equities and equity related securities of Chinese companies. These are defined as companies domiciled in and/or whose significant activities are in the People's Republic of China.

If the ACD considers it desirable, it may further invest up to one third of the total assets of the Fund in derivatives, forward transactions and other securities (including fixed interest securities, other equities, money market securities and cash).

In exceptional circumstances and on a temporary basis, the ACD may hold a substantial proportion of the Fund in cash and/or money market instruments.

Performance of Net Accumulation Class 1 Shares*

Over the six months to 31 October 2016, the published share price of the Threadneedle China Opportunities Fund has risen from 214.11p to 284.10p.

For comparison, using noon prices, the performance of the Class 1 share class was +32.69% and +33.08% for the Class 2 share class compared to a return of +33.30% for the Morningstar UK Unit Trusts/ OEICS – (IA) China – Greater China Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the MSCI China Index was +34.74%.

Market Overview and Portfolio Activity

Chinese equities performed strongly over the period under review. Moreover, returns for UK-based investors were even stronger due

to the weakness of sterling following the UK's vote to leave the European Union in the June referendum.

Sentiment towards China was buoyed by signs of economic stabilisation, supported by earlier monetary easing. In addition, the Shanghai-Hong Kong Stock Connect has allowed mainland insurers to invest directly in Hong Kong shares, resulting in strong southbound flows. Meanwhile, the approval of the new Shenzhen-Hong Kong Stock Connect demonstrates the efforts of the State Council to open up the country's financial markets to global investors.

Chinese corporate results for the first half of the year slightly exceeded market expectations. Technology companies delivered strong growth, driven by solid demand and product innovation, while firms in traditional sectors benefited from improving producer price inflation (PPI), cost savings and reduced capital expenditure. More recently, PPI data has turned positive, following 54 months of PPI deflation; the trend in PPI is positive for nominal GDP growth and industry profits. We have also witnessed a more stable Chinese currency, with depreciation much more controlled this year compared with market expectations at the end of 2015. Given the relatively stable environment, the Chinese government is now putting greater emphasis on supply-side reforms in sectors with excess capacity; the authorities have also announced a tightening of property market policies in the top 20 cities in an attempt to cool down the overheated market.

During the period, the fund opened several new positions, including New Oriental Education, one of China's top educational services providers. The company has been gaining market share in the first to twelfth grade segment, with an improving margin outlook. Another addition was Sinopharm, China's largest drug distributor, which is growing faster than the industry. Other new purchases included Nexteer, a leading component manufacturer of electric-power steering systems, which has achieved fast growth in emerging markets, and Sands China, which is benefiting from the growth

of mass-market gaming in Macau. Other additions included AAC Technologies, the leading technology company in the acoustic segment, and Hikvision, the world's largest surveillance-camera products and services provider, which has been gaining global market share.

To fund these purchases the fund sold several positions, including Fosun International, Cosmo Lady and JD.com, due to changes in the growth outlook. The fund also exited Nagacorp, on the rationale that growth in earnings-per-share is being diluted by new share issuance; and A-share listed Chongqing Changan Automobile, on concerns over the likely drag on earnings from discounting its domestic brand. The fund took some profits in Baozun as the share price had more than doubled since the start of 2016.

A Trump presidency introduces uncertainty to the outlook for China's exports given that the US is China's largest export destination and Mr Trump has threatened to impose punitive tariffs on Chinese imports. However, it is worth remembering that the Chinese economy has already re-balanced significantly away from exports – net exports as a share of GDP have fallen to 3.4% from the 8.6% level they reached prior to the global financial crisis. If the US becomes more protectionist under the new president, China is likely to accelerate its push to diversify its export markets more towards emerging markets and generate more momentum behind projects such as "One Belt and One Road".

Another increased source of uncertainty is the outlook for the RMB/US\$ exchange rate in the face of a stronger US dollar and the threat of the new US president labelling China a currency manipulator. The fund will continue to favour domestically oriented stocks in China, particularly those in the services space and which are in a position to build multinational business platforms.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|---------------|-----------------|
| Income | | |
| Net capital gains/(losses) | 24,749 | (35,334) |
| Revenue | 2,043 | 3,087 |
| Expenses | (543) | (724) |
| Net revenue before taxation | 1,500 | 2,363 |
| Taxation | (145) | (241) |
| Net revenue after taxation | 1,355 | 2,122 |
| Total return before equalisation | 26,104 | (33,212) |
| Equalisation | (207) | – |
| Change in net assets attributable to shareholders from investment activities | 25,897 | (33,212) |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|----------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 95,387 | 83,045 |
| Current assets: | | |
| Debtors | 1,291 | 69 |
| Cash and bank balances | 2,177 | 1,738 |
| Total assets | 98,855 | 84,852 |
| Liabilities: | | |
| Investment liabilities | (6) | – |
| Creditors: | | |
| Other creditors | (3,478) | (349) |
| Total liabilities | (3,484) | (349) |
| Net assets attributable to shareholders | 95,371 | 84,503 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|---------------|----------------|
| Opening net assets attributable to shareholders | 84,503 | 159,539 |
| Amounts receivable on the issue of shares | 23,583 | 33,941 |
| Amounts payable on the cancellation of shares | (38,715) | (65,057) |
| | (15,132) | (31,116) |
| Dilution adjustment | 103 | 181 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 25,897 | (33,212) |
| Closing net assets attributable to shareholders | 95,371 | 95,392 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

*In pound Sterling and against UK peer group.

Threadneedle China Opportunities Fund

Comparative Table Disclosure

| | Class 1 – Net accumulation shares | | | Class 2 – Net accumulation shares | | |
|---|-----------------------------------|------------|------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 213.82 | 288.65 | 190.67 | 225.02 | 302.03 | 198.35 |
| Return before operating charges (p) | 72.16 | (70.94) | 101.86 | 76.06 | (74.35) | 106.30 |
| Operating charges (p) | (2.04) | (3.89) | (3.88) | (1.41) | (2.66) | (2.62) |
| Return after operating charges (p)* | 70.12 | (74.83) | 97.98 | 74.65 | (77.01) | 103.68 |
| Distributions (p) | – | (3.57) | – | – | (4.82) | (2.09) |
| Retained distributions on accumulation shares (p)** | – | 3.57 | – | – | 4.82 | 2.09 |
| Closing net asset value per share (p) | 283.94 | 213.82 | 288.65 | 299.67 | 225.02 | 302.03 |
| *after direct transaction costs of (p) | 0.25 | 0.55 | 0.69 | 0.26 | 0.58 | 0.70 |
| Performance | | | | | | |
| Return after charges (%) | 32.79 | (25.92) | 51.39 | 33.17 | (25.50) | 52.27 |
| Other information | | | | | | |
| Closing net asset value (£000) | 23,924 | 20,131 | 46,604 | 46,019 | 35,160 | 70,555 |
| Closing number of shares | 8,425,892 | 9,414,760 | 16,145,270 | 15,356,477 | 15,624,961 | 23,360,408 |
| Operating charges (%)*** | 1.65† | 1.67 | 1.67 | 1.08† | 1.09 | 1.10 |
| Direct transaction costs (%)**** | 0.20 | 0.23 | 0.30 | 0.20 | 0.23 | 0.30 |
| Prices | | | | | | |
| Highest share price (p) | 292.46 | 294.24 | 309.53 | 308.57 | 308.00 | 323.76 |
| Lowest share price (p) | 200.65 | 183.40 | 183.49 | 211.23 | 192.76 | 190.90 |
| | | | | | | |
| | Class Z – Net accumulation shares | | | | | |
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | | | |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 143.75 | 192.60 | 126.27 | | | |
| Return before operating charges (p) | 48.59 | (47.45) | 67.76 | | | |
| Operating charges (p) | (0.74) | (1.40) | (1.43) | | | |
| Return after operating charges (p)* | 47.85 | (48.85) | 66.33 | | | |
| Distributions (p) | – | (2.78) | (0.16) | | | |
| Retained distributions on accumulation shares (p)** | – | 2.78 | 0.16 | | | |
| Closing net asset value per share (p) | 191.60 | 143.75 | 192.60 | | | |
| *after direct transaction costs of (p) | 0.17 | 0.37 | 0.47 | | | |
| Performance | | | | | | |
| Return after charges (%) | 33.29 | (25.36) | 52.53 | | | |
| Other information | | | | | | |
| Closing net asset value (£000) | 25,428 | 29,212 | 42,380 | | | |
| Closing number of shares | 13,270,856 | 20,321,337 | 22,004,369 | | | |
| Operating charges (%)*** | 0.90† | 0.91 | 0.91 | | | |
| Direct transaction costs (%)**** | 0.20 | 0.23 | 0.30 | | | |
| Prices | | | | | | |
| Highest share price (p) | 197.27 | 196.44 | 206.46 | | | |
| Lowest share price (p) | 134.95 | 123.10 | 121.54 | | | |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

[†]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period.

Threadneedle China Opportunities Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

| | 2016 |
|--|-------------|
| Class 1 – Net accumulation shares | |
| Opening shares | 9,414,760 |
| Shares issued | 7,844,544 |
| Shares redeemed | (8,803,146) |
| Net conversions | (30,266) |
| Closing shares | 8,425,892 |
| Class 2 – Net accumulation shares | |
| Opening shares | 15,624,961 |
| Shares issued | 723,568 |
| Shares redeemed | (992,052) |
| Net conversions | – |
| Closing shares | 15,356,477 |
| Class Z – Net accumulation shares | |
| Opening shares | 20,321,337 |
| Shares issued | 1,307,174 |
| Shares redeemed | (8,402,654) |
| Net conversions | 44,999 |
| Closing shares | 13,270,856 |

Threadneedle Global Emerging Markets Equity Fund

Investment Report

Investment Objective

The investment objective of the Global Emerging Markets Equity Fund is to achieve long-term capital growth.

Investment Policy

The ACD's investment policy is to invest the assets of the Fund primarily in equities of Emerging Markets companies. These are defined as companies domiciled in and/or whose significant activities are in Emerging Market countries. Emerging Market countries are those characterised as developing or emerging by the World Bank, the United Nations or the MSCI Emerging Markets Free Index.

If the ACD considers it desirable, it may further invest up to one third of the total assets of the Fund in other securities (including fixed interest securities, other equities and money market securities).

In addition, the ACD may use derivatives and forward transactions for purposes that are limited to efficient portfolio management.

Performance of Net Accumulation Class 1 Shares*

Over the six months to 31 October 2016, the published share price of the Threadneedle Global Emerging Markets Equity Fund has risen from 84.33p to 106.10p.

For comparison, using noon prices, the performance of the Class 1 share class was +25.82% and +26.17% for the Class 2 share class compared to a return of +31.35% for the Morningstar UK Unit Trusts/OEICs – (IA) Global Emerging Markets Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the MSCI Emerging Markets Index was +31.60%.

Market Overview and Portfolio Activity

Global emerging market (EM) equities performed strongly over the six months under review. Moreover, the returns for UK-based investors were even stronger as a result of the weakness of sterling following the UK's vote to leave the European Union in the June referendum. Sentiment was also helped by further monetary easing by several EM central banks, additional government fiscal stimulus and the rally in commodity prices. Alongside supportive domestic developments, markets benefited from larger capital inflows as a result of the Federal Reserve's (Fed's) decision to leave US interest rates on hold.

We added several new positions to the portfolio, including Korea's leading web operator Naver, whose popular messaging app was recently listed in the US. We also added Klabin, a beneficiary of the bottoming in Brazilian industrial activity; Energisa, a Brazilian power company; Alibaba, a Chinese e-commerce company; Bancolombia, which is attractively valued and stands to benefit from the recovery in oil prices; Wistron Neweb, which is adding new products and clients in the internet of things (IoT) segment; and IHH, a healthcare operator which has a premium brand and strong market share in its core markets.

We increased existing positions in the portfolio, including Tencent, where we continue to like the diversified business model in gaming, advertising and e-commerce. Tencent's competitive advantage lies in its network, which is difficult to replicate for any other internet player in China and should prove resilient despite the slowing Chinese economy. We increased our holding in Komerční Banka, where we bought into the

weakness following the precautionary dividend cut related to stringent capital requirements. The bank remains in good condition and the overreaction has begun to dissipate; Komerční remains one of the highest-yielding stocks in the region and its operating environment is increasingly favourable.

The fund sold its positions in Turkey following the attempted coup, exiting names such as Tofas, Akbank and Ulker. The fund also exited IJM, given the lack of earnings visibility, and LPN Development, SABMiller and Interpark. Other sales included LG Chemicals and sportswear manufacturer Eclat, on concerns regarding the company's earnings following poor order flow from retailers.

We continue to believe that monetary conditions in developed markets will remain accommodative for a prolonged period of time, especially in light of the additional economic uncertainty created by the UK's Brexit vote. With the overall trajectory for US rates likely to be shallow, and a substantial amount of improvement seen in many emerging markets' fiscal and current account positions, this should mean that we see less pressure on emerging-market bonds and currencies going forward.

We are focused on countries that have made the most progress in addressing their economic imbalances. These include India and Mexico, both of which are benefiting from domestic reform programmes. With the likelihood of a slowdown within developed economies increasing, the domestic-demand dynamics within emerging markets are likely to become an increasingly important theme.

China remains our main concern, due to the high level of corporate debt and over-supply in the property market, which places pressure on economic growth.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|---------------|-----------------|
| Income | | |
| Net capital gains/(losses) | 63,111 | (57,455) |
| Revenue | 3,780 | 3,845 |
| Expenses | (1,528) | (1,434) |
| Net revenue before taxation | 2,252 | 2,411 |
| Taxation | (356) | (389) |
| Net revenue after taxation | 1,896 | 2,022 |
| Total return before equalisation | 65,007 | (55,433) |
| Equalisation | 45 | – |
| Change in net assets attributable to shareholders from investment activities | 65,052 | (55,433) |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|----------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 296,652 | 226,489 |
| Current assets: | | |
| Debtors | 10,913 | 9,873 |
| Cash and bank balances | 24,161 | 22,056 |
| Total assets | 331,726 | 258,418 |
| Liabilities: | | |
| Creditors: | | |
| Other creditors | (9,126) | (11,514) |
| Total liabilities | (9,126) | (11,514) |
| Net assets attributable to shareholders | 322,600 | 246,904 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|----------------|----------------|
| Opening net assets attributable to shareholders | 246,904 | 308,216 |
| Amounts receivable on the issue of shares | 60,057 | 71,002 |
| Amounts payable on the cancellation of shares | (49,536) | (116,086) |
| | 10,521 | (45,084) |
| Dilution adjustment | 123 | 402 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 65,052 | (55,433) |
| Closing net assets attributable to shareholders | 322,600 | 208,101 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

*In pound Sterling and against UK peer group.

Threadneedle Global Emerging Markets Equity Fund

Comparative Table Disclosure

| | Class 1 – Net accumulation shares | | | Class 2 – Net accumulation shares | | |
|---|-----------------------------------|------------|-------------|-----------------------------------|-------------|-------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 84.26 | 96.07 | 82.36 | 89.51 | 101.48 | 86.50 |
| Return before operating charges (p) | 22.52 | (10.39) | 15.23 | 23.96 | (11.02) | 16.03 |
| Operating charges (p) | (0.79) | (1.42) | (1.52) | (0.55) | (0.95) | (1.05) |
| Return after operating charges (p)* | 21.73 | (11.81) | 13.71 | 23.41 | (11.97) | 14.98 |
| Distributions (p) | – | (0.64) | – | – | (1.05) | (0.52) |
| Retained distributions on accumulation shares (p)** | – | 0.64 | – | – | 1.05 | 0.52 |
| Closing net asset value per share (p) | 105.99 | 84.26 | 96.07 | 112.92 | 89.51 | 101.48 |
| *after direct transaction costs of (p) | 0.17 | 0.55 | 0.32 | 0.18 | 0.56 | 0.33 |
| Performance | | | | | | |
| Return after charges (%) | 25.79 | (12.29) | 16.65 | 26.15 | (11.80) | 17.32 |
| Other information | | | | | | |
| Closing net asset value (£000) | 85,603 | 70,692 | 138,966 | 154,263 | 110,847 | 113,042 |
| Closing number of shares | 80,765,795 | 83,901,872 | 144,648,003 | 136,614,767 | 123,843,226 | 111,396,049 |
| Operating charges (%)*** | 1.65 [†] | 1.68 | 1.66 | 1.08 [†] | 1.10 | 1.10 |
| Direct transaction costs (%)**** | 0.35 | 0.65 | 0.35 | 0.35 | 0.65 | 0.35 |
| Prices | | | | | | |
| Highest share price (p) | 107.76 | 97.13 | 101.27 | 114.79 | 102.60 | 106.95 |
| Lowest share price (p) | 80.61 | 72.32 | 82.19 | 85.66 | 76.53 | 86.32 |

| | Class X – Net income shares | | | Class X – Net accumulation shares | | |
|---|-----------------------------|------------|-------------------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 ¹ | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 92.93 | 106.60 | 100.00 | 78.02 | 87.59 | 73.93 |
| Return before operating charges (p) | 24.95 | (11.60) | 8.83 | 20.95 | (9.49) | 13.74 |
| Operating charges (p) | (0.02) | (0.05) | (0.05) | (0.04) | (0.08) | (0.08) |
| Return after operating charges (p)* | 24.93 | (11.65) | 8.78 | 20.91 | (9.57) | 13.66 |
| Distributions (p) | – | (2.02) | (2.18) | – | (1.71) | (1.34) |
| Retained distributions on accumulation shares (p)** | – | – | – | – | 1.71 | 1.34 |
| Closing net asset value per share (p) | 117.86 | 92.93 | 106.60 | 98.93 | 78.02 | 87.59 |
| *after direct transaction costs of (p) | 0.18 | 0.59 | 0.27 | 0.16 | 0.49 | 0.28 |
| Performance | | | | | | |
| Return after charges (%) | 26.83 | (10.93) | 8.78 | 26.80 | (10.93) | 18.48 |
| Other information | | | | | | |
| Closing net asset value (£000) | 4 | 3 | 3 | 48,182 | 29,584 | 36,183 |
| Closing number of shares | 3,000 | 3,000 | 3,000 | 48,704,457 | 37,916,932 | 41,309,362 |
| Operating charges (%)*** | 0.04 [†] | 0.05 | 0.06 [†] | 0.08 [†] | 0.10 | 0.10 |
| Direct transaction costs (%)**** | 0.35 | 0.65 | 0.35 | 0.35 | 0.65 | 0.35 |
| Prices | | | | | | |
| Highest share price (p) | 119.78 | 107.79 | 114.58 | 100.55 | 88.59 | 92.28 |
| Lowest share price (p) | 89.00 | 80.65 | 93.51 | 74.73 | 66.27 | 73.78 |

Threadneedle Global Emerging Markets Equity Fund

Comparative Table Disclosure

(continued)

| | Class Z – Net accumulation shares | | |
|---|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | |
| Opening net asset value per share (p) | 105.83 | 119.78 | 101.91 |
| Return before operating charges (p) | 28.34 | (13.01) | 18.90 |
| Operating charges (p) | (0.54) | (0.94) | (1.03) |
| Return after operating charges (p)* | 27.80 | (13.95) | 17.87 |
| Distributions (p) | – | (1.22) | (0.33) |
| Retained distributions on accumulation shares (p)** | – | 1.22 | 0.33 |
| Closing net asset value per share (p) | 133.63 | 105.83 | 119.78 |
| *after direct transaction costs of (p) | 0.21 | 0.66 | 0.39 |
| Performance | | | |
| Return after charges (%) | 26.27 | (11.65) | 17.54 |
| Other information | | | |
| Closing net asset value (£000) | 34,548 | 35,778 | 20,022 |
| Closing number of shares | 25,853,536 | 33,806,826 | 16,715,762 |
| Operating charges (%)*** | 0.90 ¹ | 0.92 | 0.91 |
| Direct transaction costs (%)**** | 0.35 | 0.65 | 0.35 |
| Prices | | | |
| Highest share price (p) | 135.84 | 121.11 | 126.22 |
| Lowest share price (p) | 101.29 | 90.38 | 101.71 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

¹Class X – Net income shares commenced 28 July 2014.

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

Threadneedle Global Emerging Markets Equity Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

2016

Class 1 – Net accumulation shares

| | |
|-----------------|--------------|
| Opening shares | 83,901,872 |
| Shares issued | 24,030,321 |
| Shares redeemed | (27,149,338) |
| Net conversions | (17,060) |
| Closing shares | 80,765,795 |

Class 2 – Net accumulation shares

| | |
|-----------------|--------------|
| Opening shares | 123,843,226 |
| Shares issued | 23,280,117 |
| Shares redeemed | (10,508,064) |
| Net conversions | (512) |
| Closing shares | 136,614,767 |

Class X – Net income shares

| | |
|-----------------|-------|
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |

Class X – Net accumulation shares

| | |
|-----------------|-------------|
| Opening shares | 37,916,932 |
| Shares issued | 13,127,106 |
| Shares redeemed | (2,339,581) |
| Net conversions | – |
| Closing shares | 48,704,457 |

Class Z – Net accumulation shares

| | |
|-----------------|-------------|
| Opening shares | 33,806,826 |
| Shares issued | 1,207,132 |
| Shares redeemed | (9,174,398) |
| Net conversions | 13,976 |
| Closing shares | 25,853,536 |

3 POST BALANCE SHEET EVENT

Subsequent to the period end, market fluctuations have resulted in changes to the NAV as described in the table below:

| Share class | Net asset value per share (£) | | |
|-----------------------------------|-------------------------------|-----------------|------------|
| | 31 October 2016 | 5 December 2016 | % Movement |
| Class 1 – Net accumulation shares | 1.0610 | 0.9268 | (12.65) |
| Class 2 – Net accumulation shares | 1.1304 | 0.9879 | (12.61) |
| Class X – Net income shares | 1.1799 | 1.0322 | (12.52) |
| Class X – Net accumulation shares | 0.9904 | 0.8664 | (12.52) |
| Class Z – Net accumulation shares | 1.3378 | 1.1693 | (12.60) |

Threadneedle Emerging Market Local Fund

Investment Report

Investment Objective

The investment objective of the Emerging Market Local Fund is to achieve a total return primarily by way of income with some capital growth.

Investment Policy

The ACD's investment policy is to actively manage an exposure primarily to emerging market local currencies and debt securities issued by governments in Emerging Markets and/or companies which are domiciled or have significant operations in an Emerging Market. Those debt securities may be denominated in any currency, but at least two-thirds of the Fund will be invested in securities denominated in the local emerging market currency. Emerging markets countries are those characterised as developing or emerging by the MSCI Emerging Markets Index or those not listed in the OECD country list. If the ACD considers it desirable the Fund may gain exposure of up to one third of the total assets of the Fund to non-emerging market currencies and non-emerging market government / corporate debt securities.

The ACD will utilise the following investments to obtain the Funds exposure: government bonds, treasury bills, corporate bonds, cash or near cash, securitised notes, foreign exchange forward transactions, swaps (including but not limited to cross currency interest rate and credit default swaps) and other types of derivative. At times the portfolio may be concentrated in any one or a combination of such assets.

Performance of Net Income Class 1 Shares*

Over the six months to 31 October 2016, the published share price of Class 1 shares in the Threadneedle Emerging Market Local Fund has risen from 83.42p to 98.89p.

For comparison, using noon prices, the performance of the Class 1 share class was +21.96%. The performance of the Class 1 gross

accumulation share class was +22.77% and +23.29% for the Class 2 gross accumulation share class.

For information purposes, using global close prices, the total return of the JPM GBI-EM Global Diversified Composite was +22.32%.

Market Overview and Portfolio Activity

The dominant theme for emerging market (EM) debt during the period under review has generally been an increasing openness to risk. Early in the year, concerns over the Chinese renminbi's depreciation, weakening commodity prices and US growth concerns took a collective toll on EM bonds. In recent months, however, EM local debt has rebounded; easing monetary policy from EM central banks was supportive, as was a growing hunt for yield. The latter theme was reinforced following the Brexit Referendum in June. EM debt rallied sharply, buoyed by its limited exposure to Europe, declining expectations of a US rate hike and a swathe of prompt central-bank stimulus measures. This resulted in strong overall performance for EM rates.

The key event during the period has been the sharp rally in Brazilian yield. This was due to the impeachment of President Dilma Rousseff, and the fiscal reform agenda her successor, Michel Temer, has been successfully promoting. In other country-specific news, a reshuffle in the Indonesian cabinet meant the return of Sri Mulyani Indrawati to the role of finance minister. This was welcomed by markets, due to her pro-reform stance. Elsewhere, following a failed Turkish military coup, ratings agencies Standard & Poor's and Moody's downgraded Turkey's credit rating, but investors' response to the downgrade was broadly muted.

In terms of portfolio activity over the reviewed period, we established an early overweight in Brazilian debt, identifying a key opportunity with the likely impeachment of former-President Rousseff and the subsequent fiscal reform agenda.

We are also overweight in Russia, finding rates attractive as disinflation continues. Although the path of easing remains uncertain,

we still see value as we expect the end-rate to reach significantly lower levels.

Finally, we saw good value in EM hard-currency spreads and built a position in EM hard-currency bonds, focusing on those names where we felt there was a large opportunity for spread compression (e.g. Petrobras and municipal Argentinian debt).

Recent years have proved challenging to the EM investment climate, as growth weakened and commodity prices fell. However, the present backdrop is much more constructive with supportive central bank policies, oil price stability and lower core yields. Prospects for the remainder of 2016 are positive, and we anticipate further performance gains, though possibly not to the same levels evident year to date. Scope remains for further spread tightening; given the strong year-to-date rally, our focus is turning to individual country themes.

Fiscal reforms continue to dominate the themes we are monitoring closely, particularly reforms in Brazil, Argentina and Colombia. Idiosyncratic stories create strong opportunities as we have seen recently with Brazil, Argentina and Venezuela, and we would expect opportunities to continue to emerge. In the coming months we will be closely watching developments in Russia as the country moves to rebuild ties with Turkey following the latter's unsuccessful coup.

We are waiting to see the direction of Donald Trump's policies after his negative rhetoric towards Mexico and China. Emerging markets are at a crossroads with respect to his future policies; a large fiscal stimulus package would spur a demand for commodities that would be supportive, but a protectionist stance, manifested in tariffs on emerging market exports into the US, would present a large negative shock. We expect to see further clarity over the coming months; having reduced risk prior to the US elections, we remain slightly cautious with our overall portfolio exposures.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|--------------|----------------|
| Income | | |
| Net capital gains/(losses) | 7,921 | (3,699) |
| Revenue | 2,066 | 834 |
| Expenses | (302) | (156) |
| Interest payable and similar charges | (4) | (27) |
| Net revenue before taxation | 1,760 | 651 |
| Taxation | — | — |
| Net revenue after taxation | 1,760 | 651 |
| Total return before distributions | 9,681 | (3,048) |
| Distributions | (2,021) | (776) |
| Change in net assets attributable to shareholders from investment activities | 7,660 | (3,824) |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|----------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 77,940 | 24,555 |
| Current assets: | | |
| Debtors | 1,477 | 2,478 |
| Cash and bank balances | 3,664 | 744 |
| Total assets | 83,081 | 27,777 |
| Liabilities: | | |
| Investment liabilities | (1,603) | (953) |
| Creditors: | | |
| Bank overdrafts | (503) | (1,513) |
| Distribution payable | (153) | (76) |
| Other creditors | (783) | (178) |
| Total liabilities | (3,042) | (2,720) |
| Net assets attributable to shareholders | 80,039 | 25,057 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|---------------|---------------|
| Opening net assets attributable to shareholders | 25,057 | 26,966 |
| Amounts receivable on the issue of shares | 52,486 | 1,776 |
| Amounts payable on the cancellation of shares | (7,898) | (3,163) |
| | 44,588 | (1,387) |
| Dilution adjustment | 108 | 6 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 7,660 | (3,824) |
| Retained distribution on accumulation shares | 2,626 | 676 |
| Closing net assets attributable to shareholders | 80,039 | 22,437 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

DISTRIBUTION TABLE

for the accounting period 1 May 2016 to 31 October 2016

Interest distribution in pence per share

Class 1 Shares

| Net income Distribution Period | Gross Revenue | Income Tax | Net Revenue | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|------------------|---------------|----------------|--------------|--------------------------------------|------------------------------|
| Group 1 | | | | | | |
| 01/05/16 to 31/10/16 | 3.4336 | 0.6867 | 2.7469 | — | 2.7469 | 2.0469 |
| Group 2 | | | | | | |
| 01/05/16 to 31/10/16 | 2.0284 | 0.4057 | 1.6227 | 1.1242 | 2.7469 | 2.0469 |
| Total distributions in the period | | | | | 2.7469 | 2.0469 |

Class 1 Shares

| Gross accumulation Distribution Period | Gross revenue | Equalisation | Gross Revenue Accumulated 2016 | Gross Revenue Accumulated 2015 |
|--|------------------|--------------|--------------------------------------|--------------------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 5.2679 | — | 5.2679 | 3.6542 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 2.6379 | 2.6300 | 5.2679 | 3.6542 |
| Total distributions in the period | | | 5.2679 | 3.6542 |

*In pound Sterling and against UK peer group.

Threadneedle Emerging Market Local Fund

DISTRIBUTION TABLE

(continued)

Class 2 Shares

Gross accumulation

| Distribution Period | Gross Revenue | Equalisation | Gross Revenue Accumulated 2016 | Gross Revenue Accumulated 2015 |
|--|---------------|--------------|--------------------------------|--------------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 6.1159 | – | 6.1159 | 4.2120 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 3.4006 | 2.7153 | 6.1159 | 4.2120 |
| Total distributions in the period | | | 6.1159 | 4.2120 |

Class X Shares

Gross income

| Distribution Period | Gross Revenue | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|---------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 3.6423 | – | 3.6423 | 2.6666 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 2.2587 | 1.3836 | 3.6423 | 2.6666 |
| Total distributions in the period | | | 3.6423 | 2.6666 |

Class X Shares

Gross accumulation

| Distribution Period | Gross Revenue | Equalisation | Gross Revenue Accumulated 2016 | Gross Revenue Accumulated 2015 |
|--|---------------|--------------|--------------------------------|--------------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 7.4426 | – | 7.4426 | 5.1000 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 7.4426 | – | 7.4426 | 5.1000 |
| Total distributions in the period | | | 7.4426 | 5.1000 |

Class Z Shares

Net income

| Distribution Period | Gross Revenue | Income Tax | Net Revenue | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|---------------|------------|-------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | | | |
| 01/05/16 to 31/10/16 | 3.0408 | 0.6082 | 2.4326 | – | 2.4326 | 1.7897 |
| Group 2 | | | | | | |
| 01/05/16 to 31/10/16 | 0.6889 | 0.1378 | 0.5511 | 1.8815 | 2.4326 | 1.7897 |
| Total distributions in the period | | | | | 2.4326 | 1.7897 |

Class Z Shares

Gross accumulation

| Distribution Period | Gross Revenue | Equalisation | Gross Revenue Accumulated 2016 | Gross Revenue Accumulated 2015 |
|--|---------------|--------------|--------------------------------|--------------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 3.8063 | – | 3.8063 | 2.6156 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 1.9960 | 1.8103 | 3.8063 | 2.6156 |
| Total distributions in the period | | | 3.8063 | 2.6156 |

Group 2: shares purchased during a distribution period.

Threadneedle Emerging Market Local Fund

Comparative Table Disclosure

| | Class 1 – Net income shares | | | Class 1 – Gross accumulation shares ⁵ | | |
|---|--|------------|------------|--|------------|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 80.90 | 87.18 | 96.57 | 124.04 | 124.82 | 129.09 |
| Return before operating charges (p) | 19.20 | 0.60 | (1.29) | 29.47 | 1.27 | (1.91) |
| Operating charges (p) | (0.77) | (1.42) | (1.75) | (1.20) | (2.05) | (2.36) |
| Return after operating charges (p)* | 18.43 | (0.82) | (3.04) | 28.27 | (0.78) | (4.27) |
| Distributions (p) | (3.43) | (5.46) | (6.35) | (5.27) | (7.71) | (8.68) |
| Retained distributions on accumulation shares (p)** | – | – | – | 5.27 | 7.71 | 8.68 |
| Closing net asset value per share (p) | 95.90 | 80.90 | 87.18 | 152.31 | 124.04 | 124.82 |
| *after direct transaction costs of (p) | – | – | – | – | – | – |
| Performance | | | | | | |
| Return after charges (%) | 22.78 | (0.94) | (3.15) | 22.79 | (0.62) | (3.31) |
| Other information | | | | | | |
| Closing net asset value (£000) | 716 | 390 | 773 | 23,396 | 8,587 | 10,523 |
| Closing number of shares | 746,940 | 482,384 | 886,381 | 15,360,044 | 6,922,799 | 8,430,188 |
| Operating charges (%)*** | 1.71 [†] | 1.79 | 1.82 | 1.71 [†] | 1.78 | 1.81 |
| Direct transaction costs (%)**** | – | – | – | – | – | – |
| Prices | | | | | | |
| Highest share price (p) | 99.71 | 88.32 | 102.92 | 153.84 | 127.16 | 138.24 |
| Lowest share price (p) | 76.55 | 71.89 | 86.78 | 117.44 | 106.52 | 120.50 |
| | Class 2 – Gross accumulation shares ⁵ | | | Class X – Gross income shares ⁵ | | |
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 [†] |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 142.30 | 142.02 | 145.69 | 84.57 | 89.58 | 100.00 |
| Return before operating charges (p) | 33.87 | 1.54 | (2.21) | 20.18 | 0.70 | (5.37) |
| Operating charges (p) | (0.71) | (1.26) | (1.46) | (0.07) | (0.16) | (0.17) |
| Return after operating charges (p)* | 33.16 | 0.28 | (3.67) | 20.11 | 0.54 | (5.54) |
| Distributions (p) | (6.12) | (8.98) | (9.93) | (3.64) | (5.55) | (4.88) |
| Retained distributions on accumulation shares (p)** | 6.12 | 8.98 | 9.93 | – | – | – |
| Closing net asset value per share (p) | 175.46 | 142.30 | 142.02 | 101.04 | 84.57 | 89.58 |
| *after direct transaction costs of (p) | – | – | – | – | – | – |
| Performance | | | | | | |
| Return after charges (%) | 23.30 | 0.20 | (2.52) | 23.78 | 0.60 | (5.54) |
| Other information | | | | | | |
| Closing net asset value (£000) | 51,731 | 13,769 | 13,493 | 581 | 219 | 81 |
| Closing number of shares | 29,483,000 | 9,674,891 | 9,501,381 | 574,467 | 258,972 | 90,470 |
| Operating charges (%)*** | 0.87 [†] | 0.96 | 0.99 | 0.14 [†] | 0.20 | 0.23 [†] |
| Direct transaction costs (%)**** | – | – | – | – | – | – |
| Prices | | | | | | |
| Highest share price (p) | 177.20 | 145.83 | 156.48 | 105.71 | 90.76 | 103.46 |
| Lowest share price (p) | 134.81 | 121.61 | 136.69 | 80.16 | 74.71 | 88.82 |

Threadneedle Emerging Market Local Fund

Comparative Table Disclosure

(continued)

| | Class X – Gross accumulation shares [§] | | | Class Z – Net income shares | | |
|---|--|------------|------------|-----------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 172.73 | 171.03 | 174.13 | 71.43 | 76.18 | 83.59 |
| Return before operating charges (p) | 41.20 | 1.97 | (2.72) | 16.98 | 0.51 | (1.11) |
| Operating charges (p) | (0.12) | (0.27) | (0.38) | (0.32) | (0.61) | (0.75) |
| Return after operating charges (p)* | 41.08 | 1.70 | (3.10) | 16.66 | (0.10) | (1.86) |
| Distributions (p) | (7.44) | (10.81) | (11.92) | (3.04) | (4.65) | (5.55) |
| Retained distributions on accumulation shares (p)** | 7.44 | 10.81 | 11.92 | – | – | – |
| Closing net asset value per share (p) | 213.81 | 172.73 | 171.03 | 85.05 | 71.43 | 76.18 |
| *after direct transaction costs of (p) | – | – | – | – | – | – |
| Performance | | | | | | |
| Return after charges (%) | 23.78 | 0.99 | (1.78) | 23.32 | (0.13) | (2.23) |
| Other information | | | | | | |
| Closing net asset value (£000) | 6 | 5 | 5 | 3,213 | 1,635 | 1,798 |
| Closing number of shares | 3,000 | 3,000 | 3,000 | 3,777,229 | 2,289,633 | 2,359,854 |
| Operating charges (%)*** | 0.13 [†] | 0.17 | 0.21 | 0.81 [†] | 0.88 | 0.91 |
| Direct transaction costs (%)**** | – | – | – | – | – | – |
| Prices | | | | | | |
| Highest share price (p) | 215.90 | 176.97 | 187.53 | 88.41 | 77.18 | 89.39 |
| Lowest share price (p) | 163.73 | 146.94 | 164.18 | 67.63 | 63.15 | 75.58 |

| | Class Z – Gross accumulation shares [§] | | |
|---|--|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | |
| Opening net asset value per share (p) | 89.41 | 89.20 | 91.38 |
| Return before operating charges (p) | 21.28 | 0.94 | (1.34) |
| Operating charges (p) | (0.40) | (0.73) | (0.84) |
| Return after operating charges (p)* | 20.88 | 0.21 | (2.18) |
| Distributions (p) | (3.81) | (5.84) | (6.22) |
| Retained distributions on accumulation shares (p)** | 3.81 | 5.84 | 6.22 |
| Closing net asset value per share (p) | 110.29 | 89.41 | 89.20 |
| *after direct transaction costs of (p) | – | – | – |
| Performance | | | |
| Return after charges (%) | 23.35 | 0.24 | (2.39) |
| Other information | | | |
| Closing net asset value (£000) | 396 | 452 | 293 |
| Closing number of shares | 359,148 | 505,822 | 328,685 |
| Operating charges (%)*** | 0.81 [†] | 0.88 | 0.91 |
| Direct transaction costs (%)**** | – | – | – |
| Prices | | | |
| Highest share price (p) | 111.38 | 91.63 | 98.17 |
| Lowest share price (p) | 84.71 | 76.41 | 85.83 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

[§]Only available to eligible investors.

[†]Class X – Gross income shares commenced 28 July 2014.

[‡]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

Threadneedle Emerging Market Local Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

2016

Class 1 – Net income shares

| | |
|-----------------|-----------|
| Opening shares | 482,384 |
| Shares issued | 387,396 |
| Shares redeemed | (116,443) |
| Net conversions | (6,397) |
| Closing shares | 746,940 |

Class 1 – Gross accumulation shares

| | |
|-----------------|------------|
| Opening shares | 6,922,799 |
| Shares issued | 8,442,805 |
| Shares redeemed | (1,484) |
| Net conversions | (4,076) |
| Closing shares | 15,360,044 |

Class 2 – Gross accumulation shares

| | |
|-----------------|-------------|
| Opening shares | 9,674,891 |
| Shares issued | 24,073,423 |
| Shares redeemed | (4,264,764) |
| Net conversions | (550) |
| Closing shares | 29,483,000 |

Class X – Gross income shares

| | |
|-----------------|---------|
| Opening shares | 258,972 |
| Shares issued | 315,495 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 574,467 |

Class X – Gross accumulation shares

| | |
|-----------------|-------|
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |

Class Z – Net income shares

| | |
|-----------------|-------------|
| Opening shares | 2,289,633 |
| Shares issued | 2,685,018 |
| Shares redeemed | (1,204,656) |
| Net conversions | 7,234 |
| Closing shares | 3,777,229 |

Class Z – Gross accumulation shares

| | |
|-----------------|-----------|
| Opening shares | 505,822 |
| Shares issued | 87,740 |
| Shares redeemed | (240,941) |
| Net conversions | 6,527 |
| Closing shares | 359,148 |

3 POST BALANCE SHEET EVENT

Subsequent to the period end, market fluctuations have resulted in changes to the NAV as described in the table below:

| Share class | Net asset value per share (£) | | |
|-------------------------------------|-------------------------------|-----------------|------------|
| | 31 October 2016 | 5 December 2016 | % Movement |
| Class 1 – Net income shares | 0.9889 | 0.8506 | (13.99) |
| Class 1 – Gross accumulation shares | 1.5262 | 1.3509 | (11.49) |
| Class 2 – Gross accumulation shares | 1.7582 | 1.5574 | (11.42) |
| Class X – Gross income shares | 1.0489 | 0.8975 | (14.43) |
| Class X – Gross accumulation shares | 2.1424 | 1.8991 | (11.36) |
| Class Z – Net income shares | 0.8770 | 0.7550 | (13.91) |
| Class Z – Gross accumulation shares | 1.1051 | 0.9790 | (11.41) |

Threadneedle Global Extended Alpha Fund

Investment Report

Investment Objective

The investment objective of the Global Extended Alpha Fund is to achieve long term capital growth.

Investment Policy

The ACD's investment policy is to actively manage an exposure by investing directly or indirectly into equity securities worldwide, including companies located in developed and emerging markets. Exposure to these markets may be gained through both long and short positions.

The ACD may invest in equities, derivatives, forward transactions and collective investment schemes. The ACD may also invest in other securities (including fixed interest securities and money market securities), deposits and cash.

In order to gain short exposure the ACD will invest in derivatives. The ACD may also invest in derivatives to gain long exposure.

Performance of Net Accumulation Class 1 Shares*

Over the six months to 31 October 2016, the published share price of Class 1 shares in the Threadneedle Global Extended Alpha Fund has risen from 201.90p to 249.07p.

For comparison, using noon prices, the performance of the Class 1 share class was +23.36% and +23.88% for the Class 2 share class compared to a return of +21.18% for the Morningstar UK Unit Trusts/OEICs – (IA) Global Growth Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

Market Overview and Portfolio Activity

Global equities made gains during the six months under review. The first part of the period was dominated by the UK's referendum on its membership of the European Union, as markets initially fluctuated on shifting predictions for the outcome, and then reeled in response to the UK's shock vote to leave. This was followed by a powerful relief rally as fears about the global impact of "Brexit" eased.

US data was mixed throughout the period. Job-creation figures generally undershot expectations, but third-quarter GDP growth significantly beat forecasts, coming in at 2.9%. The Federal Reserve (Fed) ultimately left interest rates unchanged throughout the period.

Despite growing pressure to act in response to the Brexit vote, the European Central Bank frustrated investors hoping for an extension to its bond-buying programme. In the UK, an initial, post-referendum slump in markets was followed by a sharp rally, partially on the back of a weakened sterling, which helped exporters and major foreign-currency earners. In a bid to head-off an economic slowdown, the Bank of England cut interest rates to a record low of 0.25%.

In Japan, an early rush to "safe haven" assets followed by inaction from the central bank served to strengthen the yen – with negative implications for Japanese exports and overseas earnings. Elsewhere, China initially gained on optimism surrounding the launch of the Shenzhen-Hong Kong Stock Connect Scheme, but later faltered as data showed imports and exports falling.

Among key long-book activity over the period, we opened a position in Schwab Corp, a leading US investment-services business that stands to benefit from changing demographics and rising interest rates in the US. We also opened a position in Canadian energy firm Suncor, which, through its low-cost and long-life oil reserves, offers relatively low-risk exposure to an improved oil price.

Analytics company RELX and banking franchise BB&T were also added to the portfolio. RELX enjoys high returns on invested capital and strong cashflows, and has opportunities to further monetise its sizeable data bank. BB&T has a fee-rich revenue base and synergies from recent acquisitions; these factors are likely to support future earnings growth.

Among key sales over the period, we exited brewer Molson Coors to fund better ideas. We also trimmed our holding in JPMorgan, in order to reduce our exposure to capital markets, and sold Diageo, as part of a move to reduce our holdings in cyclical European stocks.

We continue our focus on quality growth, seeking competitively advantaged companies exposed to a secular growth story or ones that can deliver company-led growth. Themes of technology and changing demographics continue to drive our investments, with the portfolio positioned for an environment of low economic growth and low interest rates.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|---------------|--------------|
| Income | | |
| Net capital gains | 38,765 | 2,386 |
| Revenue | 1,942 | 698 |
| Expenses | (1,198) | (1,961) |
| Interest payable and similar charges | (686) | (278) |
| Net revenue/(expense) before taxation | 58 | (1,541) |
| Taxation | (139) | (56) |
| Net expense after taxation | (81) | (1,597) |
| Total return before equalisation | 38,684 | 789 |
| Equalisation | 5 | – |
| Change in net assets attributable to shareholders from investment activities | 38,689 | 789 |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|----------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 188,530 | 152,495 |
| Current assets: | | |
| Debtors | 710 | 455 |
| Cash and bank balances | 11,926 | 16,087 |
| Total assets | 201,166 | 169,037 |
| Liabilities: | | |
| Investment liabilities | (3) | – |
| Creditors: | | |
| Other creditors | (1,297) | (3,543) |
| Total liabilities | (1,300) | (3,543) |
| Net assets attributable to shareholders | 199,866 | 165,494 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|----------------|----------------|
| Opening net assets attributable to shareholders | 165,494 | 86,282 |
| Amounts receivable on the issue of shares | 20,842 | 30,635 |
| Amounts payable on the cancellation of shares | (25,178) | (12,403) |
| | (4,336) | 18,232 |
| Dilution adjustment | 19 | 12 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 38,689 | 789 |
| Closing net assets attributable to shareholders | 199,866 | 105,315 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

*In pound Sterling and against UK peer group.

Threadneedle Global Extended Alpha Fund

Comparative Table Disclosure

| | Class 1 – Net income shares | | Class 1 – Net accumulation shares | | |
|---|-----------------------------|-------------------------|-----------------------------------|------------|------------|
| | 31/10/2016 | 30/04/2016 ¹ | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | |
| Opening net asset value per share (p) | 104.07 | 100.00 | 201.74 | 198.35 | 164.32 |
| Return before operating charges (p) | 25.25 | 4.39 | 49.10 | 6.65 | 37.15 |
| Operating charges (p) | (0.95) | (0.31) | (1.87) | (3.26) | (3.12) |
| Return after operating charges (p)* | 24.30 | 4.08 | 47.23 | 3.39 | 34.03 |
| Distributions (p) | – | (0.01) | – | – | – |
| Retained distributions on accumulation shares (p)** | – | – | – | – | – |
| Closing net asset value per share (p) | 128.37 | 104.07 | 248.97 | 201.74 | 198.35 |
| *after direct transaction costs of (p) | 0.07 | 0.04 | 0.13 | 0.42 | 0.36 |
| Performance | | | | | |
| Return after charges (%) | 23.35 | 4.08 | 23.41 | 1.71 | 20.71 |
| Other information | | | | | |
| Closing net asset value (£000) | 4 | 3 | 114,465 | 99,436 | 58,399 |
| Closing number of shares | 3,000 | 3,000 | 45,975,013 | 49,289,441 | 29,443,212 |
| Operating charges (%)*** | 1.61 [†] | 1.65 [†] | 1.64 [†] | 1.65 | 1.69 |
| Performance fee (%) | – | – | – | 1.33 | – |
| Direct transaction costs (%)**** | 0.11 | 0.22 | 0.11 | 0.22 | 0.19 |
| Prices | | | | | |
| Highest share price (p) | 130.92 | 107.67 | 254.90 | 208.99 | 212.03 |
| Lowest share price (p) | 102.79 | 100.00 | 199.65 | 178.47 | 162.82 |

| | Class 2 – Net accumulation shares | | | Class X – Net accumulation shares | |
|---|-----------------------------------|------------|------------|-----------------------------------|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 ² |
| Change in net assets per share | | | | | |
| Opening net asset value per share (p) | 213.87 | 209.29 | 171.96 | 100.70 | 100.00 |
| Return before operating charges (p) | 52.18 | 6.30 | 39.00 | 24.25 | 0.70 |
| Operating charges (p) | (1.00) | (1.72) | (1.67) | (0.01) | – |
| Return after operating charges (p)* | 51.18 | 4.58 | 37.33 | 24.24 | 0.70 |
| Distributions (p) | – | (0.32) | – | – | (0.20) |
| Retained distributions on accumulation shares (p)** | – | 0.32 | – | – | 0.20 |
| Closing net asset value per share (p) | 265.05 | 213.87 | 209.29 | 124.94 | 100.70 |
| *after direct transaction costs of (p) | 0.14 | 0.45 | 0.37 | 0.06 | 0.03 |
| Performance | | | | | |
| Return after charges (%) | 23.93 | 2.19 | 21.71 | 24.07 | 0.70 |
| Other information | | | | | |
| Closing net asset value (£000) | 84,039 | 65,885 | 27,880 | 4 | 3 |
| Closing number of shares | 31,707,117 | 30,805,568 | 13,320,878 | 3,000 | 3,000 |
| Operating charges (%)*** | 0.82 [†] | 0.82 | 0.87 | 0.02 [†] | 0.04 [†] |
| Performance fee (%) | – | 1.44 | – | – | 0.07 |
| Direct transaction costs (%)**** | 0.11 | 0.22 | 0.19 | 0.11 | 0.22 |
| Prices | | | | | |
| Highest share price (p) | 271.32 | 221.48 | 223.18 | 127.37 | 104.09 |
| Lowest share price (p) | 211.75 | 188.87 | 170.44 | 99.51 | 98.55 |

Threadneedle Global Extended Alpha Fund

Comparative Table Disclosure

(continued)

| | Class Z – Net accumulation shares | | |
|---|-----------------------------------|------------|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 ³ |
| Change in net assets per share | | | |
| Opening net asset value per share (p) | 99.24 | 96.70 | 100.00 |
| Return before operating charges (p) | 24.21 | 3.40 | (3.28) |
| Operating charges (p) | (0.52) | (0.86) | (0.02) |
| Return after operating charges (p)* | 23.69 | 2.54 | (3.30) |
| Distributions (p) | – | (0.15) | – |
| Retained distributions on accumulation shares (p)** | – | 0.15 | – |
| Closing net asset value per share (p) | 122.93 | 99.24 | 96.70 |
| *after direct transaction costs of (p) | 0.07 | 0.21 | – |
| Performance | | | |
| Return after charges (%) | 23.87 | 2.63 | (3.30) |
| Other information | | | |
| Closing net asset value (£000) | 1,354 | 167 | 3 |
| Closing number of shares | 1,101,800 | 168,525 | 3,000 |
| Operating charges (%)*** | 0.89 ¹ | 0.89 | 0.98 ¹ |
| Performance fee (%) | – | 0.74 | – |
| Direct transaction costs (%)**** | 0.11 | 0.22 | 0.19 |
| Prices | | | |
| Highest share price (p) | 125.84 | 102.77 | 100.52 |
| Lowest share price (p) | 98.25 | 87.65 | 96.35 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

¹Class 1 – Net income shares commenced 24 February 2016.

²Class X – Net accumulation shares commenced 16 March 2016.

³Class Z – Net accumulation shares commenced 22 April 2015.

⁴The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

Threadneedle Global Extended Alpha Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

| | 2016 |
|--|-------------|
| Class 1 – Net income shares | |
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |
| Class 1 – Net accumulation shares | |
| Opening shares | 49,289,441 |
| Shares issued | 5,115,853 |
| Shares redeemed | (8,430,232) |
| Net conversions | (49) |
| Closing shares | 45,975,013 |
| Class 2 – Net accumulation shares | |
| Opening shares | 30,805,568 |
| Shares issued | 3,579,416 |
| Shares redeemed | (2,677,913) |
| Net conversions | 46 |
| Closing shares | 31,707,117 |
| Class X – Net accumulation shares | |
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |
| Class Z – Net accumulation shares | |
| Opening shares | 168,525 |
| Shares issued | 933,404 |
| Shares redeemed | (129) |
| Net conversions | – |
| Closing shares | 1,101,800 |

Threadneedle Global Equity Income Fund

Investment Report

Investment Objective

The investment objective of the Global Equity Income Fund is to achieve a high and growing income over the long term combined with prospects for capital growth.

Investment Policy

The ACD's investment policy is to invest no less than two-thirds of the gross assets of the Fund in global equities. Income will be in the form of dividend distribution.

If the ACD considers it desirable it may further invest up to one third of the total assets of the Fund in derivatives, forward transactions and other securities (including fixed interest securities and money market securities) deposits and cash.

Performance of Net Income Class 1 Shares*

Over the six months to 31 October 2016, the published share price of Class 1 shares in the Threadneedle Global Equity Income Fund has risen from 116.18p to 135.53p.

For comparison, using noon prices, the performance of the Class 1 share class was +19.17% and +19.50% for the Class 2 share class compared to a return of +21.18% for the Morningstar UK Unit Trusts/OEICs – (IA) Global Growth Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the MSCI AC World Free Index was +23.96%.

Market Overview and Portfolio Activity

Global equities made gains during the six months under review. The first part of the period was dominated by the UK's referendum on its membership of the European Union, as markets initially fluctuated on shifting predictions for the outcome, and then reeled in response to the UK's shock vote to leave. This was followed by a powerful relief rally as fears about the global impact of "Brexit" eased.

US data was mixed throughout the period. Job-creation figures generally undershot expectations, but third-quarter GDP growth significantly beat forecasts, coming in at 2.9%. The Federal Reserve (Fed) ultimately left interest rates unchanged throughout the period.

Despite growing pressure to act in response to the Brexit vote, the European Central Bank frustrated investors hoping for an extension to its bond-buying programme. In the UK, an initial, post-referendum slump in markets was followed by a sharp rally, partially on the back of a weakened sterling, which helped exporters and major foreign-currency earners. In a bid to head-off an economic slowdown, the Bank of England cut interest rates to a record low of 0.25%.

In Japan, an early rush to "safe haven" assets followed by inaction from the central bank served to strengthen the yen – with negative implications for Japanese exports and overseas earnings. Elsewhere, China initially gained on optimism surrounding the launch of the Shenzhen-Hong Kong Stock Connect Scheme, but later faltered as data showed imports and exports falling.

Key purchases over the period included Deutsche Telekom, British American Tobacco, Suncor Energy and TransCanada.

British American Tobacco is one of the most globally diversified tobacco businesses, with good growth potential. Through its low-cost and long-life oil reserves, Suncor Energy offers relatively low-risk exposure to an improved oil price. Deutsche Telekom looks set to benefit from continued share gains in the US and stabilisation in its German fixed-line business. TransCanada, a high-quality energy infrastructure business, looks capable of delivering visible and stable growth, with US\$24 billion of near-term projects that could support 8%-10% dividend growth through to 2020.

Among key sales over the period, we exited Paychex, which provides HR and outsourcing solutions, and Indonesia's Bank Rakyat, after they passed through our yield hurdle.

Despite the market's hunt for yield, our research continues to show that dividend stocks trade at attractive valuations relative to the broader market. Geographically, we still favour the developed markets, where we have been increasing positions in North America and decreasing our exposure to Europe. While we are currently underweight in emerging markets, valuations across the region are looking more attractive and offer interesting opportunities to invest in financially robust companies with good dividend yields. The portfolio remains well balanced and diversified.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|----------------|-----------------|
| Income | | |
| Net capital gains/(losses) | 271,272 | (86,126) |
| Revenue | 36,320 | 33,647 |
| Expenses | (7,534) | (7,170) |
| Interest payable and similar charges | (3) | (2) |
| Net revenue before taxation | 28,783 | 26,475 |
| Taxation | (3,745) | (3,581) |
| Net revenue after taxation | 25,038 | 22,894 |
| Total return before distributions | 296,310 | (63,232) |
| Distributions | (31,548) | (29,115) |
| Change in net assets attributable to shareholders from investment activities | 264,762 | (92,347) |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|------------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 1,865,486 | 1,512,441 |
| Current assets: | | |
| Debtors | 36,660 | 9,494 |
| Cash and bank balances | 3,356 | 27,647 |
| Total assets | 1,905,502 | 1,549,582 |
| Liabilities: | | |
| Investment liabilities | (1) | (3) |
| Creditors: | | |
| Bank overdrafts | (7,030) | – |
| Distribution payable | (10,755) | (12,240) |
| Other creditors | (6,973) | (3,250) |
| Total liabilities | (24,759) | (15,493) |
| Net assets attributable to shareholders | 1,880,743 | 1,534,089 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|------------------|------------------|
| Opening net assets attributable to shareholders | 1,534,089 | 1,595,012 |
| Amounts receivable on the issue of shares | 195,143 | 148,391 |
| Amounts payable on the cancellation of shares | (124,363) | (166,678) |
| | 70,780 | (18,287) |
| Dilution adjustment | – | 109 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | 264,762 | (92,347) |
| Retained distribution on accumulation shares | 11,112 | 10,363 |
| Closing net assets attributable to shareholders | 1,880,743 | 1,494,850 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

DISTRIBUTION TABLE

for the accounting period 1 May 2016 to 31 October 2016

Dividend distribution in pence per share

Class 1 Shares

| | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|----------------------|--------------|--------------------------------------|------------------------------|
| Net income | | | | |
| Distribution Period | | | | |
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 1.1774 | – | 1.1774 | 1.1842 |
| 01/08/16 to 31/10/16 | 1.1789 | – | 1.1789 | 0.9206 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 0.5784 | 0.5990 | 1.1774 | 1.1842 |
| 01/08/16 to 31/10/16 | 0.3733 | 0.8056 | 1.1789 | 0.9206 |
| Total distributions in the period | | | 2.3563 | 2.1048 |

*In pound Sterling and against UK peer group.

Threadneedle Global Equity Income Fund

DISTRIBUTION TABLE

(continued)

Class 1 Shares

Monthly net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/05/16 | 0.3215 | — | 0.3215 | 0.4657 |
| 01/06/16 to 30/06/16 | 0.5279 | — | 0.5279 | 0.4143 |
| 01/07/16 to 31/07/16 | 0.1672 | — | 0.1672 | 0.1443 |
| 01/08/16 to 31/08/16 | 0.3999 | — | 0.3999 | 0.3290 |
| 01/09/16 to 30/09/16 | 0.3939 | — | 0.3939 | 0.3689 |
| 01/10/16 to 31/10/16 | 0.2232 | — | 0.2232 | 0.1021 |
| Group 2 | | | | |
| 01/05/16 to 31/05/16 | 0.2364 | 0.0851 | 0.3215 | 0.4657 |
| 01/06/16 to 30/06/16 | 0.4579 | 0.0700 | 0.5279 | 0.4143 |
| 01/07/16 to 31/07/16 | 0.0572 | 0.1100 | 0.1672 | 0.1443 |
| 01/08/16 to 31/08/16 | 0.0587 | 0.3412 | 0.3999 | 0.3290 |
| 01/09/16 to 30/09/16 | 0.1456 | 0.2483 | 0.3939 | 0.3689 |
| 01/10/16 to 31/10/16 | 0.1715 | 0.0517 | 0.2232 | 0.1021 |
| Total distributions in the period | | | 2.0336 | 1.8243 |

Class 1 SGD Hedged Shares

Net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 0.9923 | — | 0.9923 | 1.0049 |
| 01/08/16 to 31/10/16 | 0.9951 | — | 0.9951 | 0.7453 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | — | 0.9923 | 0.9923 | 1.0049 |
| 01/08/16 to 31/10/16 | — | 0.9951 | 0.9951 | 0.7453 |
| Total distributions in the period | | | 1.9874 | 1.7502 |

Class 1 AUD Hedged Shares

Monthly net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/05/16 | 0.3073 | — | 0.3073 | 0.4596 |
| 01/06/16 to 30/06/16 | 0.5080 | — | 0.5080 | 0.4088 |
| 01/07/16 to 31/07/16 | 0.1630 | — | 0.1630 | 0.1409 |
| 01/08/16 to 31/08/16 | 0.3991 | — | 0.3991 | 0.3120 |
| 01/09/16 to 30/09/16 | 0.3907 | — | 0.3907 | 0.3350 |
| 01/10/16 to 31/10/16 | 0.2225 | — | 0.2225 | 0.1014 |
| Group 2 | | | | |
| 01/05/16 to 31/05/16 | — | 0.3073 | 0.3073 | 0.4596 |
| 01/06/16 to 30/06/16 | — | 0.5080 | 0.5080 | 0.4088 |
| 01/07/16 to 31/07/16 | — | 0.1630 | 0.1630 | 0.1409 |
| 01/08/16 to 31/08/16 | — | 0.3991 | 0.3991 | 0.3120 |
| 01/09/16 to 30/09/16 | 0.0246 | 0.3661 | 0.3907 | 0.3350 |
| 01/10/16 to 31/10/16 | 0.1292 | 0.0933 | 0.2225 | 0.1014 |
| Total distributions in the period | | | 1.9906 | 1.7577 |

Class 1 SGD Hedged Shares

Monthly net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/05/16 | 0.3225 | — | 0.3225 | 0.4505 |
| 01/06/16 to 30/06/16 | 0.5346 | — | 0.5346 | 0.4175 |
| 01/07/16 to 31/07/16 | 0.1702 | — | 0.1702 | 0.1457 |
| 01/08/16 to 31/08/16 | 0.4091 | — | 0.4091 | 0.3229 |
| 01/09/16 to 30/09/16 | 0.3986 | — | 0.3986 | 0.3550 |
| 01/10/16 to 31/10/16 | 0.2216 | — | 0.2216 | 0.1065 |
| Group 2 | | | | |
| 01/05/16 to 31/05/16 | — | 0.3225 | 0.3225 | 0.4505 |
| 01/06/16 to 30/06/16 | — | 0.5346 | 0.5346 | 0.4175 |
| 01/07/16 to 31/07/16 | — | 0.1702 | 0.1702 | 0.1457 |
| 01/08/16 to 31/08/16 | 0.1030 | 0.3061 | 0.4091 | 0.3229 |
| 01/09/16 to 30/09/16 | — | 0.3986 | 0.3986 | 0.3550 |
| 01/10/16 to 31/10/16 | — | 0.2216 | 0.2216 | 0.1065 |
| Total distributions in the period | | | 2.0566 | 1.7981 |

Class 1 Shares

Net accumulation

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 | Revenue Accumulated 2015 |
|--|-------------------|--------------|--------------------------|--------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 1.7625 | — | 1.7625 | 1.7050 |
| 01/08/16 to 31/10/16 | 1.7810 | — | 1.7810 | 1.3399 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 0.5793 | 1.1832 | 1.7625 | 1.7050 |
| 01/08/16 to 31/10/16 | 0.7251 | 1.0559 | 1.7810 | 1.3399 |
| Total distributions in the period | | | 3.5435 | 3.0449 |

Class 1 CHF Hedged Shares

Net accumulation*

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 | Revenue Accumulated 2015 |
|--|-------------------|--------------|--------------------------|--------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 0.9882 | — | 0.9882 | 0.5332 |
| 01/08/16 to 31/10/16 | 0.9938 | — | 0.9938 | 0.7739 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 0.9882 | — | 0.9882 | 0.5332 |
| 01/08/16 to 31/10/16 | 0.9938 | — | 0.9938 | 0.7739 |
| Total distributions in the period | | | 1.9820 | 1.3071 |

Class 1 SGD Hedged Shares

Net accumulation

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 | Revenue Accumulated 2015 |
|--|-------------------|--------------|--------------------------|--------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 1.0920 | — | 1.0920 | 1.0696 |
| 01/08/16 to 31/10/16 | 1.1083 | — | 1.1083 | 0.8007 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 0.2193 | 0.8727 | 1.0920 | 1.0696 |
| 01/08/16 to 31/10/16 | 0.5914 | 0.5169 | 1.1083 | 0.8007 |
| Total distributions in the period | | | 2.2003 | 1.8703 |

Class 2 Shares

Net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 1.2501 | — | 1.2501 | 1.2467 |
| 01/08/16 to 31/10/16 | 1.2557 | — | 1.2557 | 0.9813 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 0.0762 | 1.1739 | 1.2501 | 1.2467 |
| 01/08/16 to 31/10/16 | 0.4755 | 0.7802 | 1.2557 | 0.9813 |
| Total distributions in the period | | | 2.5058 | 2.2280 |

Class 2 EUR Hedged Shares

Net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 0.8937 | — | 0.8937 | 0.8843 |
| 01/08/16 to 31/10/16 | 0.8873 | — | 0.8873 | 0.7024 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 0.8937 | — | 0.8937 | 0.8843 |
| 01/08/16 to 31/10/16 | 0.8873 | — | 0.8873 | 0.7024 |
| Total distributions in the period | | | 1.7810 | 1.5867 |

Class 2 Shares

Net accumulation

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 | Revenue Accumulated 2015 |
|--|-------------------|--------------|--------------------------|--------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 1.8851 | — | 1.8851 | 1.8077 |
| 01/08/16 to 31/10/16 | 1.9097 | — | 1.9097 | 1.4370 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 0.5472 | 1.3379 | 1.8851 | 1.8077 |
| 01/08/16 to 31/10/16 | 0.8304 | 1.0793 | 1.9097 | 1.4370 |
| Total distributions in the period | | | 3.7948 | 3.2447 |

Class X Shares

Net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 1.0652 | — | 1.0652 | 1.1016 |
| 01/08/16 to 31/10/16 | 1.0990 | — | 1.0990 | 0.8005 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 0.6370 | 0.4282 | 1.0652 | 1.1016 |
| 01/08/16 to 31/10/16 | 0.6572 | 0.4418 | 1.0990 | 0.8005 |
| Total distributions in the period | | | 2.1642 | 1.9021 |

Class X Shares

Net accumulation

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 | Revenue Accumulated 2015 |
|--|-------------------|--------------|--------------------------|--------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 1.1682 | — | 1.1682 | 1.1628 |
| 01/08/16 to 31/10/16 | 1.2155 | — | 1.2155 | 0.8541 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 1.1682 | — | 1.1682 | 1.1628 |
| 01/08/16 to 31/10/16 | 1.2155 | — | 1.2155 | 0.8541 |
| Total distributions in the period | | | 2.3837 | 2.0169 |

Threadneedle Global Equity Income Fund

DISTRIBUTION TABLE

(continued)

Class Z Shares

Net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 1.2591 | — | 1.2591 | 1.2577 |
| 01/08/16 to 31/10/16 | 1.2630 | — | 1.2630 | 0.9800 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 0.5703 | 0.6888 | 1.2591 | 1.2577 |
| 01/08/16 to 31/10/16 | 0.4243 | 0.8387 | 1.2630 | 0.9800 |
| Total distributions in the period | | | 2.5221 | 2.2377 |

Class Z SGD Hedged Shares

Net income

| Distribution Period | Revenue per Share | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|-------------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 0.9936 | — | 0.9936 | 0.9990 |
| 01/08/16 to 31/10/16 | 1.0029 | — | 1.0029 | 0.7437 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 0.9936 | — | 0.9936 | 0.9990 |
| 01/08/16 to 31/10/16 | 1.0029 | — | 1.0029 | 0.7437 |
| Total distributions in the period | | | 1.9965 | 1.7427 |

Class Z Shares

Net accumulation

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 | Revenue Accumulated 2015 |
|--|-------------------|--------------|--------------------------|--------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 1.2081 | — | 1.2081 | 1.1610 |
| 01/08/16 to 31/10/16 | 1.2227 | — | 1.2227 | 0.9139 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 0.2256 | 0.9825 | 1.2081 | 1.1610 |
| 01/08/16 to 31/10/16 | 0.4605 | 0.7622 | 1.2227 | 0.9139 |
| Total distributions in the period | | | 2.4308 | 2.0749 |

Class Z CHF Hedged Shares

Net accumulation*

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 | Revenue Accumulated 2015 |
|--|-------------------|--------------|--------------------------|--------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 0.9969 | — | 0.9969 | 0.5333 |
| 01/08/16 to 31/10/16 | 1.0035 | — | 1.0035 | 0.7754 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 0.9969 | — | 0.9969 | 0.5333 |
| 01/08/16 to 31/10/16 | 1.0035 | — | 1.0035 | 0.7754 |
| Total distributions in the period | | | 2.0004 | 1.3087 |

Class Z SGD Hedged Shares

Net accumulation

| Distribution Period | Revenue per Share | Equalisation | Revenue Accumulated 2016 | Revenue Accumulated 2015 |
|--|-------------------|--------------|--------------------------|--------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/07/16 | 1.0743 | — | 1.0743 | 1.0353 |
| 01/08/16 to 31/10/16 | 1.0909 | — | 1.0909 | 0.7784 |
| Group 2 | | | | |
| 01/05/16 to 31/07/16 | 1.0743 | — | 1.0743 | 1.0353 |
| 01/08/16 to 31/10/16 | 1.0909 | — | 1.0909 | 0.7784 |
| Total distributions in the period | | | 2.1652 | 1.8137 |

Group 2: shares purchased during a distribution period.

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

Threadneedle Global Equity Income Fund

Comparative Table Disclosure

| | Class 1 – Net income shares | | | Class 1 – Monthly net income shares | | |
|---|--|-------------|-------------|--|------------|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 ¹ |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 114.61 | 116.66 | 109.33 | 99.29 | 101.08 | 100.00 |
| Return before operating charges (p) | 23.01 | 4.13 | 13.72 | 19.80 | 3.55 | 2.53 |
| Operating charges (p) | (1.02) | (1.81) | (1.83) | (0.90) | (1.56) | (0.21) |
| Return after operating charges (p)* | 21.99 | 2.32 | 11.89 | 18.90 | 1.99 | 2.32 |
| Distributions (p) | (2.36) | (4.37) | (4.56) | (2.03) | (3.78) | (1.24) |
| Retained distributions on accumulation shares (p)** | – | – | – | – | – | – |
| Closing net asset value per share (p) | 134.24 | 114.61 | 116.66 | 116.16 | 99.29 | 101.08 |
| *after direct transaction costs of (p) | 0.12 | 0.15 | 0.16 | 0.10 | 0.13 | 0.03 |
| Performance | | | | | | |
| Return after charges (%) | 19.19 | 1.99 | 10.88 | 19.04 | 1.97 | 2.32 |
| Other information | | | | | | |
| Closing net asset value (£000) | 176,170 | 155,697 | 190,357 | 1,198 | 462 | 67 |
| Closing number of shares | 131,230,888 | 135,848,797 | 163,169,329 | 1,030,969 | 465,137 | 65,877 |
| Operating charges (%)*** | 1.63 [†] | 1.63 | 1.63 | 1.63 [†] | 1.63 | 1.05 [†] |
| Direct transaction costs (%)**** | 0.18 | 0.13 | 0.15 | 0.18 | 0.13 | 0.15 |
| Prices | | | | | | |
| Highest share price (p) | 137.57 | 118.98 | 123.11 | 118.22 | 103.02 | 106.19 |
| Lowest share price (p) | 111.05 | 101.42 | 103.46 | 96.20 | 87.93 | 99.27 |
| | Class 1 SGD Hedged – Net income shares | | | Class 1 AUD Hedged – Monthly net income shares | | |
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 ¹ |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 97.64 | 100.44 | 98.96 | 98.37 | 102.70 | 100.00 |
| Return before operating charges (p) | 15.51 | 2.30 | 7.09 | 19.85 | 0.74 | 4.02 |
| Operating charges (p) | (0.86) | (1.49) | (1.60) | (0.87) | (1.46) | (0.32) |
| Return after operating charges (p)* | 14.65 | 0.81 | 5.49 | 18.98 | (0.72) | 3.70 |
| Distributions (p) | (1.99) | (3.61) | (4.01) | (1.99) | (3.61) | (1.00) |
| Retained distributions on accumulation shares (p)** | – | – | – | – | – | – |
| Closing net asset value per share (p) | 110.30 | 97.64 | 100.44 | 115.36 | 98.37 | 102.70 |
| *after direct transaction costs of (p) | 0.10 | 0.12 | 0.14 | 0.10 | 0.12 | 0.03 |
| Performance | | | | | | |
| Return after charges (%) | 15.00 | 0.81 | 5.55 | 19.29 | (0.70) | 3.70 |
| Other information | | | | | | |
| Closing net asset value (£000) | 12,027 | 12,215 | 15,075 | 314 | 258 | 10 |
| Closing number of shares | 10,904,136 | 12,510,818 | 15,009,221 | 272,260 | 262,037 | 10,000 |
| Operating charges (%)*** | 1.63 [†] | 1.63 | 1.63 | 1.63 [†] | 1.62 | 1.60 [†] |
| Direct transaction costs (%)**** | 0.18 | 0.13 | 0.15 | 0.18 | 0.13 | 0.15 |
| Prices | | | | | | |
| Highest share price (p) | 113.48 | 101.34 | 103.43 | 117.87 | 104.47 | 105.38 |
| Lowest share price (p) | 92.03 | 81.78 | 91.54 | 89.82 | 80.13 | 97.19 |

Threadneedle Global Equity Income Fund

Comparative Table Disclosure

(continued)

| | Class 1 SGD Hedged – Monthly net income shares | | | Class 1 – Net accumulation shares | | |
|---|--|-------------------------|-------------------------|--|------------|------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 ³ | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 101.39 | 104.17 | 100.00 | 171.58 | 167.94 | 151.14 |
| Return before operating charges (p) | 16.02 | 2.48 | 5.50 | 34.59 | 6.28 | 19.37 |
| Operating charges (p) | (0.90) | (1.54) | (0.32) | (1.54) | (2.64) | (2.57) |
| Return after operating charges (p)* | 15.12 | 0.94 | 5.18 | 33.05 | 3.64 | 16.80 |
| Distributions (p) | (2.06) | (3.72) | (1.01) | (3.54) | (6.38) | (6.43) |
| Retained distributions on accumulation shares (p)** | – | – | – | 3.54 | 6.38 | 6.43 |
| Closing net asset value per share (p) | 114.45 | 101.39 | 104.17 | 204.63 | 171.58 | 167.94 |
| *after direct transaction costs of (p) | 0.10 | 0.13 | 0.03 | 0.17 | 0.22 | 0.23 |
| Performance | | | | | | |
| Return after charges (%) | 14.91 | 0.90 | 5.18 | 19.26 | 2.17 | 11.12 |
| Other information | | | | | | |
| Closing net asset value (£000) | 437 | 330 | 10 | 96,538 | 74,378 | 132,876 |
| Closing number of shares | 381,703 | 325,460 | 10,000 | 47,175,945 | 43,348,183 | 79,120,252 |
| Operating charges (%)*** | 1.63 [†] | 1.63 | 1.60 [†] | 1.63 [†] | 1.63 | 1.63 |
| Direct transaction costs (%)**** | 0.18 | 0.13 | 0.15 | 0.18 | 0.13 | 0.15 |
| Prices | | | | | | |
| Highest share price (p) | 117.22 | 104.93 | 106.80 | 207.88 | 175.96 | 175.23 |
| Lowest share price (p) | 95.59 | 85.04 | 97.40 | 166.26 | 147.55 | 144.86 |
| | Class 1 CHF Hedged – Net accumulation shares | | | Class 1 SGD Hedged – Net accumulation shares | | |
| | 31/10/2016 | 30/04/2016 ⁴ | | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 97.62 | 100.00 | | 107.87 | 106.78 | 101.00 |
| Return before operating charges (p) | 15.20 | (1.02) | | 17.19 | 2.70 | 7.44 |
| Operating charges (p) | (0.85) | (1.36) | | (0.96) | (1.61) | (1.66) |
| Return after operating charges (p)* | 14.35 | (2.38) | | 16.23 | 1.09 | 5.78 |
| Distributions (p) | (1.98) | (3.16) | | (2.20) | (3.89) | (4.16) |
| Retained distributions on accumulation shares (p)** | 1.98 | 3.16 | | 2.20 | 3.89 | 4.16 |
| Closing net asset value per share (p) | 111.97 | 97.62 | | 124.10 | 107.87 | 106.78 |
| *after direct transaction costs of (p) | 0.10 | 0.11 | | 0.11 | (0.13) | (0.15) |
| Performance | | | | | | |
| Return after charges (%) | 14.70 | (2.38) | | 15.05 | 1.02 | 5.72 |
| Other information | | | | | | |
| Closing net asset value (£000) | 11 | 10 | | 1,301 | 1,391 | 1,829 |
| Closing number of shares | 10,000 | 10,000 | | 1,048,651 | 1,289,765 | 1,713,189 |
| Operating charges (%)*** | 1.62 [†] | 1.63 [†] | | 1.65 [†] | 1.63 | 1.63 |
| Direct transaction costs (%)**** | 0.18 | 0.13 | | 0.18 | 0.13 | 0.15 |
| Prices | | | | | | |
| Highest share price (p) | 113.33 | 100.06 | | 126.53 | 110.65 | 108.75 |
| Lowest share price (p) | 91.87 | 85.00 | | 101.71 | 87.93 | 95.37 |

Threadneedle Global Equity Income Fund

Comparative Table Disclosure

(continued)

| | Class 2 – Net income shares | | | Class 2 EUR Hedged – Net income shares | | |
|---|-----------------------------------|-------------|-------------|--|------------|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 ⁵ |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 119.39 | 120.93 | 112.78 | 86.07 | 85.80 | 100.00 |
| Return before operating charges (p) | 23.99 | 4.30 | 14.15 | 12.34 | 4.37 | (10.09) |
| Operating charges (p) | (0.70) | (1.21) | (1.21) | (0.48) | (0.83) | (0.84) |
| Return after operating charges (p)* | 23.29 | 3.09 | 12.94 | 11.86 | 3.54 | (10.93) |
| Distributions (p) | (2.51) | (4.63) | (4.79) | (1.78) | (3.27) | (3.27) |
| Retained distributions on accumulation shares (p)** | – | – | – | – | – | – |
| Closing net asset value per share (p) | 140.17 | 119.39 | 120.93 | 96.15 | 86.07 | 85.80 |
| *after direct transaction costs of (p) | 0.12 | 0.15 | 0.17 | 0.09 | 0.11 | 0.12 |
| Performance | | | | | | |
| Return after charges (%) | 19.51 | 2.56 | 11.47 | 13.78 | 4.13 | (10.93) |
| Other information | | | | | | |
| Closing net asset value (£000) | 213,980 | 160,323 | 143,592 | 3 | 3 | 3 |
| Closing number of shares | 152,652,502 | 134,280,772 | 118,741,070 | 3,001 | 3,001 | 3,001 |
| Operating charges (%)*** | 1.06 [†] | 1.05 | 1.04 | 1.03 [†] | 1.02 | 1.01 [†] |
| Direct transaction costs (%)**** | 0.18 | 0.13 | 0.15 | 0.18 | 0.13 | 0.15 |
| Prices | | | | | | |
| Highest share price (p) | 143.66 | 123.93 | 127.61 | 99.23 | 88.95 | 100.44 |
| Lowest share price (p) | 115.71 | 105.33 | 107.00 | 81.93 | 76.19 | 79.83 |
| | Class 2 – Net accumulation shares | | | Class X – Net income shares | | |
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 ⁵ |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 179.90 | 175.21 | 156.73 | 106.37 | 106.68 | 100.00 |
| Return before operating charges (p) | 36.24 | 6.49 | 20.21 | 21.28 | 3.73 | 9.78 |
| Operating charges (p) | (1.05) | (1.80) | (1.73) | (0.03) | (0.06) | (0.05) |
| Return after operating charges (p)* | 35.19 | 4.69 | 18.48 | 21.25 | 3.67 | 9.73 |
| Distributions (p) | (3.79) | (6.81) | (6.77) | (2.16) | (3.98) | (3.05) |
| Retained distributions on accumulation shares (p)** | 3.79 | 6.81 | 6.77 | – | – | – |
| Closing net asset value per share (p) | 215.09 | 179.90 | 175.21 | 125.46 | 106.37 | 106.68 |
| *after direct transaction costs of (p) | 0.18 | 0.23 | 0.23 | 0.11 | 0.14 | 0.12 |
| Performance | | | | | | |
| Return after charges (%) | 19.56 | 2.68 | 11.79 | 19.98 | 3.44 | 9.73 |
| Other information | | | | | | |
| Closing net asset value (£000) | 170,126 | 143,389 | 197,236 | 73,494 | 77,135 | 76,831 |
| Closing number of shares | 79,093,888 | 79,704,909 | 112,572,463 | 58,579,958 | 72,515,632 | 72,018,204 |
| Operating charges (%)*** | 1.06 [†] | 1.06 | 1.06 | 0.06 [†] | 0.06 | 0.06 [†] |
| Direct transaction costs (%)**** | 0.18 | 0.13 | 0.15 | 0.18 | 0.13 | 0.15 |
| Prices | | | | | | |
| Highest share price (p) | 218.48 | 184.46 | 182.82 | 128.52 | 110.33 | 112.57 |
| Lowest share price (p) | 174.35 | 154.18 | 150.62 | 103.13 | 93.22 | 94.04 |

Threadneedle Global Equity Income Fund

Comparative Table Disclosure

(continued)

| | Class X – Net accumulation shares | | | Class Z – Net income shares | | |
|---|--|-------------|-------------------------|-----------------------------------|-------------|-------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 116.68 | 112.54 | 99.90 | 122.53 | 123.81 | 115.24 |
| Return before operating charges (p) | 23.42 | 4.21 | 12.70 | 24.58 | 4.41 | 14.47 |
| Operating charges (p) | (0.04) | (0.07) | (0.06) | (0.59) | (1.04) | (1.05) |
| Return after operating charges (p)* | 23.38 | 4.14 | 12.64 | 23.99 | 3.37 | 13.42 |
| Distributions (p) | (2.38) | (4.26) | (4.33) | (2.52) | (4.65) | (4.85) |
| Retained distributions on accumulation shares (p)** | 2.38 | 4.26 | 4.33 | – | – | – |
| Closing net asset value per share (p) | 140.06 | 116.68 | 112.54 | 144.00 | 122.53 | 123.81 |
| *after direct transaction costs of (p) | 0.12 | 0.15 | 0.15 | 0.12 | 0.16 | 0.17 |
| Performance | | | | | | |
| Return after charges (%) | 20.04 | 3.68 | 12.65 | 19.58 | 2.72 | 11.65 |
| Other information | | | | | | |
| Closing net asset value (£000) | 234,339 | 195,216 | 188,290 | 745,067 | 597,651 | 595,046 |
| Closing number of shares | 167,313,429 | 167,313,429 | 167,313,429 | 517,392,785 | 487,775,570 | 480,612,424 |
| Operating charges (%)*** | 0.06 [†] | 0.06 | 0.06 | 0.88 [†] | 0.88 | 0.88 |
| Direct transaction costs (%)**** | 0.18 | 0.13 | 0.15 | 0.18 | 0.13 | 0.15 |
| Prices | | | | | | |
| Highest share price (p) | 142.24 | 119.56 | 117.47 | 147.55 | 127.15 | 130.67 |
| Lowest share price (p) | 113.10 | 99.47 | 96.45 | 118.75 | 107.92 | 109.43 |
| | Class Z SGD Hedged – Net income shares | | | Class Z – Net accumulation shares | | |
| | 31/10/2016 | 30/04/2016 | 30/04/2015 [†] | 31/10/2016 | 30/04/2016 | 30/04/2015 |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 97.77 | 99.83 | 100.00 | 117.53 | 114.22 | 102.03 |
| Return before operating charges (p) | 15.53 | 2.34 | 4.03 | 23.66 | 4.29 | 13.13 |
| Operating charges (p) | (0.47) | (0.80) | (0.77) | (0.57) | (0.98) | (0.94) |
| Return after operating charges (p)* | 15.06 | 1.54 | 3.26 | 23.09 | 3.31 | 12.19 |
| Distributions (p) | (2.00) | (3.60) | (3.43) | (2.43) | (4.36) | (4.34) |
| Retained distributions on accumulation shares (p)** | – | – | – | 2.43 | 4.36 | 4.34 |
| Closing net asset value per share (p) | 110.83 | 97.77 | 99.83 | 140.62 | 117.53 | 114.22 |
| *after direct transaction costs of (p) | 0.10 | 0.12 | 0.13 | 0.12 | 0.15 | 0.15 |
| Performance | | | | | | |
| Return after charges (%) | 15.40 | 1.54 | 3.26 | 19.65 | 2.90 | 11.95 |
| Other information | | | | | | |
| Closing net asset value (£000) | 3 | 3 | 3 | 155,720 | 115,615 | 53,784 |
| Closing number of shares | 3,001 | 3,001 | 3,001 | 110,738,686 | 98,371,222 | 47,086,991 |
| Operating charges (%)*** | 0.88 [†] | 0.87 | 0.87 [†] | 0.88 [†] | 0.88 | 0.88 |
| Direct transaction costs (%)**** | 0.18 | 0.13 | 0.15 | 0.18 | 0.13 | 0.15 |
| Prices | | | | | | |
| Highest share price (p) | 113.98 | 101.46 | 102.83 | 142.83 | 120.49 | 119.18 |
| Lowest share price (p) | 92.18 | 81.50 | 90.79 | 113.91 | 100.63 | 98.13 |

Threadneedle Global Equity Income Fund

Comparative Table Disclosure

(continued)

| | Class Z CHF Hedged – Net accumulation shares | | Class Z SGD Hedged – Net accumulation shares | | |
|---|--|-------------------------|--|------------|-------------------------|
| | 31/10/2016 | 30/04/2016 ⁸ | 31/10/2016 | 30/04/2016 | 30/04/2015 ⁵ |
| Change in net assets per share | | | | | |
| Opening net asset value per share (p) | 98.31 | 100.00 | 105.30 | 103.43 | 100.00 |
| Return before operating charges (p) | 15.33 | (0.95) | 16.81 | 2.71 | 4.20 |
| Operating charges (p) | (0.46) | (0.74) | (0.49) | (0.84) | (0.77) |
| Return after operating charges (p)* | 14.87 | (1.69) | 16.32 | 1.87 | 3.43 |
| Distributions (p) | (2.00) | (3.17) | (2.17) | (3.79) | (3.47) |
| Retained distributions on accumulation shares (p)** | 2.00 | 3.17 | 2.17 | 3.79 | 3.47 |
| Closing net asset value per share (p) | 113.18 | 98.31 | 121.62 | 105.30 | 103.43 |
| *after direct transaction costs of (p) | 0.10 | 0.11 | 0.11 | 0.13 | 0.13 |
| Performance | | | | | |
| Return after charges (%) | 15.13 | (1.69) | 15.50 | 1.81 | 3.43 |
| Other information | | | | | |
| Closing net asset value (£000) | 11 | 10 | 4 | 3 | 3 |
| Closing number of shares | 10,000 | 10,000 | 3,001 | 3,001 | 3,001 |
| Operating charges (%)*** | 0.87 [†] | 0.88 [†] | 0.85 [†] | 0.87 | 0.86 [†] |
| Direct transaction costs (%)**** | 0.18 | 0.13 | 0.18 | 0.13 | 0.15 |
| Prices | | | | | |
| Highest share price (p) | 114.51 | 100.76 | 123.95 | 108.00 | 105.38 |
| Lowest share price (p) | 92.56 | 85.20 | 99.32 | 85.41 | 92.05 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

¹Class 1 – Monthly net income shares commenced 18 February 2015.

²Class 1 AUD Hedged – Monthly net income shares commenced 18 February 2015.

³Class 1 SGD Hedged – Monthly net income shares commenced 18 February 2015.

⁴Class 1 CHF Hedged – Net accumulation shares commenced 3 June 2015.

⁵Class 2 EUR Hedged – Net income shares commenced 3 June 2014.

⁶Class X – Net income shares commenced 28 July 2014.

⁷Class Z SGD Hedged – Net income shares commenced 3 June 2014.

⁸Class Z CHF Hedged – Net accumulation shares commenced 3 June 2015.

⁹Class Z SGD Hedged – Net accumulation shares commenced 3 June 2014.

[†]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

Threadneedle Global Equity Income Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

| | 2016 |
|---|-------------|
| Class 1 – Net income shares | |
| Opening shares | 135,848,797 |
| Shares issued | 3,753,508 |
| Shares redeemed | (8,240,438) |
| Net conversions | (130,979) |
| Closing shares | 131,230,888 |
| Class 1 – Monthly net income shares | |
| Opening shares | 465,137 |
| Shares issued | 567,545 |
| Shares redeemed | (1,713) |
| Net conversions | – |
| Closing shares | 1,030,969 |
| Class 1 SGD Hedged – Net income shares | |
| Opening shares | 12,510,818 |
| Shares issued | 384,188 |
| Shares redeemed | (1,990,870) |
| Net conversions | – |
| Closing shares | 10,904,136 |
| Class 1 AUD Hedged – Monthly net income shares | |
| Opening shares | 262,037 |
| Shares issued | 11,370 |
| Shares redeemed | (1,147) |
| Net conversions | – |
| Closing shares | 272,260 |
| Class 1 SGD Hedged – Monthly net income shares | |
| Opening shares | 325,460 |
| Shares issued | 56,243 |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 381,703 |
| Class 1 – Net accumulation shares | |
| Opening shares | 43,348,183 |
| Shares issued | 7,089,760 |
| Shares redeemed | (3,223,789) |
| Net conversions | (38,209) |
| Closing shares | 47,175,945 |
| Class 1 CHF Hedged – Net accumulation shares | |
| Opening shares | 10,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 10,000 |

| | 2016 |
|---|--------------|
| Class 1 SGD Hedged – Net accumulation shares | |
| Opening shares | 1,289,765 |
| Shares issued | 214,664 |
| Shares redeemed | (455,778) |
| Net conversions | – |
| Closing shares | 1,048,651 |
| Class 2 – Net income shares | |
| Opening shares | 134,280,772 |
| Shares issued | 19,181,810 |
| Shares redeemed | (788,324) |
| Net conversions | (21,756) |
| Closing shares | 152,652,502 |
| Class 2 EUR Hedged – Net income shares | |
| Opening shares | 3,001 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,001 |
| Class 2 – Net accumulation shares | |
| Opening shares | 79,704,909 |
| Shares issued | 22,475,778 |
| Shares redeemed | (23,062,448) |
| Net conversions | (24,351) |
| Closing shares | 79,093,888 |
| Class X – Net income shares | |
| Opening shares | 72,515,632 |
| Shares issued | 1,230,334 |
| Shares redeemed | (15,166,008) |
| Net conversions | – |
| Closing shares | 58,579,958 |
| Class X – Net accumulation shares | |
| Opening shares | 167,313,429 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 167,313,429 |
| Class Z – Net income shares | |
| Opening shares | 487,775,570 |
| Shares issued | 51,581,764 |
| Shares redeemed | (22,213,975) |
| Net conversions | 249,426 |
| Closing shares | 517,392,785 |
| Class Z SGD Hedged – Net income shares | |
| Opening shares | 3,001 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,001 |
| Class Z – Net accumulation shares | |
| Opening shares | 98,371,222 |
| Shares issued | 24,984,052 |
| Shares redeemed | (12,600,142) |
| Net conversions | (16,446) |
| Closing shares | 110,738,686 |

Threadneedle Global Equity Income Fund

Notes to the financial statements

(continued)

| | 2016 |
|---|---------------|
| Class Z CHF Hedged – Net accumulation shares | |
| Opening shares | 10,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | <u>10,000</u> |
| Class Z SGD Hedged – Net accumulation shares | |
| Opening shares | 3,001 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | <u>3,001</u> |

Threadneedle Global Opportunities Bond Fund

Investment Report

Investment Objective

The Global Opportunities Bond Fund seeks to achieve a total positive return over a 12 month period in all market conditions. There is a risk to capital, and there is no guarantee that such a return will be achieved within 12 months, or any other timescale.

Investment Policy

The ACD's investment policy is to primarily invest the assets of the Fund so as to gain exposure to government and non-government fixed income and floating rate securities either directly or indirectly through derivatives. This includes developed and emerging market government bonds; Investment Grade, Non-Investment Grade and unrated corporate and government bonds; asset-backed transferable securities. In addition, when determined by the ACD to be appropriate, money market instruments, cash and near cash. At times the Fund may be concentrated in any one or a combination of these types of assets. The Fund may take long positions, and short positions through derivatives, in such assets.

Performance of Net Income Class 1 Shares*

Over the six months to 31 October 2016, the published share price of Class 1 shares in the Threadneedle Global Opportunities Bond Fund has fallen from 94.01p to 92.29p.

For comparison, using noon prices, the performance of the Class 1 share class was -1.83% compared to a return of +1.34% for the Morningstar UK Unit Trusts/OEICs – (IA) Absolute Return Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the Citigroup GBP 1 Month Euro deposit was +0.21%.

Market Overview and Portfolio Activity

The review period was characterised by several regime changes, with central banks appearing to retreat from the dogma of flatter yield curves and negative interest rates. The rise of populism continued, which manifested itself most clearly in the UK's vote to exit the EU. In spite of this, risk markets remained buoyant and volatility remained subdued as central banks maintained or increased stimulus.

The Bank of Japan (BoJ) announced a change from targeting the quantity of money to the price of it; the central bank committed to keeping medium-term bond yields at around 0% in an effort to steepen the yield curve. In addition, the BoJ committed to overshoot the inflation target to raise inflation expectations.

The Federal Reserve (Fed) opted not to tighten policy, although there were signs of increasing disharmony within the committee. The language in the Fed's statement tentatively pointed towards a hike this year.

Over the period, credit spreads tightened on the back of benign economic data and central bank policy actions, particularly the direct asset purchases of corporate bonds.

The performance of the fund was poor during the period. Duration management slightly detracted from performance; the portfolio contained a number of relative-value positions, in particular a short duration exposure to euros alongside a long duration exposure to US dollars. Overall, the portfolio had a small long-duration bias over the period.

The performance of our active currency management was the main driver of the fund's underperformance over the six months. The portfolio had a positive exposure to US dollars over the period and

Mexican pesos towards the start of the period. This was balanced with underweight positions to New Zealand dollars and Chinese renminbi. Although the US dollar strengthened over the period, the relative strength of the New Zealand dollar and the weakness of the Mexican peso hurt returns.

On aggregate, credit spreads tightened over the period. Hence, our small net positive exposure to credit added to returns. Security selection was slightly negative over the period.

We have been very selective in the names we have added to the portfolio. We expect that security selection will reassert itself as a consistent, long-term, positive contributor to returns.

Going forward, we expect the potential for credit spreads to tighten further is limited, given the current level of spreads and the economic and corporate backdrop. However, we continue to expect central banks to provide liquidity to the market in the absence of any inflationary pressures; this should prevent spreads moving significantly higher.

We view the BoJ's decision to target the price of money as opposed to the quantity of money as an acknowledgement of the limits to monetary policy. There are trade-offs between the benefits of a flatter yield curve and the potential impact of such a curve on financial institutions. While the BoJ will most likely need to slow the pace of its government bond purchases, this "tapering" need not be viewed as a tightening akin to the mid-2013 experience of the US.

The Fed appears to have edged closer to tightening policy again in one of the most drawn-out monetary policy cycles on record. We stick with our call for one rate hike this year, in December, which should lend support to the US dollar, given the benign pricing of the Fed's intentions. Accordingly, we hold a more positive stance on the dollar.

STATEMENT OF TOTAL RETURN

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|---|----------------|----------------|
| Income | | |
| Net capital losses | (2,142) | (5,545) |
| Revenue | 1,772 | 2,008 |
| Expenses | (405) | (454) |
| Interest payable and similar charges | (898) | (1,615) |
| Net revenue/(expense) before taxation | 469 | (61) |
| Taxation | — | — |
| Net revenue/(expense) after taxation | 469 | (61) |
| Total return before distributions | (1,673) | (5,606) |
| Distributions | (469) | 4 |
| Change in net assets attributable to shareholders from investment activities | (2,142) | (5,602) |

BALANCE SHEET

as at 31 October 2016

| | 2016 £000 | April 2016 £000 |
|--|-----------------|-----------------------|
| Assets: | | |
| Fixed assets: | | |
| Investments | 82,626 | 82,240 |
| Current assets: | | |
| Debtors | 1,061 | 1,330 |
| Cash and bank balances | 21,062 | 38,360 |
| Total assets | 104,749 | 121,930 |
| Liabilities: | | |
| Investment liabilities | (2,271) | (1,672) |
| Creditors: | | |
| Bank overdrafts | (8,934) | (5,281) |
| Distribution payable | (3) | (4) |
| Other creditors | (621) | (466) |
| Total liabilities | (11,829) | (7,423) |
| Net assets attributable to shareholders | 92,920 | 114,507 |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--|----------------|----------------|
| Opening net assets attributable to shareholders | 114,507 | 110,373 |
| Amounts receivable on the issue of shares | 3,225 | 19,298 |
| Amounts payable on the cancellation of shares | (23,131) | (2,261) |
| | (19,906) | 17,037 |
| Dilution adjustment | 32 | 28 |
| Change in net assets attributable to shareholders from investment activities (see statement of total return above) | (2,142) | (5,602) |
| Retained distribution on accumulation shares | 429 | — |
| Closing net assets attributable to shareholders | 92,920 | 121,836 |

The comparatives used within the Statement of Change in Net Assets Attributable to Shareholders are for the corresponding period of the previous year. Therefore the opening net assets attributable to shareholders for the current year are at 30 April 2016 whilst the figure disclosed in the comparatives' closing net assets attributable to shareholders is at 31 October 2015.

DISTRIBUTION TABLE

for the accounting period 1 May 2016 to 31 October 2016

Interest distribution in pence per share

Class 1 Shares

Net income

| Distribution Period | Gross Revenue | Income Tax | Net Revenue | Distribution Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|---------------|------------|-------------|---------------------------|--------------------------------|------------------------|
| Group 1 | | | | | | |
| 01/05/16 to 31/10/16 | 0.2238 | 0.0448 | 0.1790 | — | 0.1790 | — |
| Group 2 | | | | | | |
| 01/05/16 to 31/10/16 | 0.2238 | 0.0448 | 0.1790 | — | 0.1790 | — |
| Total distributions in the period | | | | | 0.1790 | — |

Class 1 Shares

Net accumulation

| Distribution Period | Gross Revenue | Income Tax | Net Revenue | Distribution Equalisation | Net Revenue Accumulated 2016 | Net Revenue Accumulated 2015 |
|--|---------------|------------|-------------|---------------------------|------------------------------|------------------------------|
| Group 1 | | | | | | |
| 01/05/16 to 31/10/16 | 0.2181 | 0.0436 | 0.1745 | — | 0.1745 | — |
| Group 2 | | | | | | |
| 01/05/16 to 31/10/16 | 0.1075 | 0.0215 | 0.0860 | 0.0885 | 0.1745 | — |
| Total distributions in the period | | | | | 0.1745 | — |

*In pound Sterling and against UK peer group.

Threadneedle Global Opportunities Bond Fund

DISTRIBUTION TABLE

(continued)

Class 1 Shares

Gross accumulation*

| Distribution Period | Gross Revenue | Equalisation | Gross Revenue Accumulated 2016 | Gross Revenue Accumulated 2015 |
|--|---------------|--------------|--------------------------------|--------------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 0.2183 | – | 0.2183 | – |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.2183 | – | 0.2183 | – |
| Total distributions in the period | | | 0.2183 | – |

Class X Shares

Gross accumulation

| Distribution Period | Gross Revenue | Equalisation | Gross Revenue Accumulated 2016 | Gross Revenue Accumulated 2015 |
|--|---------------|--------------|--------------------------------|--------------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 0.7977 | – | 0.7977 | 0.3229 |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.7977 | – | 0.7977 | 0.3229 |
| Total distributions in the period | | | 0.7977 | 0.3229 |

Class Z Shares

Net income

| Distribution Period | Gross Revenue | Income Tax | Net Revenue | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|---------------|------------|-------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | | | |
| 01/05/16 to 31/10/16 | 0.4323 | 0.0865 | 0.3458 | – | 0.3458 | – |
| Group 2 | | | | | | |
| 01/05/16 to 31/10/16 | 0.1681 | 0.0336 | 0.1345 | 0.2113 | 0.3458 | – |
| Total distributions in the period | | | | | 0.3458 | – |

Class Z Shares

Net accumulation

| Distribution Period | Gross Revenue | Income Tax | Net Revenue | Equalisation | Net Revenue Accumulated 2016 | Net Revenue Accumulated 2015 |
|--|---------------|------------|-------------|--------------|------------------------------|------------------------------|
| Group 1 | | | | | | |
| 01/05/16 to 31/10/16 | 0.4341 | 0.0868 | 0.3473 | – | 0.3473 | – |
| Group 2 | | | | | | |
| 01/05/16 to 31/10/16 | 0.2041 | 0.0408 | 0.1633 | 0.1840 | 0.3473 | – |
| Total distributions in the period | | | | | 0.3473 | – |

Class Z Shares

Gross income

| Distribution Period | Gross Revenue | Equalisation | Distribution Paid/Payable 2016 | Distribution Paid 2015 |
|--|---------------|--------------|--------------------------------|------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 0.4357 | – | 0.4357 | – |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.4357 | – | 0.4357 | – |
| Total distributions in the period | | | 0.4357 | – |

Class Z Shares

Gross accumulation

| Distribution Period | Gross Revenue | Equalisation | Gross Revenue Accumulated 2016 | Gross Revenue Accumulated 2015 |
|--|---------------|--------------|--------------------------------|--------------------------------|
| Group 1 | | | | |
| 01/05/16 to 31/10/16 | 0.4347 | – | 0.4347 | – |
| Group 2 | | | | |
| 01/05/16 to 31/10/16 | 0.1127 | 0.3220 | 0.4347 | – |
| Total distributions in the period | | | 0.4347 | – |

Group 2: shares purchased during a distribution period.

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

Threadneedle Global Opportunities Bond Fund

Comparative Table Disclosure

| | Class 1 – Net income shares | | | Class 1 – Net accumulation shares | | |
|---|-----------------------------|------------|-------------------------|-----------------------------------|------------|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 ¹ | 31/10/2016 | 30/04/2016 | 30/04/2015 ² |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 93.77 | 100.33 | 100.00 | 93.79 | 100.32 | 100.00 |
| Return before operating charges (p) | (1.10) | (5.37) | 0.98 | (1.08) | (5.34) | 0.96 |
| Operating charges (p) | (0.56) | (1.19) | (0.65) | (0.58) | (1.17) | (0.64) |
| Return after operating charges (p)* | (1.66) | (6.56) | 0.33 | (1.66) | (6.51) | 0.32 |
| Distributions (p) | (0.22) | – | – | (0.22) | (0.08) | – |
| Retained distributions on accumulation shares (p)** | – | – | – | 0.17 | 0.06 | – |
| Closing net asset value per share (p) | 91.89 | 93.77 | 100.33 | 92.08 | 93.79 | 100.32 |
| *after direct transaction costs of (p) | – | – | – | – | – | – |
| Performance | | | | | | |
| Return after charges (%) | (1.77) | (6.54) | 0.33 | (1.77) | (6.49) | 0.32 |
| Other information | | | | | | |
| Closing net asset value (£000) | 3 | 3 | 3 | 91 | 24 | 3 |
| Closing number of shares | 3,000 | 3,000 | 3,000 | 98,508 | 25,101 | 3,101 |
| Operating charges (%)*** | 1.21 [†] | 1.23 | 1.19 [†] | 1.25 [†] | 1.23 | 1.18 [†] |
| Direct transaction costs (%)**** | – | – | – | – | – | – |
| Prices | | | | | | |
| Highest share price (p) | 94.27 | 102.57 | 100.91 | 94.27 | 102.58 | 100.91 |
| Lowest share price (p) | 91.02 | 90.15 | 98.81 | 91.03 | 90.18 | 98.81 |

| | Class 1 – Gross accumulation shares ⁵ | | | Class X – Gross accumulation shares ⁵ | | |
|---|--|-------------------------|--|--|------------|-------------------------|
| | 31/10/2016 | 30/04/2016 ³ | | 31/10/2016 | 30/04/2016 | 30/04/2015 ⁴ |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 98.27 | 100.00 | | 95.91 | 101.41 | 100.00 |
| Return before operating charges (p) | (1.16) | (1.11) | | (1.12) | (5.47) | 1.46 |
| Operating charges (p) | (0.61) | (0.62) | | (0.01) | (0.03) | (0.05) |
| Return after operating charges (p)* | (1.77) | (1.73) | | (1.13) | (5.50) | 1.41 |
| Distributions (p) | (0.22) | (0.11) | | (0.80) | (1.11) | – |
| Retained distributions on accumulation shares (p)** | 0.22 | 0.11 | | 0.80 | 1.11 | – |
| Closing net asset value per share (p) | 96.50 | 98.27 | | 94.78 | 95.91 | 101.41 |
| *after direct transaction costs of (p) | – | – | | – | – | – |
| Performance | | | | | | |
| Return after charges (%) | (1.80) | (1.73) | | (1.18) | (5.42) | 1.41 |
| Other information | | | | | | |
| Closing net asset value (£000) | 3 | 3 | | 3 | 3 | 3 |
| Closing number of shares | 3,000 | 3,000 | | 3,001 | 3,001 | 3,001 |
| Operating charges (%)*** | 1.26 [†] | 1.24 [†] | | 0.03 [†] | 0.03 | 0.05 [†] |
| Direct transaction costs (%)**** | – | – | | – | – | – |
| Prices | | | | | | |
| Highest share price (p) | 98.78 | 101.27 | | 96.52 | 103.77 | 101.92 |
| Lowest share price (p) | 95.40 | 94.47 | | 93.29 | 91.98 | 99.47 |

Threadneedle Global Opportunities Bond Fund

Comparative Table Disclosure

(continued)

| | Class Z – Net income shares | | | Class Z – Net accumulation shares | | |
|---|--|-------------------------|-------------------------|--|-------------|-------------------------|
| | 31/10/2016 | 30/04/2016 | 30/04/2015 ⁵ | 31/10/2016 | 30/04/2016 | 30/04/2015 ⁵ |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 94.50 | 101.02 | 100.00 | 94.96 | 101.21 | 100.00 |
| Return before operating charges (p) | (1.10) | (5.37) | 1.93 | (1.11) | (5.42) | 1.90 |
| Operating charges (p) | (0.37) | (0.76) | (0.68) | (0.38) | (0.75) | (0.65) |
| Return after operating charges (p)* | (1.47) | (6.13) | 1.25 | (1.49) | (6.17) | 1.25 |
| Distributions (p) | (0.43) | (0.39) | (0.23) | (0.43) | (0.42) | (0.21) |
| Retained distributions on accumulation shares (p)** | – | – | – | 0.35 | 0.34 | 0.17 |
| Closing net asset value per share (p) | 92.60 | 94.50 | 101.02 | 93.39 | 94.96 | 101.21 |
| *after direct transaction costs of (p) | – | – | – | – | – | – |
| Performance | | | | | | |
| Return after charges (%) | (1.56) | (6.07) | 1.25 | (1.57) | (6.10) | 1.25 |
| Other information | | | | | | |
| Closing net asset value (£000) | 73 | 74 | 3 | 2,383 | 5,217 | 8 |
| Closing number of shares | 79,499 | 77,939 | 3,050 | 2,551,778 | 5,493,832 | 7,992 |
| Operating charges (%)*** | 0.80 [†] | 0.79 | 0.74 [†] | 0.81 [†] | 0.79 | 0.71 [†] |
| Direct transaction costs (%)**** | – | – | – | – | – | – |
| Prices | | | | | | |
| Highest share price (p) | 95.02 | 103.37 | 101.76 | 95.48 | 103.50 | 101.80 |
| Lowest share price (p) | 91.77 | 91.09 | 99.65 | 92.21 | 91.24 | 99.69 |
| | Class Z – Gross income shares ⁵ | | | Class Z – Gross accumulation shares ⁵ | | |
| | 31/10/2016 | 30/04/2016 ¹ | 30/04/2015 ⁷ | 31/10/2016 | 30/04/2016 | 30/04/2015 ⁵ |
| Change in net assets per share | | | | | | |
| Opening net asset value per share (p) | 94.87 | 101.02 | 100.00 | 95.10 | 101.24 | 100.00 |
| Return before operating charges (p) | (1.08) | (5.34) | 1.93 | (1.11) | (5.37) | 1.94 |
| Operating charges (p) | (0.38) | (0.81) | (0.69) | (0.38) | (0.77) | (0.70) |
| Return after operating charges (p)* | (1.46) | (6.15) | 1.24 | (1.49) | (6.14) | 1.24 |
| Distributions (p) | (0.44) | – | (0.22) | (0.43) | (0.39) | (0.22) |
| Retained distributions on accumulation shares (p)** | – | – | – | 0.43 | 0.39 | 0.22 |
| Closing net asset value per share (p) | 92.97 | 94.87 | 101.02 | 93.61 | 95.10 | 101.24 |
| *after direct transaction costs of (p) | – | – | – | – | – | – |
| Performance | | | | | | |
| Return after charges (%) | (1.54) | (6.09) | 1.24 | (1.57) | (6.06) | 1.24 |
| Other information | | | | | | |
| Closing net asset value (£000) | 31 | 45 | 1,013 | 90,333 | 109,138 | 109,340 |
| Closing number of shares | 33,143 | 47,362 | 1,003,001 | 96,495,266 | 114,767,950 | 108,000,472 |
| Operating charges (%)*** | 0.80 [†] | 0.80 | 0.75 [†] | 0.80 [†] | 0.79 | 0.76 [†] |
| Direct transaction costs (%)**** | – | – | – | – | – | – |
| Prices | | | | | | |
| Highest share price (p) | 95.41 | 103.39 | 101.76 | 95.63 | 103.56 | 101.81 |
| Lowest share price (p) | 92.17 | 91.12 | 96.65 | 92.39 | 91.33 | 99.70 |

**Any difference between the distributions and the retained distributions on accumulation shares is due to the tax withheld.

***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.

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

¹Only available to eligible investors.²Class 1 – Net income shares commenced 24 March 2015.³Class 1 – Net accumulation shares commenced 24 March 2015.⁴Class 1 – Gross accumulation shares commenced 28 October 2015.⁵Class X – Gross accumulation shares commenced 24 February 2015.⁶Class Z – Net income shares commenced 27 February 2015.⁷Class Z – Net accumulation shares commenced 27 February 2015.⁸Class Z – Gross income shares commenced 27 February 2015.⁹Class Z – Gross accumulation shares commenced 27 February 2015.[†]The Ongoing Charges Figure is annualised based on the fees incurred during the accounting period or since commencement date.

Threadneedle Global Opportunities Bond Fund

Notes to the financial statements

for the accounting period 1 May 2016 to 31 October 2016

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014. The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2016 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

2016

Class 1 – Net income shares

| | |
|-----------------|-------|
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |

Class 1 – Net accumulation shares

| | |
|-----------------|--------|
| Opening shares | 25,101 |
| Shares issued | 74,400 |
| Shares redeemed | (993) |
| Net conversions | – |
| Closing shares | 98,508 |

Class 1 – Gross accumulation shares

| | |
|-----------------|-------|
| Opening shares | 3,000 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,000 |

Class X – Gross accumulation shares

| | |
|-----------------|-------|
| Opening shares | 3,001 |
| Shares issued | – |
| Shares redeemed | – |
| Net conversions | – |
| Closing shares | 3,001 |

Class Z – Net income shares

| | |
|-----------------|---------|
| Opening shares | 77,939 |
| Shares issued | 6,210 |
| Shares redeemed | (4,650) |
| Net conversions | – |
| Closing shares | 79,499 |

Class Z – Net accumulation shares

| | |
|-----------------|-------------|
| Opening shares | 5,493,832 |
| Shares issued | 125,471 |
| Shares redeemed | (3,067,525) |
| Net conversions | – |
| Closing shares | 2,551,778 |

Class Z – Gross income shares

| | |
|-----------------|----------|
| Opening shares | 47,362 |
| Shares issued | – |
| Shares redeemed | (14,219) |
| Net conversions | – |
| Closing shares | 33,143 |

Class Z – Gross accumulation shares

| | |
|-----------------|--------------|
| Opening shares | 114,767,950 |
| Shares issued | 3,247,928 |
| Shares redeemed | (21,520,612) |
| Net conversions | – |
| Closing shares | 96,495,266 |

2016

Threadneedle UK Mid 250 Fund

Portfolio Statement

as at 31 October 2016

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|--|---|---------------|----------------------------|--|--|---------------|----------------------------|
| OIL & GAS 1.82% (0.68%) | | | | Travel & Leisure 12.36% (11.17%) | | | |
| | Oil & Gas Producers 1.82% (0.00%) | | | 401,199 | Greene King | 2,913 | 2.98 |
| 651,858 | Tullow Oil | 1,781 | 1.82 | 336,302 | GVC Holdings | 2,336 | 2.39 |
| | Oil Equipment, Services & Distribution 0.00% (0.68%) | | | 25,958 | Paddy Power (UK Listing) | 2,197 | 2.25 |
| | Total Oil & Gas | 1,781 | 1.82 | 932,340 | Rank Group | 1,786 | 1.83 |
| | | | | 837,309 | SSP Group | 2,840 | 2.91 |
| | | | | | Total Consumer Services | 26,134 | 26.77 |
| BASIC MATERIALS 4.99% (2.15%) | | | | FINANCIALS 17.23% (20.77%) | | | |
| | Chemicals 3.00% (2.15%) | | | | Banks 3.90% (5.28%) | | |
| 167,184 | Victrex | 2,926 | 3.00 | 73,590 | Secure Trust Bank | 1,722 | 1.76 |
| | Mining 1.99% (0.00%) | | | 620,559 | Virgin Money Holdings UK | 2,084 | 2.14 |
| 106,145 | Acacia Mining | 550 | 0.56 | | Real Estate Investment & Services 1.25% (1.43%) | | |
| 887,846 | Centamin | 1,392 | 1.43 | 878,622 | Market Tech Holdings | 1,221 | 1.25 |
| | Total Basic Materials | 4,868 | 4.99 | | Real Estate Investment Trusts 2.77% (4.65%) | | |
| INDUSTRIALS 26.12% (24.79%) | | | | 98,755 | Dervent London | 2,369 | 2.43 |
| | Construction & Materials 8.21% (4.28%) | | | 221,130 | Londonmetric Property REIT | 329 | 0.34 |
| 2,852,937 | Melrose Industries | 4,879 | 5.00 | | Financial Services 7.32% (9.41%) | | |
| 1,302,113 | Tyman | 3,132 | 3.21 | 108,893 | Close Brothers Group | 1,428 | 1.46 |
| | Aerospace & Defence 2.18% (2.63%) | | | 416,192 | Intermediate Capital Group | 2,505 | 2.57 |
| 1,225,613 | Senior | 2,126 | 2.18 | 1,139,247 | IP Group | 1,732 | 1.77 |
| | Industrial Engineering 0.00% (0.96%) | | | 343,194 | Jupiter Fund Management | 1,484 | 1.52 |
| | Support Services 15.73% (16.92%) | | | | Equity Investment Instruments 1.99% (0.00%) | | |
| 246,142 | Berendsen | 2,380 | 2.44 | 45,188 | Electra Private Equity | 1,945 | 1.99 |
| 576,955 | Howden Joinery Group | 2,156 | 2.21 | | Total Financials | 16,819 | 17.23 |
| 995,931 | Paysafe Group | 4,321 | 4.42 | | | | |
| 1,716,268 | Rentokil Initial | 3,913 | 4.01 | | | | |
| 170,825 | WS Atkins | 2,593 | 2.65 | | | | |
| | Total Industrials | 25,500 | 26.12 | | | | |
| CONSUMER GOODS 6.39% (9.42%) | | | | TECHNOLOGY 8.45% (7.60%) | | | |
| | Beverages 0.00% (1.93%) | | | | Software & Computer Services 8.45% (7.60%) | | |
| | Household Goods & Home Construction 3.88% (4.16%) | | | 122,690 | AVEVA Group | 2,254 | 2.31 |
| 755,185 | Countryside Properties | 1,730 | 1.77 | 292,183 | FDM Group Holdings IPO | 1,714 | 1.75 |
| 504,575 | Crest Nicholson Holdings | 2,054 | 2.11 | 201,038 | Micro Focus International | 4,284 | 4.39 |
| | Personal Goods 2.51% (3.33%) | | | | Total Technology | 8,252 | 8.45 |
| 99,785 | Ted Baker | 2,452 | 2.51 | | | | |
| | Total Consumer Goods | 6,236 | 6.39 | | | | |
| HEALTH CARE 8.35% (5.66%) | | | | Total value of investments | | 97,739 | 100.12 |
| | Pharmaceuticals & Biotechnology 8.35% (5.66%) | | | Net other (liabilities) (-0.63%) | | (113) | (0.12) |
| 448,595 | BTG | 2,945 | 3.02 | Net assets | | 97,626 | 100.00 |
| 319,782 | ¹ Clinigen Group | 2,363 | 2.42 | <i>April 2016 comparatives in brackets.</i> | | | |
| 2,092,246 | Vectura Group | 2,841 | 2.91 | <i>¹Alternative Investment Market.</i> | | | |
| | Total Health Care | 8,149 | 8.35 | Total Purchases and Sales | | | |
| CONSUMER SERVICES 26.77% (29.56%) | | | | <i>for the accounting period 1 May 2016 to 31 October 2016</i> | | | |
| | General Retailers 6.82% (12.14%) | | | | | 2016 | 2015 |
| 780,848 | DFS Furniture | 1,991 | 2.04 | | | £000 | £000 |
| 1,065,900 | N Brown Group | 2,025 | 2.07 | Total purchases for the period | | | |
| 1,334,384 | Saga | 2,642 | 2.71 | Total sales for the period | | | |
| | Media 7.59% (6.25%) | | | | | 31,577 | 34,404 |
| 1,487,119 | Ascential | 4,289 | 4.39 | | | 39,139 | 30,282 |
| 160,983 | Euromoney Institutional Investor | 1,674 | 1.72 | | | | |
| 550,000 | Moneysupermarket.com Group | 1,441 | 1.48 | | | | |

Threadneedle Ethical UK Equity Fund

Portfolio Statement

as at 31 October 2016

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|--|--|---------------|----------------------------|---|--|---------------|----------------------------|
| OIL & GAS 2.76% (0.46%) | | | | Media 8.34% (8.03%) | | | |
| | Alternative Energy 2.76% (0.46%) | | | 291,719 | ITV | 501 | 2.24 |
| 4,628,571 | ¹ Ceres Power Holdings | 463 | 2.07 | 68,054 | Pearson | 516 | 2.30 |
| 288,064 | ¹ Ilika | 156 | 0.69 | 58,045 | RELX | 851 | 3.80 |
| | Total Oil & Gas | 619 | 2.76 | Travel & Leisure 2.93% (5.12%) | | | |
| BASIC MATERIALS 4.19% (3.49%) | | | | 198,331 | Gym Group | 397 | 1.77 |
| | Chemicals 4.19% (3.49%) | | | 8,265 | InterContinental Hotels | 261 | 1.16 |
| 17,603 | Johnson Matthey | 599 | 2.67 | Total Consumer Services | | | |
| 19,472 | Victrex | 341 | 1.52 | | | 3,206 | 14.30 |
| | Total Basic Materials | 940 | 4.19 | TELECOMMUNICATIONS 4.26% (5.15%) | | | |
| INDUSTRIALS 17.54% (16.27%) | | | | | Fixed Line Telecommunications 4.26% (5.15%) | | |
| | Construction & Materials 4.35% (4.43%) | | | 145,483 | BT Group | 546 | 2.44 |
| 157,620 | ¹ Accsys Technologies | 109 | 0.49 | 705,966 | ¹ CityFibre Infrastructure Holdings | 409 | 1.82 |
| 36,255 | Kier Group | 488 | 2.18 | Total Telecommunications | | | |
| 19,155 | Kingspan Group (EUR) | 377 | 1.68 | | | 955 | 4.26 |
| | Electronic & Electrical Equipment 1.66% (0.00%) | | | UTILITIES 2.12% (2.17%) | | | |
| 242,108 | Luceco | 372 | 1.66 | | Gas, Water & Multiutilities 2.12% (2.17%) | | |
| | Industrial Engineering 1.29% (1.31%) | | | 57,269 | Pennon Group | 474 | 2.12 |
| 6,565 | Spirax-Sarco Engineering | 290 | 1.29 | Total Utilities | | | |
| | Support Services 10.24% (10.53%) | | | | | 474 | 2.12 |
| 88,150 | Mears Group | 397 | 1.77 | FINANCIALS 20.72% (21.07%) | | | |
| 196,530 | Rentokil Initial | 448 | 2.00 | | Nonlife Insurance 2.41% (2.09%) | | |
| 39,880 | Ricardo | 368 | 1.64 | 98,471 | RSA Insurance Group | 540 | 2.41 |
| 291,331 | Shanks Group | 256 | 1.14 | | Life Insurance 9.80% (10.22%) | | |
| 109,249 | Shanks Group Rights | 33 | 0.15 | 320,206 | Legal & General Group | 673 | 3.00 |
| 61,350 | ¹ Smart Metering Systems | 323 | 1.44 | 82,204 | Prudential | 1,113 | 4.96 |
| 30,947 | WS Atkins | 470 | 2.10 | 43,749 | St James's Place | 413 | 1.84 |
| | Total Industrials | 3,931 | 17.54 | | Real Estate Investment Trusts 2.19% (2.48%) | | |
| CONSUMER GOODS 14.95% (15.69%) | | | | 8,118 | Derwent London | 195 | 0.87 |
| | Food Producers 1.20% (0.95%) | | | 30,000 | Land Securities Group REIT | 295 | 1.32 |
| 34,593 | Tate & Lyle | 270 | 1.20 | | Financial Services 6.32% (6.28%) | | |
| | Household Goods & Home Construction 8.32% (9.71%) | | | 20,100 | Close Brothers Group | 264 | 1.18 |
| 129,629 | Countryside Properties | 297 | 1.33 | 66,666 | IP Group | 101 | 0.45 |
| 59,982 | Crest Nicholson Holdings | 244 | 1.09 | 180,288 | John Laing Group | 486 | 2.17 |
| 18,115 | Reckitt Benckiser Group | 1,323 | 5.90 | 20,137 | London Stock Exchange Group | 564 | 2.52 |
| | Personal Goods 5.43% (5.03%) | | | Total Financials | | | |
| 35,628 | Unilever | 1,217 | 5.43 | | | 4,644 | 20.72 |
| | Total Consumer Goods | 3,351 | 14.95 | TECHNOLOGY 3.98% (6.44%) | | | |
| HEALTH CARE 14.60% (12.11%) | | | | | Software & Computer Services 3.98% (3.75%) | | |
| | Pharmaceuticals & Biotechnology 14.60% (12.11%) | | | 75,554 | FDM Group Holdings IPO | 443 | 1.98 |
| 11,915 | AstraZeneca | 548 | 2.45 | 89,472 | NCC Group | 171 | 0.76 |
| 74,476 | BTG | 489 | 2.18 | 38,585 | Sage Group | 277 | 1.24 |
| 11,678 | Genus | 219 | 0.98 | | Technology Hardware & Equipment 0.00% (2.69%) | | |
| 124,932 | GlaxoSmithKline | 2,016 | 8.99 | Total Technology | | | |
| | Total Health Care | 3,272 | 14.60 | | | 891 | 3.98 |
| CONSUMER SERVICES 14.30% (16.71%) | | | | Total value of investments | | | |
| | Food & Drug Retailers 0.00% (1.02%) | | | | | 22,283 | 99.42 |
| | General Retailers 3.03% (2.54%) | | | Net other assets (0.44%) | | | |
| 108,614 | Marks & Spencer Group | 368 | 1.64 | | | 131 | 0.58 |
| 157,613 | Saga | 312 | 1.39 | Net assets | | | |
| | | | | | | 22,414 | 100.00 |

April 2016 comparatives in brackets.

¹ Alternative Investment Market.

Total Purchases and Sales

for the accounting period 1 May 2016 to 31 October 2016

| | |
|--------------------------------|-------------|
| | 2016 |
| | £000 |
| Total purchases for the period | 3,243 |
| Total sales for the period | 4,070 |

Threadneedle UK Extended Alpha Fund

Portfolio Statement

as at 31 October 2016

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|---------------------------------------|---|---------------|----------------------------|--|---|---------------|----------------------------|
| OIL & GAS 7.41% (6.40%) | | | | HEALTH CARE 9.05% (10.20%) | | | |
| | Oil & Gas Producers 4.65% (4.13%) | | | | Health Care Equipment & Services 2.63% (3.41%) | | |
| 267,901 | Royal Dutch Shell B Shares | 5,684 | 4.65 | 269,390 | Smith & Nephew | 3,211 | 2.63 |
| | Oil Equipment, Services & Distribution 2.76% (2.27%) | | | | Pharmaceuticals & Biotechnology 6.42% (6.79%) | | |
| 118,381 | Hunting | 599 | 0.49 | 79,658 | AstraZeneca | 3,667 | 3.00 |
| 355,563 | John Wood Group | 2,772 | 2.27 | 259,185 | GlaxoSmithKline | 4,182 | 3.42 |
| | Total Oil & Gas | 9,055 | 7.41 | | Total Health Care | 11,060 | 9.05 |
| BASIC MATERIALS 4.80% (4.47%) | | | | CONSUMER SERVICES 18.50% (17.36%) | | | |
| | Chemicals 2.00% (2.49%) | | | | General Retailers 1.70% (1.89%) | | |
| 72,019 | Johnson Matthey | 2,451 | 2.00 | 319,997 | Inchcape | 2,075 | 1.70 |
| | Mining 2.80% (1.98%) | | | | Media 7.66% (7.50%) | | |
| 120,684 | Rio Tinto | 3,423 | 2.80 | 204,490 | Daily Mail & General Trust | 1,562 | 1.28 |
| | Total Basic Materials | 5,874 | 4.80 | 427,031 | Informa | 2,868 | 2.34 |
| INDUSTRIALS 15.13% (12.76%) | | | | 1,182,329 | ITV | 2,031 | 1.66 |
| | Construction & Materials 2.75% (1.69%) | | | 141,053 | Pearson | 1,068 | 0.87 |
| 2,080,751 | Breedon Aggregates | 1,446 | 1.18 | 104,127 | WPP | 1,844 | 1.51 |
| 72,168 | CRH | 1,922 | 1.57 | | Travel & Leisure 9.14% (7.97%) | | |
| | Aerospace & Defence 2.46% (2.16%) | | | 66,445 | Carnival | 2,603 | 2.13 |
| 304,656 | BAE Systems | 1,650 | 1.35 | 209,371 | Compass Group | 3,082 | 2.52 |
| 8,632,866 | Rolls-Royce C Shares (Jan 2017) | — | — | 563,631 | Firstgroup | 624 | 0.51 |
| 187,671 | Rolls-Royce Holdings | 1,362 | 1.11 | 323,758 | Greene King | 2,350 | 1.92 |
| | General Industrials 2.02% (1.27%) | | | 2,823 | InterContinental Hotels | 89 | 0.07 |
| 140,089 | DS Smith | 558 | 0.46 | 62,154 | J D Wetherspoon | 537 | 0.44 |
| 134,108 | Smiths Group | 1,908 | 1.56 | 339,349 | Merlin Entertainments | 1,561 | 1.28 |
| | Industrial Transportation 1.47% (1.11%) | | | 167,954 | Stagecoach Group | 332 | 0.27 |
| 365,999 | Royal Mail | 1,790 | 1.47 | | Total Consumer Services | 22,626 | 18.50 |
| | Support Services 6.43% (6.53%) | | | TELECOMMUNICATIONS 3.61% (3.85%) | | | |
| 70,747 | Aggreko | 564 | 0.46 | | Fixed Line Telecommunications 3.61% (3.85%) | | |
| 114,676 | Berendsen | 1,109 | 0.91 | 1,175,840 | BT Group | 4,416 | 3.61 |
| 634,876 | Howden Joinery Group | 2,372 | 1.94 | | Total Telecommunications | 4,416 | 3.61 |
| 586,294 | Rentokil Initial | 1,337 | 1.09 | UTILITIES 2.28% (1.88%) | | | |
| 58,634 | Wolseley | 2,480 | 2.03 | | Gas, Water & Multiutilities 2.28% (1.88%) | | |
| | Total Industrials | 18,498 | 15.13 | 336,505 | Pennon Group | 2,788 | 2.28 |
| CONSUMER GOODS 23.66% (22.62%) | | | | | Total Utilities | 2,788 | 2.28 |
| | Automobiles & Parts 2.10% (2.03%) | | | FINANCIALS 17.19% (15.13%) | | | |
| 811,458 | GKN | 2,567 | 2.10 | | Banks 1.48% (2.55%) | | |
| | Beverages 3.72% (3.18%) | | | 253,020 | Standard Chartered | 1,810 | 1.48 |
| 208,293 | Diageo | 4,555 | 3.72 | | Nonlife Insurance 1.18% (1.08%) | | |
| | Household Goods & Home Construction 5.77% (6.37%) | | | 263,378 | RSA Insurance Group | 1,445 | 1.18 |
| 617,813 | Crest Nicholson Holdings | 2,514 | 2.06 | | Life Insurance 7.84% (6.48%) | | |
| 389,321 | McCarthy & Stone | 652 | 0.53 | 944,596 | Legal & General Group | 1,985 | 1.62 |
| 53,244 | Reckitt Benckiser Group | 3,890 | 3.18 | 368,153 | Prudential | 4,985 | 4.08 |
| | Personal Goods 4.13% (3.21%) | | | 276,852 | St James's Place | 2,613 | 2.14 |
| 136,970 | Burberry Group | 2,013 | 1.65 | | Real Estate Investment Trusts 2.78% (1.51%) | | |
| 88,621 | Unilever | 3,027 | 2.48 | 78,773 | Derwent London | 1,890 | 1.55 |
| | Tobacco 7.94% (7.83%) | | | 152,601 | Land Securities Group REIT | 1,500 | 1.23 |
| 105,195 | British American Tobacco | 4,959 | 4.06 | | Financial Services 3.91% (3.51%) | | |
| 119,359 | Imperial Brands | 4,746 | 3.88 | 61,213 | Intermediate Capital Group | 368 | 0.30 |
| | Total Consumer Goods | 28,923 | 23.66 | 125,871 | London Stock Exchange Group | 3,527 | 2.88 |
| | | | | 255,938 | Tullett Prebon | 896 | 0.73 |
| | | | | | Total Financials | 21,019 | 17.19 |

Threadneedle UK Extended Alpha Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value |
|--|------------------------|----------------|----------------------------|
| TECHNOLOGY 2.78% (3.02%) | | | |
| Software & Computer Services 2.78% (2.45%) | | | |
| 206,939 | FDM Group Holdings IPO | 1,214 | 0.99 |
| 304,729 | Sage Group | 2,191 | 1.79 |
| Technology Hardware & Equipment 0.00% (0.57%) | | | |
| Total Technology | | 3,405 | 2.78 |
| DERIVATIVES 0.38% (-0.07%) | | | |
| Portfolio Swap 0.38% (-0.07%) | | | |
| | UBS Portfolio Swap | 461 | 0.38 |
| Total Derivatives | | 461 | 0.38 |
| Total value of investments | | 128,125 | 104.79 |
| Net other (liabilities)/assets (2.38%) | | (5,862) | (4.79) |
| Net assets | | 122,263 | 100.00 |

April 2016 comparatives in brackets.

*Alternative Investment Market.

Total Purchases and Sales

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--------------------------------|--------------|--------------|
| Total purchases for the period | 45,122 | 16,341 |
| Total sales for the period | 10,645 | 6,155 |

Threadneedle UK Equity Alpha Income Fund

Portfolio Statement

as at 31 October 2016

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|--|--|----------------|----------------------------|--|--|-----------------|----------------------------|
| OIL & GAS 6.57% (6.71%) | | | | UTILITIES 8.80% (11.24%) | | | |
| | Oil & Gas Producers 6.57% (6.71%) | | | | Gas, Water & Multiutilities 8.80% (11.24%) | | |
| 2,405,523 | Royal Dutch Shell B Shares | 51,033 | 6.57 | 20,876,394 | Centrica | 44,592 | 5.75 |
| | Total Oil & Gas | 51,033 | 6.57 | 2,858,903 | Pennon Group | 23,686 | 3.05 |
| | | | | | Total Utilities | 68,278 | 8.80 |
| INDUSTRIALS 22.87% (19.62%) | | | | FINANCIALS 15.54% (19.53%) | | | |
| | Construction & Materials 0.00% (0.87%) | | | | Nonlife Insurance 4.45% (3.28%) | | |
| | Aerospace & Defence 7.78% (8.22%) | | | 6,303,341 | RSA Insurance Group | 34,574 | 4.45 |
| 6,232,897 | BAE Systems | 33,751 | 4.35 | | Life Insurance 8.82% (10.28%) | | |
| 18,710,748 | Cobham | 26,644 | 3.43 | 13,709,715 | Legal & General Group | 28,804 | 3.71 |
| | General Industrials 3.29% (2.28%) | | | 1,842,356 | Phoenix Group Holdings | 13,477 | 1.74 |
| 1,793,663 | Smiths Group | 25,524 | 3.29 | 1,074,708 | Phoenix Group Holdings Rights | 2,397 | 0.31 |
| | Industrial Engineering 1.31% (1.15%) | | | 7,017,239 | Standard Life | 23,725 | 3.06 |
| 2,420,578 | Castings | 10,166 | 1.31 | | Real Estate Investment Trusts 2.27% (2.77%) | | |
| | Support Services 10.49% (7.10%) | | | 11,842,867 | Londonmetric Property REIT | 17,599 | 2.27 |
| 13,520,395 | Electrocomponents | 50,539 | 6.51 | | Financial Services 0.00% (3.20%) | | |
| 13,550,756 | Rentokil Initial | 30,896 | 3.98 | | Total Financials | 120,576 | 15.54 |
| | Total Industrials | 177,520 | 22.87 | | | | |
| CONSUMER GOODS 14.15% (12.49%) | | | | TECHNOLOGY 1.85% (1.54%) | | | |
| | Food Producers 4.57% (2.60%) | | | | Technology Hardware & Equipment 1.85% (1.54%) | | |
| 4,546,242 | Tate & Lyle | 35,483 | 4.57 | 17,632,483 | Spirent Communications | 14,371 | 1.85 |
| | Personal Goods 3.38% (2.98%) | | | | Total Technology | 14,371 | 1.85 |
| 767,721 | Unilever | 26,222 | 3.38 | | Total value of investments | 792,215 | 102.08 |
| | Tobacco 6.20% (6.91%) | | | | Net other (liabilities) (-0.75%) | (16,139) | (2.08) |
| 1,210,440 | Imperial Brands | 48,127 | 6.20 | | Net assets | 776,076 | 100.00 |
| | Total Consumer Goods | 109,832 | 14.15 | | | | |
| HEALTH CARE 12.28% (11.93%) | | | | Total Purchases and Sales | | | |
| | Pharmaceuticals & Biotechnology 12.28% (11.93%) | | | <i>for the accounting period 1 May 2016 to 31 October 2016</i> | | | |
| 1,029,788 | AstraZeneca | 47,401 | 6.11 | | 2016 | 2015 | |
| 2,968,602 | GlaxoSmithKline | 47,898 | 6.17 | | £000 | £000 | |
| | Total Health Care | 95,299 | 12.28 | Total purchases for the period | 77,534 | 121,109 | |
| | | | | Total sales for the period | 233,138 | 70,376 | |
| CONSUMER SERVICES 16.34% (15.13%) | | | | | | | |
| | Food & Drug Retailers 4.24% (3.03%) | | | | | | |
| 14,606,261 | WM Morrison Supermarkets | 32,893 | 4.24 | | | | |
| | General Retailers 3.45% (2.93%) | | | | | | |
| 7,905,510 | Marks & Spencer Group | 26,808 | 3.45 | | | | |
| | Media 6.76% (6.99%) | | | | | | |
| 12,189,689 | ITV | 20,942 | 2.70 | | | | |
| 4,160,050 | Pearson | 31,512 | 4.06 | | | | |
| | Travel & Leisure 1.89% (2.18%) | | | | | | |
| 7,389,611 | Stagecoach Group | 14,624 | 1.89 | | | | |
| | Total Consumer Services | 126,779 | 16.34 | | | | |
| TELECOMMUNICATIONS 3.68% (2.56%) | | | | | | | |
| | Fixed Line Telecommunications 3.68% (2.56%) | | | | | | |
| 7,596,037 | BT Group | 28,527 | 3.68 | | | | |
| | Total Telecommunications | 28,527 | 3.68 | | | | |

April 2016 comparatives in brackets.

Threadneedle UK Absolute Alpha Fund

Portfolio Statement

as at 31 October 2016

| | | | Value £000 | % of Net Asset Value | | | | Value £000 | % of Net Asset Value |
|--|--|-----------------------------------|----------------|----------------------------|--|---|----------------|---------------|----------------------------|
| Holding | Investment | | | | Holding | Investment | | | |
| GOVERNMENT BONDS 15.74% (0.00%) | | | | | HEALTH CARE 6.33% (5.72%) | | | | |
| | Government Bonds 15.74% (0.00%) | | | | | Health Care Equipment & Services 2.26% (1.95%) | | | |
| GBP | 42,000,000 | United Kingdom Gilt 0% 07/11/2016 | 41,990 | 5.23 | 1,524,085 | Smith & Nephew | 18,167 | 2.26 | |
| GBP | 27,000,000 | United Kingdom Gilt 0% 14/11/2016 | 26,993 | 3.36 | | | | | |
| GBP | 26,612,530 | United Kingdom Gilt 0% 21/11/2016 | 26,604 | 3.31 | | Pharmaceuticals & Biotechnology 4.07% (3.77%) | | | |
| GBP | 15,690,000 | United Kingdom Gilt 0% 28/11/2016 | 15,685 | 1.95 | 329,009 | AstraZeneca | 15,144 | 1.89 | |
| GBP | 15,200,000 | United Kingdom Gilt 0% 05/12/2016 | 15,194 | 1.89 | 1,084,357 | GlaxoSmithKline | 17,496 | 2.18 | |
| | Total Government Bonds | | 126,466 | 15.74 | | Total Health Care | 50,807 | 6.33 | |
| OIL & GAS 2.42% (1.92%) | | | | | CONSUMER SERVICES 15.74% (17.41%) | | | | |
| | Oil & Gas Producers 2.42% (1.92%) | | | | | General Retailers 0.00% (2.43%) | | | |
| 917,635 | Royal Dutch Shell B Shares | | 19,468 | 2.42 | | Media 8.66% (5.86%) | | | |
| | Total Oil & Gas | | 19,468 | 2.42 | 2,840,748 | Informa | 19,076 | 2.37 | |
| BASIC MATERIALS 3.73% (1.00%) | | | | | 6,169,094 | ITV | 10,599 | 1.32 | |
| | Chemicals 2.40% (1.00%) | | | | 1,244,174 | RELX | 18,240 | 2.27 | |
| 257,475 | Johnson Matthey | | 8,762 | 1.09 | 1,874,080 | UBM | 13,409 | 1.67 | |
| 601,354 | Victrex | | 10,524 | 1.31 | 468,318 | WPP | 8,294 | 1.03 | |
| | Mining 1.33% (0.00%) | | | | | Travel & Leisure 7.08% (9.12%) | | | |
| 376,398 | Rio Tinto | | 10,675 | 1.33 | 1,275,464 | Compass Group | 18,775 | 2.34 | |
| | Total Basic Materials | | 29,961 | 3.73 | 10,172,998 | Firstgroup | 11,272 | 1.40 | |
| INDUSTRIALS 9.45% (3.91%) | | | | | 1,312,152 | Greene King | 9,526 | 1.19 | |
| | Construction & Materials 3.60% (1.74%) | | | | 2,479,075 | Merlin Entertainments | 11,401 | 1.42 | |
| 12,476,382 | Breedon Aggregates | | 8,671 | 1.08 | 566,400 | TUI (UK Listing) | 5,896 | 0.73 | |
| 442,324 | CRH | | 11,779 | 1.47 | | Total Consumer Services | 126,488 | 15.74 | |
| 4,943,404 | Melrose Industries | | 8,453 | 1.05 | | TELECOMMUNICATIONS 1.35% (2.47%) | | | |
| | Aerospace & Defence 0.08% (0.06%) | | | | | Fixed Line Telecommunications 1.35% (2.47%) | | | |
| 119,542 | BAE Systems | | 647 | 0.08 | 2,882,775 | BT Group | 10,826 | 1.35 | |
| | General Industrials 2.92% (1.02%) | | | | | Total Telecommunications | 10,826 | 1.35 | |
| 2,829,768 | DS Smith | | 11,271 | 1.40 | | FINANCIALS 11.72% (10.70%) | | | |
| 860,114 | Smiths Group | | 12,239 | 1.52 | 1,913,064 | Banks 1.70% (0.00%) | | | |
| | Industrial Transportation 1.01% (0.00%) | | | | | Standard Chartered | 13,688 | 1.70 | |
| 1,665,690 | Royal Mail | | 8,149 | 1.01 | | Life Insurance 4.97% (6.37%) | | | |
| | Support Services 1.84% (1.09%) | | | | 5,903,944 | Legal & General Group | 12,404 | 1.55 | |
| 350,938 | Aggreko | | 2,799 | 0.35 | 1,123,435 | Prudential | 15,211 | 1.89 | |
| 3,196,811 | Howden Joinery Group | | 11,943 | 1.49 | 1,300,955 | St James's Place | 12,281 | 1.53 | |
| | Total Industrials | | 75,951 | 9.45 | | Financial Services 5.05% (4.33%) | | | |
| CONSUMER GOODS 8.52% (7.17%) | | | | | 2,167,745 | Intermediate Capital Group | 13,050 | 1.63 | |
| | Automobiles & Parts 0.00% (0.46%) | | | | 702,551 | London Stock Exchange Group | 19,686 | 2.45 | |
| | Beverages 2.44% (1.64%) | | | | 2,522,154 | Sherborne Investors Guernsey B | 3,228 | 0.40 | |
| 896,038 | Diageo | | 19,596 | 2.44 | 1,316,250 | Tullett Prebon | 4,606 | 0.57 | |
| | Household Goods & Home Construction 2.65% (3.74%) | | | | | Total Financials | 94,154 | 11.72 | |
| 2,499,082 | Crest Nicholson Holdings | | 10,171 | 1.26 | | DERIVATIVES -0.02% (-0.17%) | | | |
| 152,684 | Reckitt Benckiser Group | | 11,155 | 1.39 | GBP (2,276) | Futures and Options -0.73% (-0.51%) | | | |
| | Personal Goods 1.32% (0.00%) | | | | | UBS FTSE 100 Future Expiring December 2016 | (5,906) | (0.73) | |
| 720,898 | Burberry Group | | 10,597 | 1.32 | | Forward Foreign Exchange Contracts 0.14% (0.14%) | | | |
| | Tobacco 2.11% (1.33%) | | | | | Sell GBP 4,733,530 | | | |
| 358,933 | British American Tobacco | | 16,920 | 2.11 | | Buy CHF 5,730,368 J.P. Morgan | 32 | — | |
| | Total Consumer Goods | | 68,439 | 8.52 | | Sell GBP 110,418 | | | |
| | | | | | | Buy EUR 123,824 J.P. Morgan | 1 | — | |
| | | | | | | Sell GBP 13,396 | | | |
| | | | | | | Buy EUR 15,023 J.P. Morgan | — | — | |

Threadneedle UK Absolute Alpha Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value |
|--|-------------------------------------|----------------|----------------------------|
| DERIVATIVES -0.02% (-0.17%) (continued) | | | |
| | Sell GBP 17,397,920 | | |
| | Buy EUR 19,414,851 J.P. Morgan | 80 | 0.01 |
| | Sell GBP 229,777,493 | | |
| | Buy EUR 256,415,471 J.P. Morgan | 1,060 | 0.13 |
| | Sell GBP 41,104,771 | | |
| | Buy EUR 45,870,025 J.P. Morgan | 190 | 0.02 |
| | Sell EUR 1,916 | | |
| | Buy GBP 1,705 J.P. Morgan | — | — |
| | Sell EUR 2,076,547 | | |
| | Buy GBP 1,868,899 J.P. Morgan | — | — |
| | Sell EUR 14,220,682 | | |
| | Buy GBP 12,655,327 J.P. Morgan | (147) | (0.02) |
| | Sell EUR 18,674,063 | | |
| | Buy GBP 16,806,713 J.P. Morgan | (5) | — |
| | Sell CHF 3,908 | | |
| | Buy GBP 3,231 J.P. Morgan | — | — |
| | Sell EUR 474,154 | | |
| | Buy GBP 424,328 J.P. Morgan | (2) | — |
| | Sell EUR 82,978 | | |
| | Buy GBP 73,995 J.P. Morgan | (1) | — |
| | Sell EUR 100,034 | | |
| | Buy GBP 89,522 J.P. Morgan | (1) | — |
| | Sell EUR 102,454 | | |
| | Buy GBP 91,176 J.P. Morgan | (1) | — |
| | Sell GBP 8,249 | | |
| | Buy USD 10,014 J.P. Morgan | — | — |
| | Sell GBP 16,366 | | |
| | Buy USD 20,032 J.P. Morgan | — | — |
| | Sell GBP 3,777,293 | | |
| | Buy USD 4,584,501 J.P. Morgan | (13) | — |
| | Portfolio Swap 0.57% (0.20%) | | |
| | UBS Portfolio Swap | 4,582 | 0.57 |
| | Total Derivatives | (131) | (0.02) |
| <hr/> | | | |
| Total value of investments | | 602,429 | 74.98 |
| Net other assets (49.87%) | | 201,004 | 25.02 |
| Net assets | | 803,433 | 100.00 |

April 2016 comparatives in brackets.

[†]Alternative Investment Market.

ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS

| | Value £000 |
|--|------------------|
| UBS FTSE 100 Future Expiring December 2016 | (157,824) |
| Total net exposure | (157,824) |

Total Purchases and Sales

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--------------------------------|--------------|--------------|
| Total purchases for the period | 936,847 | 228,729 |
| Total sales for the period | 848,129 | 57,605 |

Threadneedle Absolute Return Bond Fund

Portfolio Statement

as at 31 October 2016

| | Holding | Investment | Value £000 | % of Net Asset Value | | Holding | Investment | Value £000 | % of Net Asset Value |
|----------------------------------|----------------|--|---------------|----------------------------|--|-------------|--|---------------|----------------------------|
| AUSTRALIA 1.20% (0.66%) | | | | | A2 0.00% (1.40%) | | | | |
| | | AAA 1.20% (0.61%) | | | | | A- 0.00% (1.88%) | | |
| GBP | 1,100,000 | *Firstmac Bond Trust FRN 25/11/2044 | 1,101 | 1.20 | | | Total Netherlands | 3,070 | 3.34 |
| | | Aaa 0.00% (0.05%) | | | | | | | |
| | | Total Australia | 1,101 | 1.20 | NEW ZEALAND 7.62% (3.86%) | | | | |
| BELGIUM 4.51% (2.33%) | | | | | | | AA- 7.62% (3.86%) | | |
| | | A- 4.51% (2.33%) | | | GBP | 4,000,000 | *ASB Finance London FRN 13/03/2017 | 3,997 | 4.35 |
| GBP | 4,000,000 | Anheuser-Busch InBev 6.5% 23/06/2017 | 4,139 | 4.51 | GBP | 3,000,000 | *Westpac Securities FRN 02/10/2017 | 3,003 | 3.27 |
| | | Total Belgium | 4,139 | 4.51 | | | Total New Zealand | 7,000 | 7.62 |
| FRANCE 4.93% (6.41%) | | | | | NORWAY 3.27% (1.65%) | | | | |
| | | A+ 0.00% (2.33%) | | | | | Aaa 3.27% (1.65%) | | |
| | | A 2.18% (2.69%) | | | GBP | 3,000,000 | *Nordea Eiendom FRN 11/09/2017 | 3,001 | 3.27 |
| GBP | 2,000,000 | *BPCE FRN 06/03/2017 | 2,003 | 2.18 | | | Total Norway | 3,001 | 3.27 |
| | | BBB 2.75% (1.39%) | | | REPUBLIC OF IRELAND 0.00% (5.87%) | | | | |
| GBP | 2,500,000 | RCI Banque 2.125% 06/10/2017 | 2,522 | 2.75 | | | AA+ 0.00% (5.87%) | | |
| | | Total France | 4,525 | 4.93 | | | Total Republic of Ireland | - | - |
| GERMANY 7.12% (3.64%) | | | | | RUSSIA 12.98% (0.00%) | | | | |
| | | AA- 0.00% (0.05%) | | | | | BBB- 3.20% (0.00%) | | |
| | | A- 7.12% (3.59%) | | | RUB | 229,437,000 | Russian Federal Bond 8.15% 03/02/2027 | 2,935 | 3.20 |
| GBP | 3,500,000 | Daimler 1.25% 01/12/2017 | 3,511 | 3.83 | | | Not Rated 9.78% (0.00%) | | |
| GBP | 3,000,000 | Daimler 1.75% 08/11/2017 | 3,024 | 3.29 | RUB | 721,082,000 | Russian Federal Bond 7.5% 18/08/2021 | 8,976 | 9.78 |
| | | Total Germany | 6,535 | 7.12 | | | Total Russia | 11,911 | 12.98 |
| INDONESIA 2.97% (0.00%) | | | | | SOUTH KOREA 3.37% (1.59%) | | | | |
| | | Not Rated 2.97% (0.00%) | | | | | AA 3.37% (0.00%) | | |
| IDR | 39,529,000,000 | Indonesia Government International Bond 8.75% 15/05/2031 | 2,725 | 2.97 | GBP | 1,800,000 | Export-Import Bank of Korea 2% 07/12/2017 | 1,817 | 1.98 |
| | | Total Indonesia | 2,725 | 2.97 | USD | 650,000 | Export-Import Bank of Korea 2.88% 17/09/2018 | 547 | 0.59 |
| ITALY 5.87% (0.00%) | | | | | USD | 875,000 | Korea Midland Power 2.75% 11/02/2019 | 733 | 0.80 |
| | | Baa2u 5.87% (0.00%) | | | | | AA- 0.00% (1.59%) | | |
| EUR | 6,037,000 | Buoni Poliennali Del Tesoro 2.7% 01/03/2047 | 5,390 | 5.87 | | | Total South Korea | 3,097 | 3.37 |
| | | Total Italy | 5,390 | 5.87 | SPAIN 7.00% (3.18%) | | | | |
| JERSEY 0.00% (1.58%) | | | | | | | BBB+ 4.71% (2.01%) | | |
| | | BBB 0.00% (1.58%) | | | USD | 5,250,000 | Instituto de Credito Oficial 5% 14/11/2016 | 4,318 | 4.71 |
| | | Total Jersey | - | - | | | BBB 2.29% (1.17%) | | |
| MEXICO 5.15% (2.17%) | | | | | GBP | 2,000,000 | Telefonica Emisiones 5.375% 02/02/2018 | 2,104 | 2.29 |
| | | BBB+ 5.15% (2.17%) | | | | | Total Spain | 6,422 | 7.00 |
| USD | 5,500,000 | Petroleos Mexicanos 5.75% 01/03/2018 | 4,729 | 5.15 | SUPRANATIONAL 0.00% (1.57%) | | | | |
| | | Total Mexico | 4,729 | 5.15 | | | AAA 0.00% (1.57%) | | |
| NETHERLANDS 3.34% (5.01%) | | | | | | | Total Supranational | - | - |
| | | AAA 0.00% (0.03%) | | | SWITZERLAND 0.00% (1.38%) | | | | |
| | | A+ 3.34% (1.70%) | | | | | A 0.00% (1.38%) | | |
| GBP | 3,000,000 | Cooperatieve Centrale Raiffeisen-Boerenleenbank 3.25% 01/11/2017 | 3,070 | 3.34 | | | Total Switzerland | - | - |

Threadneedle Absolute Return Bond Fund

Portfolio Statement

(continued)

| | Holding | Investment | Value £000 | % of Net Asset Value | | Holding | Investment | Value £000 | % of Net Asset Value |
|--|--------------|--|---------------|----------------------------|--|---------|--|---------------|----------------------------|
| UNITED KINGDOM 11.13% (26.19%) | | | | | Futures and Options 0.54% (0.28%) | | | | |
| | | AAA 2.19% (1.51%) | | | AUD | 130 | UBS Australia 3 Year Bond Future | | |
| GBP | 2,000,000 | *Abbey National Treasury Services FRN 05/04/2017 | 2,013 | 2.19 | EUR | (117) | UBS EURO-Btp Bond Future Expiring December 2016 | (47) | (0.05) |
| | | Aaa 0.01% (0.04%) | | | | | | 342 | 0.37 |
| GBP | 118,000 | *Gosforth Funding 2012-2 FRN 18/11/2049 | 9 | 0.01 | EUR | 30 | UBS EURO Bond Future Expiring December 2016 | (9) | (0.01) |
| | | AA 4.24% (1.70%) | | | EUR | (43) | UBS EURO Buxl 30 Year Future Expiring December 2016 | 94 | 0.10 |
| GBP | 850,000 | Barclays Bank 1.5% 04/04/2017 | 854 | 0.93 | GBP | (89) | UBS Long Gilt Future Expiring December 2016 | 121 | 0.13 |
| GBP | 3,000,000 | Scotland Gas Networks 4.75% 21/02/2017 | 3,037 | 3.31 | | | | | |
| | | A+ 0.00% (1.12%) | | | Forward Foreign Exchange Contracts 0.62% (-0.60%) | | | | |
| | | A 3.35% (2.85%) | | | | | Sell USD 2,237,653 | | |
| GBP | 3,000,000 | Abbey National Treasury Services 4.125% 14/09/2017 | 3,078 | 3.35 | | | Buy AUD 2,943,103 Goldman Sachs | (1) | — |
| | | A2 0.00% (0.69%) | | | | | Sell USD 641,251 | | |
| | | A- 0.00% (1.02%) | | | | | Buy AUD 838,171 Barclays | (3) | — |
| | | A3 1.34% (0.00%) | | | | | Sell USD 5,674,321 | | |
| GBP | 1,220,900 | Places for People Capital Markets 5% 27/12/2016 | 1,224 | 1.34 | | | Buy CAD 7,425,859 Citigroup | (101) | (0.11) |
| | | BBB+ 0.00% (5.49%) | | | | | Sell USD 283,027 | | |
| | | BBB 0.00% (8.99%) | | | | | Buy CNY 1,893,450 HSBC | (4) | — |
| | | Baa2 0.00% (2.78%) | | | | | Sell USD 1,794,243 | | |
| | | Total United Kingdom | 10,215 | 11.13 | | | Buy CNY 12,077,047 Citigroup | (15) | (0.02) |
| UNITED STATES OF AMERICA 8.30% (13.46%) | | | | | | | Sell USD 1,999,098 | | |
| | | Aaa 0.00% (3.74%) | | | | | Buy CNY 13,396,952 HSBC | (23) | (0.03) |
| | | AA- 0.79% (0.40%) | | | | | Sell USD 2,375,370 | | |
| GBP | 700,000 | Toyota Motor Credit 4% 07/12/2017 | 725 | 0.79 | | | Buy CNY 15,980,305 J.P. Morgan | (20) | (0.02) |
| | | A+ 0.00% (2.75%) | | | | | Sell USD 2,400,594 | | |
| | | A- 1.43% (0.73%) | | | | | Buy CNY 16,127,668 HSBC | (23) | (0.03) |
| GBP | 1,300,000 | JPMorgan Chase 4.25% 25/01/2017 | 1,310 | 1.43 | | | Sell USD 423,682 | | |
| | | BBB+ 3.25% (4.37%) | | | | | Buy CNY 2,859,262 Bank of Scotland | (3) | — |
| GBP | 150,000 | *JPMorgan Chase 6.125% FRN 30/05/2017 | 150 | 0.16 | | | Sell USD 4,074,539 | | |
| USD | 3,400,000 | Morgan Stanley 4.75% 22/03/2017 | 2,833 | 3.09 | | | Buy CNY 27,348,304 HSBC | (42) | (0.05) |
| | | BBB 2.83% (1.47%) | | | | | Sell USD 726,465 | | |
| GBP | 2,550,000 | Ahold Finance USA 6.5% 14/03/2017 | 2,600 | 2.83 | | | Buy CNY 4,852,789 HSBC | (10) | (0.01) |
| | | Total United States of America | 7,618 | 8.30 | | | Sell USD 927,758 | | |
| DERIVATIVES 1.20% (-0.46%) | | | | | | | Buy CNY 6,210,876 HSBC | (12) | (0.01) |
| | | Credit Default Swaps -0.07% (-0.14%) | | | | | Sell USD 1,223,485 | | |
| USD | (58,300,000) | HSBC Japan Government Credit Default Swap Buy Protection 20/12/2016 Spread 100 | (67) | (0.07) | | | Buy CNY 8,213,864 HSBC | (13) | (0.01) |
| | | Interest Rate Swaps 0.11% (0.00%) | | | | | Sell USD 1,243,902 | | |
| BRL | 26,724,584 | HSBC Interest Rate Swap Receive BRL 11.48% Pay Rlcdi 1D 01/04/2021 | 101 | 0.11 | | | Buy CNY 8,313,618 HSBC | (17) | (0.02) |
| | | | | | | | Sell JPY 1,193,268,949 | | |
| | | | | | | | Buy EUR 10,418,536 Goldman Sachs | 42 | 0.05 |
| | | | | | | | Sell GBP 10,933 | | |
| | | | | | | | Buy EUR 12,201 J.P. Morgan | — | — |
| | | | | | | | Sell GBP 10,933 | | |
| | | | | | | | Buy EUR 12,201 J.P. Morgan | — | — |
| | | | | | | | Sell GBP 10,982 | | |
| | | | | | | | Buy EUR 12,255 J.P. Morgan | — | — |
| | | | | | | | Sell USD 219,487 | | |
| | | | | | | | Buy GBP 180,141 HSBC | — | — |
| | | | | | | | Sell USD 24,802,083 | | |
| | | | | | | | Buy GBP 20,167,837 UBS | (201) | (0.22) |
| | | | | | | | Sell EUR 32,774,997 | | |
| | | | | | | | Buy GBP 29,335,752 UBS | (162) | (0.18) |
| | | | | | | | Sell USD 11,474,073 | | |
| | | | | | | | Buy JPY 1,184,351,564 HSBC | (158) | (0.17) |
| | | | | | | | Sell USD 425,839 | | |
| | | | | | | | Buy NZD 590,634 Barclays | (3) | — |
| | | | | | | | Sell USD 101,622 | | |
| | | | | | | | Buy RUB 6,454,747 Barclays | — | — |
| | | | | | | | Sell GBP 11,114 | | |

Threadneedle Absolute Return Bond Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value |
|---|--------------------------------|---------------|----------------------------|
| DERIVATIVES 1.20% (–0.46%) (continued) | | | |
| | Buy USD 13,489 J.P. Morgan | – | – |
| | Sell RUB 939,094,060 | | |
| | Buy USD 14,825,070 J.P. Morgan | 7 | 0.01 |
| | Sell NZD 27,147,372 | | |
| | Buy USD 19,540,681 J.P. Morgan | 111 | 0.12 |
| | Sell AUD 285,877 | | |
| | Buy USD 217,391 HSBC | – | – |
| | Sell EUR 231,836 | | |
| | Buy USD 254,333 Citigroup | – | – |
| | Sell AUD 37,225,003 | | |
| | Buy USD 28,575,401 Barclays | 230 | 0.25 |
| | Sell EUR 263,305 | | |
| | Buy USD 288,995 J.P. Morgan | – | – |
| | Sell IDR 45,596,297,660 | | |
| | Buy USD 3,487,289 UBS | 5 | 0.01 |
| | Sell CNY 345,587,509 | | |
| | Buy USD 52,022,807 HSBC | 975 | 1.06 |
| | Sell GBP 443,043 | | |
| | Buy USD 543,737 HSBC | 4 | – |
| | Total Derivatives | 1,098 | 1.20 |
| Total value of investments | | 82,576 | 89.96 |
| Net other assets (19.91%) | | 9,215 | 10.04 |
| Net assets | | 91,791 | 100.00 |

April 2016 comparatives in brackets.

*Variable rate bonds.

ANALYSIS OF INVESTMENTS BY ASSET CLASS

| | Value £000 | % of Investment |
|-----------------------------------|---------------|--------------------|
| Fixed interest | 66,201 | 80.17 |
| Floating rate notes | 15,277 | 18.50 |
| Derivatives | 1,098 | 1.33 |
| Total value of investments | 82,576 | 100.00 |

ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS

| | Value £000 |
|---|-----------------|
| UBS Australia 3 Year Bond Future Expiring December 2016 | 9,143 |
| UBS EURO-Btp Bond Future Expiring December 2016 | (14,575) |
| UBS EURO Bond Future Expiring December 2016 | 4,379 |
| UBS EURO Buxl 30 Year Future Expiring December 2016 | (6,968) |
| UBS Long Gilt Future Expiring December 2016 | (11,154) |
| Total net exposure | (19,175) |

Total Purchases and Sales

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--------------------------------|--------------|--------------|
| Total purchases for the period | 63,710 | 161,057 |
| Total sales for the period | 133,432 | 181,420 |

Threadneedle Target Return Fund

Portfolio Statement

as at 31 October 2016

| | | | Value £000 | % of Net Asset Value | | | | Value £000 | % of Net Asset Value |
|-------------------------------------|--------------------------------|--|---------------|----------------------------|--------------------------------------|------------|--|---------------|----------------------------|
| Holding | Investment | | | | Holding | Investment | | | |
| AUSTRALIA 6.99% (0.00%) | | | | | A 4.05% (3.46%) | | | | |
| | Aaa 6.99% (0.00%) | | | | EUR | 650,000 | ABN AMRO Bank 3.625% EMTN 06/10/2017 | 605 | 4.05 |
| AUD | 900,000 | Australia Government Bond 1.75% 21/11/2020 | 561 | 3.76 | | | | | |
| AUD | 750,000 | Australia Government Bond 2.75% 21/10/2019 | 483 | 3.23 | EUR | 300,000 | BBB+ 1.83% (4.98%) Deutsche Telekom International Finance 6% 20/01/2017 | 274 | 1.83 |
| | Total Australia | | 1,044 | 6.99 | | | | | |
| CAYMAN ISLANDS 2.41% (2.08%) | | | | | BBB 0.00% (5.16%) | | | | |
| | A- 2.41% (2.08%) | | | | Total Netherlands | | | | |
| EUR | 400,000 | Hutchison Whampoa Finance 4.75% 14/11/2016 | 360 | 2.41 | | | | 1,491 | 9.98 |
| | Total Cayman Islands | | 360 | 2.41 | RUSSIA 11.75% (0.00%) | | | | |
| FRANCE 15.59% (11.24%) | | | | | | | | | |
| | Aa2u 2.41% (0.00%) | | | | RUB | 42,838,000 | BBB- 3.67% (0.00%) Russian Federal Bond 8.15% 03/02/2027 | 548 | 3.67 |
| EUR | 400,000 | France Government Bond OAT 0.25% 25/11/2016 | 360 | 2.41 | | | | | |
| EUR | 400,000 | A+ 2.48% (2.13%) Total Capital 4.7% EMTN 06/06/2017 | 370 | 2.48 | RUB | 97,025,000 | Not Rated 8.08% (0.00%) Russian Federal Bond 7.5% 18/08/2021 | 1,208 | 8.08 |
| EUR | 700,000 | A 4.34% (3.67%) BPCE 2% MTN 24/04/2018 | 649 | 4.34 | | | Total Russia | 1,756 | 11.75 |
| EUR | 700,000 | BBB+ 6.36% (5.44%) Auchan Holding 3% 02/12/2016 | 631 | 4.22 | SOUTH KOREA 6.89% (5.74%) | | | | |
| EUR | 350,000 | France Telecom 4.75% 21/02/2017 | 320 | 2.14 | | | | | |
| | Total France | | 2,330 | 15.59 | USD | 275,000 | AA 6.89% (0.00%) Export-Import Bank of Korea 2.88% 17/09/2018 | 231 | 1.55 |
| INDONESIA 2.47% (0.00%) | | | | | EUR | 610,000 | Export-Import Bank of Korea 4.625% 20/02/2017 | 558 | 3.74 |
| | Not Rated 2.47% (0.00%) | | | | USD | 286,000 | Korea Midland Power 2.75% 11/02/2019 | 240 | 1.60 |
| IDR | 5,360,000,000 | Indonesia Government International Bond 8.75% 15/05/2031 | 370 | 2.47 | | | AA- 0.00% (5.74%) | | |
| | Total Indonesia | | 370 | 2.47 | | | Total South Korea | 1,029 | 6.89 |
| ITALY 9.51% (11.62%) | | | | | SPAIN 7.11% (8.07%) | | | | |
| | BBB+ 1.89% (5.40%) | | | | | | | | |
| EUR | 300,000 | ENI 4.875% 11/10/2017 | 282 | 1.89 | USD | 625,000 | BBB+ 5.27% (2.82%) Instituto de Credito Oficial 5% 14/11/2016 | 514 | 3.44 |
| EUR | 300,000 | Baa2u 7.62% (0.00%) Buoni Poliennali Del Tesoro 1.5% 15/12/2016 | 271 | 1.81 | EUR | 300,000 | Spain Government Bond 2.1% 30/04/2017 | 273 | 1.83 |
| EUR | 972,000 | Buoni Poliennali Del Tesoro 2.7% 01/03/2047 | 868 | 5.81 | EUR | 300,000 | BBB 1.84% (5.25%) Gas Natural Capital 4.125% 24/04/2017 | 275 | 1.84 |
| | Not Rated 0.00% (6.22%) | | | | | | Total Spain | 1,062 | 7.11 |
| | Total Italy | | 1,421 | 9.51 | UNITED KINGDOM 9.31% (17.45%) | | | | |
| LUXEMBOURG 0.00% (5.30%) | | | | | | | | | |
| | BBB 0.00% (5.30%) | | | | EUR | 250,000 | A+ 3.48% (5.93%) Glaxosmithkline 5.625% 13/12/2017 | 239 | 1.60 |
| | Total Luxembourg | | — | — | EUR | 300,000 | Motability Operations Group 3.75% 29/11/2017 | 281 | 1.88 |
| MEXICO 4.72% (3.81%) | | | | | | | | | |
| | BBB+ 4.72% (3.81%) | | | | EUR | 300,000 | A 1.84% (5.19%) Santander UK 1.75% 15/01/2018 | 275 | 1.84 |
| USD | 820,000 | Petroleos Mexicanos 5.75% 01/03/2018 | 705 | 4.72 | EUR | 350,000 | A- 2.18% (1.88%) BAT International Finance 5.375% EMTN 29/6/2017 | 326 | 2.18 |
| | Total Mexico | | 705 | 4.72 | | | BBB- 1.81% (4.45%) Royal Bank of Scotland Group 1.5% 28/11/2016 | 270 | 1.81 |
| NETHERLANDS 9.98% (17.09%) | | | | | | | Total United Kingdom | 1,391 | 9.31 |
| | A+ 4.10% (3.49%) | | | | | | | | |
| EUR | 650,000 | BMW Finance 3.625% 29/01/2018 | 612 | 4.10 | | | | | |

Threadneedle Target Return Fund

Portfolio Statement

(continued)

| | Holding | Investment | Value £000 | % of Net Asset Value | | Holding | Investment | Value £000 | % of Net Asset Value |
|---|---------|---------------------------------------|---------------|----------------------------|--|---------|--|----------------|----------------------------|
| UNITED STATES OF AMERICA 3.06% (6.62%) | | | | | | | | | |
| | | Aaa 0.00% (3.99%) | | | | | | | |
| | | BBB+ 3.06% (2.63%) | | | | | | | |
| EUR | 250,000 | Bank of America 4.75% 03/04/2017 | 230 | 1.54 | | | Sell EUR 9,335 | — | — |
| EUR | 250,000 | Citigroup 4.375% 30/01/2017 | 227 | 1.52 | | | Buy GBP 8,342 Citigroup | — | — |
| | | Total United States of America | 457 | 3.06 | | | Sell USD 1,790,503 | | |
| | | | | | | | Buy JPY 184,815,400 HSBC | (25) | (0.17) |
| | | | | | | | Sell USD 13,996 | | |
| | | | | | | | Buy RUB 888,982 Barclays | — | — |
| | | | | | | | Sell CNY 11,968,985 | | |
| | | | | | | | Buy USD 1,779,510 HSBC | 17 | 0.11 |
| | | | | | | | Sell CNY 776,596 | | |
| | | | | | | | Buy USD 114,898 Bank of Scotland | 1 | — |
| | | | | | | | Sell EUR 131 | | |
| | | | | | | | Buy USD 143 J.P. Morgan | — | — |
| | | | | | | | Sell RUB 138,861,770 | | |
| | | | | | | | Buy USD 2,192,150 J.P. Morgan | 1 | 0.01 |
| | | | | | | | Sell EUR 207,680 | | |
| | | | | | | | Buy USD 227,943 J.P. Morgan | — | — |
| | | | | | | | Sell CNY 157,621 | | |
| | | | | | | | Buy USD 23,596 HSBC | — | — |
| | | | | | | | Sell NZD 40,848 | | |
| | | | | | | | Buy USD 29,188 Bank of Scotland | — | — |
| | | | | | | | Sell NZD 4,288,482 | | |
| | | | | | | | Buy USD 3,086,850 J.P. Morgan | 17 | 0.12 |
| | | | | | | | Sell EUR 316,260 | | |
| | | | | | | | Buy USD 343,955 J.P. Morgan | (2) | (0.02) |
| | | | | | | | Sell CNY 27,965,314 | | |
| | | | | | | | Buy USD 4,209,742 HSBC | 79 | 0.53 |
| | | | | | | | Sell IDR 6,178,662,252 | | |
| | | | | | | | Buy USD 472,555 UBS | 1 | — |
| | | | | | | | Sell AUD 7,567,621 | | |
| | | | | | | | Buy USD 5,809,208 Barclays | 47 | 0.31 |
| | | | | | | | Sell AUD 93,359 | | |
| | | | | | | | Buy USD 70,994 HSBC | — | — |
| | | | | | | | Total Derivatives | 199 | 1.33 |
| | | | | | | | | | |
| | | | | | | | Total value of investments | 13,615 | 91.12 |
| | | | | | | | Net other assets (11.76%) | 1,327 | 8.88 |
| | | | | | | | Net assets | 14,942 | 100.00 |
| | | | | | | | | | |
| | | | | | | | <i>April 2016 comparatives in brackets.</i> | | |
| | | | | | | | | | |
| | | | | | | | ANALYSIS OF INVESTMENTS BY ASSET CLASS | | |
| | | | | | | | | Value | % of |
| | | | | | | | | £000 | Investment |
| | | | | | | | Fixed interest | 13,416 | 98.54 |
| | | | | | | | Derivatives | 199 | 1.46 |
| | | | | | | | Total value of investments | 13,615 | 100.00 |
| | | | | | | | | | |
| | | | | | | | ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS | | |
| | | | | | | | | Value | |
| | | | | | | | | £000 | |
| | | | | | | | UBS EURO-Btp Bond Future Expiring December 2016 | (2,367) | |
| | | | | | | | UBS EURO Bond Future Expiring December 2016 | 876 | |
| | | | | | | | UBS EURO Buxl 30 Year Future Expiring December 2016 | (1,134) | |
| | | | | | | | UBS Long Gilt Future Expiring December 2016 | (1,755) | |
| | | | | | | | Total net exposure | (4,380) | |
| | | | | | | | | | |
| | | | | | | | Total Purchases and Sales | | |
| | | | | | | | <i>for the accounting period 1 May 2016 to 31 October 2016</i> | | |
| | | | | | | | | 2016 | 2015 |
| | | | | | | | | £000 | £000 |
| | | | | | | | Total purchases for the period | 9,789 | 15,123 |
| | | | | | | | Total sales for the period | 11,990 | 15,074 |

Threadneedle Pan European Focus Fund

Portfolio Statement

as at 31 October 2016

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|---|--|---------------|----------------------------|--|---|---------------|----------------------------|
| BELGIUM 2.85% (4.85%) | | | | Technology Hardware & Equipment 1.23% (0.00%) | | | |
| | Beverages 2.85% (4.85%) | | | 9,833 | ASML | 853 | 1.23 |
| 20,759 | Anheuser-Busch InBev | 1,977 | 2.85 | Total Netherlands | | | |
| | Total Belgium | 1,977 | 2.85 | | | 3,124 | 4.51 |
| DENMARK 4.68% (3.71%) | | | | REPUBLIC OF IRELAND 6.13% (4.60%) | | | |
| | Pharmaceuticals & Biotechnology 4.68% (3.71%) | | | 37,348 | Construction & Materials 1.44% (0.00%) | | |
| 29,512 | Chr. Hansen | 1,457 | 2.10 | | CRH | 995 | 1.44 |
| 61,881 | Novo Nordisk | 1,786 | 2.58 | Travel & Leisure 4.69% (4.60%) | | | |
| | Total Denmark | 3,243 | 4.68 | 285,562 | Ryanair Holdings | 3,250 | 4.69 |
| FINLAND 4.10% (0.00%) | | | | Total Republic of Ireland | | | |
| | Nonlife Insurance 4.10% (0.00%) | | | | | 4,245 | 6.13 |
| 75,407 | Sampo | 2,837 | 4.10 | SPAIN 10.10% (15.96%) | | | |
| | Total Finland | 2,837 | 4.10 | Construction & Materials 0.00% (4.82%) | | | |
| FRANCE 9.11% (4.35%) | | | | 28,734 | Support Services 1.60% (0.75%) | | |
| | Electronic & Electrical Equipment 1.87% (0.89%) | | | | Amadeus IT Group | 1,108 | 1.60 |
| 28,153 | Legrand | 1,297 | 1.87 | Pharmaceuticals & Biotechnology 3.21% (2.03%) | | | |
| Personal Goods 2.97% (0.00%) | | | | 186,683 | Grifols ADR | 2,224 | 3.21 |
| 13,921 | L'Oreal | 2,053 | 2.97 | Travel & Leisure 0.00% (3.16%) | | | |
| Software & Computer Services 4.27% (1.34%) | | | | Mobile Telecommunications 5.29% (5.20%) | | | |
| 12,439 | Dassault Systems | 812 | 1.17 | 273,340 | Cellnex Telecom | 3,665 | 5.29 |
| 12,496 | Iliad | 2,146 | 3.10 | Total Spain | | | |
| Technology Hardware & Equipment 0.00% (2.12%) | | | | | | 6,997 | 10.10 |
| | Total France | 6,308 | 9.11 | SWITZERLAND 13.06% (2.53%) | | | |
| GERMANY 14.89% (10.15%) | | | | 1,385 | Chemicals 3.18% (0.00%) | | |
| | Automobiles & Parts 4.49% (0.00%) | | | | Givaudan | 2,204 | 3.18 |
| 14,770 | Bayerische Motoren Werke | 1,052 | 1.52 | Construction & Materials 3.71% (2.53%) | | | |
| 13,165 | Continental | 2,057 | 2.97 | 634 | Sika | 2,566 | 3.71 |
| Personal Goods 0.00% (3.64%) | | | | Food Producers 6.17% (0.00%) | | | |
| Health Care Equipment & Services 4.88% (4.84%) | | | | 18 | Lindt & Spruengli | 916 | 1.32 |
| 50,753 | Fresenius Medical Care | 3,382 | 4.88 | 55,850 | Nestle | 3,357 | 4.85 |
| Mobile Telecommunications 5.52% (1.67%) | | | | Total Switzerland | | | |
| 287,045 | Deutsche Telekom | 3,826 | 5.52 | | | 9,043 | 13.06 |
| | Total Germany | 10,317 | 14.89 | UNITED KINGDOM 22.08% (37.01%) | | | |
| ITALY 4.85% (13.56%) | | | | Beverages 0.00% (4.89%) | | | |
| | Media 0.00% (3.84%) | | | Household Goods & Home Construction 4.96% (4.96%) | | | |
| | Mobile Telecommunications 4.85% (5.13%) | | | 47,056 | Reckitt Benckiser Group | 3,438 | 4.96 |
| 885,642 | Infrastructure Wireless Italia | 3,358 | 4.85 | Personal Goods 2.51% (4.74%) | | | |
| Banks 0.00% (0.54%) | | | | 50,896 | Unilever | 1,738 | 2.51 |
| Technology Hardware & Equipment 0.00% (4.05%) | | | | Tobacco 0.00% (9.22%) | | | |
| | Total Italy | 3,358 | 4.85 | Health Care Equipment & Services 3.37% (2.75%) | | | |
| NETHERLANDS 4.51% (2.75%) | | | | 196,013 | Smith & Nephew | 2,336 | 3.37 |
| | Personal Goods 1.74% (1.53%) | | | Media 1.10% (0.97%) | | | |
| 35,097 | Unilever (EUR) | 1,202 | 1.74 | 51,767 | RELX | 759 | 1.10 |
| Media 1.54% (1.22%) | | | | Travel & Leisure 2.88% (0.00%) | | | |
| 77,128 | RELX (EUR) | 1,069 | 1.54 | 135,439 | Compass Group | 1,994 | 2.88 |
| | | | | Fixed Line Telecommunications 2.50% (4.93%) | | | |
| | | | | 461,041 | BT Group | 1,731 | 2.50 |
| | | | | Life Insurance 4.76% (0.00%) | | | |
| | | | | 349,531 | St James's Place | 3,300 | 4.76 |

Threadneedle Pan European Focus Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value |
|---|---------------------------------------|---------------|----------------------------|
| UNITED KINGDOM 22.08% (37.01%) (continued) | | | |
| | Financial Services 0.00% (4.55%) | | |
| | Total United Kingdom | 15,296 | 22.08 |
| UNITED STATES OF AMERICA 2.92% (0.00%) | | | |
| | Automobiles & Parts 2.92% (0.00%) | | |
| 25,375 | Autoliv (SDR) | 2,025 | 2.92 |
| | Total United States of America | 2,025 | 2.92 |
| Total value of investments | | 68,770 | 99.28 |
| Net other assets (0.53%) | | 502 | 0.72 |
| Net assets | | 69,272 | 100.00 |

April 2016 comparatives in brackets.

Total Purchases and Sales

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--------------------------------|--------------|--------------|
| Total purchases for the period | 56,866 | 103,074 |
| Total sales for the period | 66,387 | 92,301 |

Threadneedle Pan European Equity Dividend Fund

Portfolio Statement

as at 31 October 2016

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|------------------------------|--|---------------|----------------------------|---------------------------------------|--|---------------|----------------------------|
| BELGIUM 8.33% (6.37%) | | | | NETHERLANDS 12.87% (5.88%) | | | |
| | Industrial Transportation 2.72% (2.75%) | | | | Chemicals 2.91% (2.58%) | | |
| 96,429 | bpost | 2,106 | 2.72 | 42,538 | Akzo Nobel | 2,248 | 2.91 |
| | Beverages 3.44% (3.62%) | | | | Beverages 1.49% (0.00%) | | |
| 27,916 | Anheuser-Busch InBev | 2,658 | 3.44 | 18,175 | Heineken Holdings | 1,152 | 1.49 |
| | Banks 2.17% (0.00%) | | | | Personal Goods 4.41% (0.00%) | | |
| 33,741 | KBC Groep | 1,683 | 2.17 | 99,707 | Unilever (EUR) | 3,416 | 4.41 |
| | Total Belgium | 6,447 | 8.33 | | Media 4.06% (3.30%) | | |
| DENMARK 2.84% (0.00%) | | | | 226,687 | RELX (EUR) | 3,142 | 4.06 |
| | Nonlife Insurance 2.84% (0.00%) | | | | Total Netherlands | 9,958 | 12.87 |
| 137,408 | Tryg | 2,195 | 2.84 | | | | |
| | Total Denmark | 2,195 | 2.84 | SPAIN 1.68% (2.81%) | | | |
| FINLAND 5.86% (7.74%) | | | | | Construction & Materials 1.68% (1.97%) | | |
| | Industrial Engineering 1.96% (3.33%) | | | 81,524 | Ferrovial | 1,301 | 1.68 |
| 40,104 | Kone | 1,515 | 1.96 | 81,524 | Ferrovial Rights | — | — |
| | Nonlife Insurance 3.90% (3.00%) | | | | Mobile Telecommunications 0.00% (0.84%) | | |
| 80,302 | Sampo | 3,021 | 3.90 | | Total Spain | 1,301 | 1.68 |
| | Technology Hardware & Equipment 0.00% (1.41%) | | | SWEDEN 9.41% (7.86%) | | | |
| | Total Finland | 4,536 | 5.86 | | Industrial Engineering 2.57% (2.42%) | | |
| FRANCE 2.71% (3.82%) | | | | 91,007 | Atlas Copco B Shares | 1,990 | 2.57 |
| | Industrial Transportation 0.00% (1.37%) | | | | Banks 6.84% (5.44%) | | |
| | Media 2.71% (2.45%) | | | 289,748 | Nordea Bank | 2,511 | 3.24 |
| 37,431 | Publicis Groupe | 2,096 | 2.71 | 246,532 | Svenska Handelsbanken | 2,785 | 3.60 |
| | Total France | 2,096 | 2.71 | | Total Sweden | 7,286 | 9.41 |
| GERMANY 4.24% (6.43%) | | | | SWITZERLAND 17.30% (17.34%) | | | |
| | Chemicals 2.16% (1.91%) | | | | Chemicals 3.06% (2.96%) | | |
| 38,215 | Brenntag | 1,668 | 2.16 | 1,486 | Givaudan | 2,364 | 3.06 |
| | Personal Goods 0.00% (1.40%) | | | | Food Producers 2.47% (3.44%) | | |
| | Mobile Telecommunications 2.08% (0.00%) | | | 31,861 | Nestle | 1,915 | 2.47 |
| 121,031 | Deutsche Telekom | 1,613 | 2.08 | | Personal Goods 1.72% (0.00%) | | |
| | Nonlife Insurance 0.00% (3.12%) | | | 25,105 | Cie Financiere Richemont | 1,328 | 1.72 |
| | Total Germany | 3,281 | 4.24 | | Pharmaceuticals & Biotechnology 8.99% (8.77%) | | |
| ITALY 6.88% (5.97%) | | | | 64,461 | Novartis | 3,802 | 4.91 |
| | Food & Drug Retailers 2.57% (2.31%) | | | 16,687 | Roche | 3,160 | 4.08 |
| 131,777 | MARR | 1,991 | 2.57 | | Banks 1.06% (2.17%) | | |
| | Mobile Telecommunications 1.51% (0.57%) | | | 70,105 | UBS Group | 818 | 1.06 |
| 308,042 | Infrastructure Wireless Italia | 1,168 | 1.51 | | Total Switzerland | 13,387 | 17.30 |
| | Gas, Water & Multiutilities 2.80% (3.09%) | | | UNITED KINGDOM 22.74% (30.07%) | | | |
| 497,771 | Snam Rete Gas | 2,167 | 2.80 | | Oil & Gas Producers 2.42% (2.62%) | | |
| | Total Italy | 5,326 | 6.88 | 92,122 | Royal Dutch Shell A Shares (UK Listing) | 1,875 | 2.42 |
| JERSEY 2.56% (2.38%) | | | | | Aerospace & Defence 0.00% (1.21%) | | |
| | Media 2.56% (2.38%) | | | | Support Services 2.06% (2.58%) | | |
| 276,772 | UBM | 1,980 | 2.56 | 164,499 | Berendsen | 1,591 | 2.06 |
| | Total Jersey | 1,980 | 2.56 | 101,280 | Diageo | 2,215 | 2.86 |

Threadneedle Pan European Equity Dividend Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value |
|--|-----------------------|---------------|----------------------------|
| UNITED KINGDOM 22.74% (30.07%) (continued) | | | |
| Personal Goods 0.00% (3.86%) | | | |
| Tobacco 2.13% (2.20%) | | | |
| 41,406 | Imperial Brands | 1,646 | 2.13 |
| Pharmaceuticals & Biotechnology 6.78% (7.42%) | | | |
| 47,945 | AstraZeneca | 2,207 | 2.85 |
| 188,650 | GlaxoSmithKline | 3,044 | 3.93 |
| Media 2.04% (2.05%) | | | |
| 208,478 | Pearson | 1,579 | 2.04 |
| Fixed Line Telecommunications 2.04% (2.99%) | | | |
| 420,173 | BT Group | 1,578 | 2.04 |
| Life Insurance 2.41% (2.44%) | | | |
| 885,327 | Legal & General Group | 1,860 | 2.41 |
| Total United Kingdom | | 17,595 | 22.74 |
| UNITED STATES OF AMERICA 2.01% (2.06%) | | | |
| Automobiles & Parts 2.01% (2.06%) | | | |
| 19,546 | Autoliv (SDR) | 1,559 | 2.01 |
| Total United States of America | | 1,559 | 2.01 |
| DERIVATIVES 0.00% (0.00%) | | | |
| Forward Foreign Exchange Contracts 0.00% (0.00%) | | | |
| Sell GBP 44,907 | | | |
| Buy EUR 50,000 RBC | | — | — |
| Sell EUR 21,000 | | — | — |
| Buy GBP 18,773 Citigroup | | — | — |
| Total Derivatives | | — | — |
| Total value of investments | | 76,947 | 99.43 |
| Net other assets (1.27%) | | 444 | 0.57 |
| Net assets | | 77,391 | 100.00 |

April 2016 comparatives in brackets.

Total Purchases and Sales

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--------------------------------|--------------|--------------|
| Total purchases for the period | 24,237 | 24,592 |
| Total sales for the period | 25,030 | 19,521 |

Threadneedle American Extended Alpha Fund

Portfolio Statement

as at 31 October 2016

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|---|--|---------------|----------------------------|--|---------------------------|---------------|----------------------------|
| BELGIUM 0.00% (1.14%) | | | | Household Goods & Home Construction 2.60% (1.45%) | | | |
| | Beverages 0.00% (1.14%) | | | 26,750 | Clorox | 2,616 | 1.21 |
| | Total Belgium | — | — | 73,738 | Newell Brands | 2,992 | 1.39 |
| BERMUDA 1.43% (1.49%) | | | | Leisure Goods 1.11% (0.76%) | | | |
| | Financial Services 1.43% (1.49%) | | | 36,750 | Electronic Arts | 2,398 | 1.11 |
| 101,523 | Ihs Markit | 3,077 | 1.43 | Personal Goods 0.86% (2.13%) | | | |
| | Total Bermuda | 3,077 | 1.43 | 31,732 | Colgate-Palmolive | 1,855 | 0.86 |
| REPUBLIC OF IRELAND 2.05% (3.76%) | | | | Health Care Equipment & Services 5.95% (4.80%) | | | |
| | Industrial Engineering 0.00% (1.16%) | | | 27,823 | Cigna | 2,780 | 1.29 |
| | Health Care Equipment & Services 2.05% (1.06%) | | | 30,765 | Edwards Lifesciences | 2,430 | 1.13 |
| 65,718 | Medtronic | 4,424 | 2.05 | 9,604 | Humana | 1,350 | 0.63 |
| | Pharmaceuticals & Biotechnology 0.00% (0.40%) | | | 54,356 | UnitedHealth Group | 6,267 | 2.90 |
| | Technology Hardware & Equipment 0.00% (1.14%) | | | Pharmaceuticals & Biotechnology 4.90% (5.75%) | | | |
| | Total Republic of Ireland | 4,424 | 2.05 | 12,927 | Biogen Idec | 3,011 | 1.39 |
| UNITED KINGDOM 2.37% (0.71%) | | | | 7,018 | Biomarin Pharmaceutical | 468 | 0.22 |
| | Media 1.49% (0.00%) | | | 5,930 | Bluebird Bio | 242 | 0.11 |
| 87,813 | Nielson Holdings | 3,220 | 1.49 | 48,459 | Bristol-Myers Squibb | 2,030 | 0.94 |
| | Nonlife Insurance 0.88% (0.71%) | | | 25,655 | Johnson & Johnson | 2,431 | 1.13 |
| 20,820 | Aon | 1,903 | 0.88 | 32,401 | Merck & Co | 1,566 | 0.73 |
| | Total United Kingdom | 5,123 | 2.37 | 14,003 | Quintiles IMS Holdings | 826 | 0.38 |
| UNITED STATES OF AMERICA 81.98% (72.96%) | | | | Food & Drug Retailers 0.00% (0.82%) | | | |
| | Oil & Gas Producers 6.68% (3.10%) | | | General Retailers 4.93% (3.57%) | | | |
| 156,530 | Devon Energy | 5,038 | 2.33 | 9,621 | Amazon.com | 6,136 | 2.84 |
| 396,898 | Marathon Oil | 4,474 | 2.07 | 12,380 | Costco Wholesale | 1,523 | 0.71 |
| 22,319 | Occidental Petroleum | 1,350 | 0.63 | 29,235 | Home Depot | 2,968 | 1.38 |
| 54,240 | Phillips 66 | 3,571 | 1.65 | Media 0.00% (1.04%) | | | |
| | Oil Equipment, Services & Distribution 0.00% (0.45%) | | | Travel & Leisure 1.79% (1.91%) | | | |
| | Chemicals 0.76% (0.54%) | | | 25,166 | Southwest Airlines | 810 | 0.38 |
| 37,092 | Dow Chemical | 1,644 | 0.76 | 43,284 | Yum! Brands | 3,048 | 1.41 |
| | Mining 1.48% (0.00%) | | | Fixed Line Telecommunications 1.30% (0.66%) | | | |
| 109,853 | Newmont Mining | 3,191 | 1.48 | 71,124 | Verizon Communications | 2,816 | 1.30 |
| | Construction & Materials 0.00% (0.76%) | | | Electricity 0.00% (0.62%) | | | |
| | Aerospace & Defence 2.57% (1.71%) | | | Banks 3.43% (3.37%) | | | |
| 26,270 | General Dynamics | 3,270 | 1.51 | 130,243 | JPMorgan Chase | 7,394 | 3.43 |
| 11,275 | Lockheed Martin | 2,297 | 1.06 | Nonlife Insurance 4.77% (4.40%) | | | |
| | General Industrials 0.85% (2.45%) | | | 87,004 | Berkshire Hathaway | 10,296 | 4.77 |
| 13,416 | 3M | 1,827 | 0.85 | Life Insurance 1.22% (0.00%) | | | |
| | Electronic & Electrical Equipment 0.31% (0.00%) | | | 68,180 | Metlife | 2,631 | 1.22 |
| 16,413 | Universal Display | 672 | 0.31 | Real Estate Investment Trusts 0.00% (0.65%) | | | |
| | Industrial Transportation 2.54% (0.00%) | | | Financial Services 8.51% (9.56%) | | | |
| 51,690 | Norfolk Southern | 3,918 | 1.82 | 35,577 | CME Group | 2,920 | 1.35 |
| 21,517 | Union Pacific | 1,562 | 0.72 | 10,106 | Intercontinental Exchange | 2,225 | 1.03 |
| | Beverages 2.86% (4.97%) | | | 50,752 | MasterCard Class A | 4,449 | 2.06 |
| 25,443 | Constellation Brands | 3,471 | 1.61 | 130,108 | Visa 'A' Shares | 8,790 | 4.07 |
| 31,393 | Molson Coors Brewing | 2,695 | 1.25 | Software & Computer Services 12.37% (13.05%) | | | |
| | | | | 2,509 | Adobe Systems | 222 | 0.10 |
| | | | | 20,969 | Alphabet Class A | 14,118 | 6.54 |

Threadneedle American Extended Alpha Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value |
|---|---|----------------|----------------------------|
| UNITED STATES OF AMERICA 81.98% (72.96%) (continued) | | | |
| 44,941 | Leidos | 1,529 | 0.71 |
| 160,613 | Microsoft | 7,900 | 3.66 |
| 31,583 | Nutanix | 645 | 0.30 |
| 59,593 | PTC | 2,295 | 1.06 |
| Technology Hardware & Equipment 10.19% (4.44%) | | | |
| 85,354 | Analog Devices | 4,454 | 2.06 |
| 118,464 | Apple | 11,067 | 5.13 |
| 81,939 | Lam Research | 6,476 | 3.00 |
| Total United States of America | | 176,954 | 81.98 |
| DERIVATIVES -0.18% (0.05%) | | | |
| Futures and Options 0.00% (0.00%) | | | |
| 99 | UBS S&P 500 Index E-mini Future Expiring December 2016 | (5) | — |
| Forward Foreign Exchange Contracts 0.00% (0.01%) | | | |
| Sell USD 1,589,794 | | | |
| Buy EUR 1,461,783 J.P. Morgan | | 11 | — |
| Sell USD 192,000 | | | |
| Buy GBP 157,249 Lloyds | | — | — |
| Portfolio Swap -0.18% (0.04%) | | | |
| UBS Portfolio Swap | | (392) | (0.18) |
| Total Derivatives | | (386) | (0.18) |
| Total value of investments | | 189,192 | 87.65 |
| Net other assets (19.89%) | | 26,652 | 12.35 |
| Net assets | | 215,844 | 100.00 |

April 2016 comparatives in brackets.

ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS

| | Value £000 |
|--|---------------|
| UBS S&P 500 Index E-mini Future Expiring December 2016 | 8,649 |
| Total net exposure | 8,649 |

Total Purchases and Sales

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--------------------------------|--------------|--------------|
| Total purchases for the period | 122,736 | 64,679 |
| Total sales for the period | 140,261 | 123,926 |

Threadneedle US Equity Income Fund

Portfolio Statement

as at 31 October 2016

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|------------------------------|--|---------------|----------------------------|---------------------------------|--|---------------|----------------------------|
| OIL & GAS 10.68% | | | | Personal Goods 2.53% | | | |
| | Oil & Gas Producers 10.17% | | | 36,981 | Coach | 1,085 | 0.97 |
| 23,821 | Chevron | 2,032 | 1.81 | 18,623 | Kimberly-Clark | 1,753 | 1.56 |
| 43,152 | Exxon Mobil | 3,005 | 2.68 | | | | |
| 20,750 | Hess | 1,049 | 0.93 | | Tobacco 4.51% | | |
| 23,898 | HollyFrontier | 468 | 0.42 | 57,922 | Altria Group | 3,135 | 2.79 |
| 35,346 | Occidental Petroleum | 2,138 | 1.90 | 43,083 | Reynolds American | 1,937 | 1.72 |
| 21,500 | Suncor Energy CAD | 545 | 0.49 | | Total Consumer Goods | 14,866 | 13.24 |
| 35,874 | Suncor Energy USD | 909 | 0.81 | | | | |
| 26,453 | Valero Energy | 1,274 | 1.13 | | | | |
| | Alternative Energy 0.51% | | | HEALTH CARE 8.37% | | | |
| 31,379 | Pattern Energy Group | 571 | 0.51 | | Pharmaceuticals & Biotechnology 8.37% | | |
| | Total Oil & Gas | 11,991 | 10.68 | 31,920 | AbbVie | 1,510 | 1.34 |
| | | | | 2,500 | Allergan | 1,603 | 1.43 |
| | | | | 11,003 | Johnson & Johnson | 1,043 | 0.93 |
| | | | | 46,757 | Merck & Co | 2,259 | 2.01 |
| | | | | 113,939 | Pfizer | 2,989 | 2.66 |
| | | | | | Total Health Care | 9,404 | 8.37 |
| BASIC MATERIALS 3.44% | | | | CONSUMER SERVICES 4.37% | | | |
| | Chemicals 2.45% | | | | General Retailers 0.76% | | |
| 14,269 | Agrium | 1,091 | 0.97 | 14,195 | L Brands | 860 | 0.76 |
| 37,483 | Dow Chemical | 1,661 | 1.48 | | | | |
| | Industrial Metals & Mining 0.99% | | | | Travel & Leisure 3.61% | | |
| 28,446 | Nucor | 1,112 | 0.99 | 35,956 | Cinemark Holdings | 1,146 | 1.02 |
| | Total Basic Materials | 3,864 | 3.44 | 83,450 | Extended Stay America | 954 | 0.85 |
| | | | | 21,202 | McDonald's | 1,952 | 1.74 |
| | | | | | Total Consumer Services | 4,912 | 4.37 |
| INDUSTRIALS 10.83% | | | | TELECOMMUNICATIONS 1.51% | | | |
| | Construction & Materials 1.05% | | | | Fixed Line Telecommunications 1.51% | | |
| 10,553 | Watsco | 1,179 | 1.05 | 32,863 | AT&T | 985 | 0.88 |
| | Aerospace & Defence 2.20% | | | 17,864 | Verizon Communications | 707 | 0.63 |
| 11,498 | General Dynamics | 1,431 | 1.28 | | Total Telecommunications | 1,692 | 1.51 |
| 5,069 | Lockheed Martin | 1,033 | 0.92 | | | | |
| | General Industrials 4.31% | | | UTILITIES 5.94% | | | |
| 27,930 | Bemis | 1,112 | 0.99 | | Electricity 4.65% | | |
| 41,702 | Eaton | 2,136 | 1.90 | 29,130 | Edison International | 1,720 | 1.53 |
| 66,533 | General Electric | 1,597 | 1.42 | 17,128 | FPL Group | 1,769 | 1.58 |
| | Industrial Engineering 0.98% | | | 34,606 | PG&E | 1,734 | 1.54 |
| 19,690 | Dover | 1,096 | 0.98 | | Gas, Water & Multiutilities 1.29% | | |
| | Industrial Transportation 1.80% | | | 30,014 | WEC Energy Group | 1,444 | 1.29 |
| 22,888 | United Parcel Service | 2,025 | 1.80 | | Total Utilities | 6,667 | 5.94 |
| | Support Services 0.49% | | | | | | |
| 10,934 | Deluxe | 548 | 0.49 | | | | |
| | Total Industrials | 12,157 | 10.83 | FINANCIALS 22.82% | | | |
| | | | | | Banks 9.67% | | |
| CONSUMER GOODS 13.24% | | | | 47,122 | BankUnited | 1,135 | 1.01 |
| | Food Producers 1.97% | | | 55,853 | BB&T | 1,796 | 1.60 |
| 28,406 | B&G Foods | 1,033 | 0.92 | 100,244 | Huntington Bancshares | 870 | 0.77 |
| 28,061 | Pinnacle Foods | 1,184 | 1.05 | 35,970 | JPMorgan Chase | 2,042 | 1.82 |
| | Household Goods & Home Construction 1.90% | | | 33,053 | Pacwest Bancorp | 1,173 | 1.04 |
| 29,858 | Procter & Gamble | 2,131 | 1.90 | 23,309 | PNC Financials | 1,821 | 1.62 |
| | Leisure Goods 2.33% | | | 53,466 | Wells Fargo | 2,030 | 1.81 |
| 21,118 | Hasbro | 1,445 | 1.29 | | Nonlife Insurance 1.57% | | |
| 44,636 | Mattel | 1,163 | 1.04 | 16,802 | Chubb | 1,760 | 1.57 |
| | | | | | Life Insurance 1.61% | | |
| | | | | 46,901 | Metlife | 1,810 | 1.61 |

Threadneedle US Equity Income Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value |
|---|---------------------------------|----------------|----------------------------|
| FINANCIALS 22.82% (continued) | | | |
| Real Estate Investment Trusts 7.45% | | | |
| 12,185 | Alexandria Real Estate Equities | 1,050 | 0.94 |
| 14,345 | Crown Castle International | 1,075 | 0.96 |
| 29,058 | CyrusOne | 1,070 | 0.95 |
| 56,188 | Outfront Media | 986 | 0.88 |
| 26,326 | Prologis REIT | 1,105 | 0.98 |
| 47,213 | Rayonier | 1,028 | 0.92 |
| 56,810 | Starwood Property Trust | 1,029 | 0.92 |
| 35,862 | Tanger Factory | 1,011 | 0.90 |
| Financial Services 2.52% | | | |
| 19,701 | CME Group | 1,617 | 1.44 |
| 50,613 | Synchrony Financial | 1,210 | 1.08 |
| Total Financials | | 25,618 | 22.82 |
| TECHNOLOGY 18.42% | | | |
| Software & Computer Services 5.26% | | | |
| 9,998 | International Business Machines | 1,253 | 1.12 |
| 23,611 | Leidos | 803 | 0.72 |
| 78,084 | Microsoft | 3,841 | 3.42 |
| Technology Hardware & Equipment 13.16% | | | |
| 29,109 | Analog Devices | 1,519 | 1.35 |
| 41,452 | Apple | 3,872 | 3.45 |
| 130,539 | Cisco Systems | 3,281 | 2.92 |
| 60,574 | Corning | 1,129 | 1.01 |
| 85,641 | Cypress Semiconductor | 711 | 0.63 |
| 40,178 | Diebold | 730 | 0.65 |
| 38,695 | Intel | 1,104 | 0.98 |
| 34,254 | Maxim Integrated Products | 1,110 | 0.99 |
| 32,146 | Xilinx | 1,327 | 1.18 |
| Total Technology | | 20,680 | 18.42 |
| DERIVATIVES 0.00% | | | |
| Forward Foreign Exchange Contracts 0.00% | | | |
| Sell USD 12,537 | | | |
| Buy CHF 12,505 J.P. Morgan | | — | — |
| Sell USD 12,425 | | | |
| Buy EUR 11,424 J.P. Morgan | | — | — |
| Sell USD 12,428 | | | |
| Buy EUR 11,427 J.P. Morgan | | — | — |
| Sell USD 12,429 | | | |
| Buy EUR 11,428 J.P. Morgan | | — | — |
| Sell USD 14,543 | | | |
| Buy EUR 13,372 J.P. Morgan | | — | — |
| Total Derivatives | | — | — |
| Total value of investments | | 111,851 | 99.62 |
| Net other assets | | 427 | 0.38 |
| Net assets | | 112,278 | 100.00 |

Total Purchases and Sales

for the accounting period 23 May 2016 to 31 October 2016

| | |
|--------------------------------|-------------|
| | 2016 |
| | £000 |
| Total purchases for the period | 113,358 |
| Total sales for the period | 23,555 |

Threadneedle China Opportunities Fund

Portfolio Statement

as at 31 October 2016

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|---------------------------------------|---|---------------|----------------------------|--|---|---------------|----------------------------|
| BERMUDA 0.00% (0.88%) | | | | General Retailers 1.25% (0.00%) | | | |
| | Oil Equipment, Services & Distribution 0.00% (0.88%) | | | 28,058 | New Oriental Education & Technology Group ADR | 1,190 | 1.25 |
| | Total Bermuda | — | — | | | | |
| CAYMAN ISLANDS 41.13% (33.86%) | | | | Banks 11.98% (11.24%) | | | |
| | Construction & Materials 0.85% (1.62%) | | | 9,266,000 | Bank of China | 3,406 | 3.57 |
| 2,448,000 | China Resources Cement Holdings | 807 | 0.85 | 9,063,000 | China Construction Bank | 5,444 | 5.71 |
| | Electronic & Electrical Equipment 1.17% (0.00%) | | | 5,203,000 | Industrial & Commercial Bank of China | 2,574 | 2.70 |
| 142,500 | AAC Technologies Holdings | 1,117 | 1.17 | Nonlife Insurance 0.00% (1.59%) | | | |
| | Industrial Transportation 0.42% (0.00%) | | | Life Insurance 4.50% (4.84%) | | | |
| 28,980 | ZTO Express ADR | 404 | 0.42 | 1,162,000 | China Life Insurance | 2,371 | 2.49 |
| | Automobiles & Parts 0.97% (0.00%) | | | 443,000 | Ping An Insurance Group of China | 1,922 | 2.01 |
| 860,000 | Nexteer Automotive Group | 929 | 0.97 | Real Estate Investment & Services 0.33% (1.71%) | | | |
| | Food Producers 0.00% (1.12%) | | | 146,600 | China Vanke | 315 | 0.33 |
| | Personal Goods 1.78% (2.74%) | | | Financial Services 1.58% (1.95%) | | | |
| 451,000 | Anta Sports Products | 1,070 | 1.12 | 404,000 | CITIC Securities 'H' Shares | 735 | 0.77 |
| 116,000 | Shenzhen International Group Holdings | 632 | 0.66 | 531,600 | Haitong Securities | 775 | 0.81 |
| | Pharmaceuticals & Biotechnology 0.64% (1.53%) | | | Total China | | | |
| 1,058,000 | Sino Biopharmaceutical | 609 | 0.64 | | | 26,722 | 28.02 |
| | General Retailers 9.92% (6.73%) | | | HONG KONG 23.31% (24.55%) | | | |
| 113,008 | Alibaba Group ADR | 9,458 | 9.92 | | Oil & Gas Producers 3.69% (4.00%) | | |
| | Travel & Leisure 3.17% (2.20%) | | | 3,364,000 | CNOOC | 3,517 | 3.69 |
| 56,152 | Ctrip.Com International ADS | 2,063 | 2.16 | | Industrial Metals & Mining 0.00% (0.82%) | | |
| 270,800 | Sands China | 968 | 1.01 | | General Industrials 0.41% (0.41%) | | |
| | Real Estate Investment & Services 2.14% (2.44%) | | | 222,000 | China Resources Enterprise | 388 | 0.41 |
| 994,000 | China Resources Land | 2,037 | 2.14 | | Automobiles & Parts 1.01% (0.00%) | | |
| | Software & Computer Services 20.07% (15.48%) | | | 330,000 | Mintih Group | 963 | 1.01 |
| 33,780 | Baidu ADR | 4,984 | 5.23 | | Pharmaceuticals & Biotechnology 1.79% (0.74%) | | |
| 65,480 | Baozun | 770 | 0.81 | 777,500 | China Resources Pharmaceutical | 742 | 0.78 |
| 3,106,000 | Kingdee International Software Group | 1,036 | 1.09 | 1,136,000 | CSPC Pharmaceutical Group | 968 | 1.01 |
| 14,530 | Netease | 3,162 | 3.31 | | Mobile Telecommunications 7.74% (9.62%) | | |
| 421,500 | Tencent Holdings | 9,181 | 9.63 | 784,000 | China Mobile | 7,380 | 7.74 |
| | Total Cayman Islands | 39,227 | 41.13 | | Gas, Water & Multiutilities 2.03% (2.54%) | | |
| CHINA 28.02% (31.06%) | | | | 1,266,000 | Beijing Enterprises Water Group | 755 | 0.79 |
| | Oil & Gas Producers 4.99% (4.99%) | | | 956,000 | Guangdong Investment | 1,187 | 1.24 |
| 5,380,000 | China Petroleum & Chemical | 3,220 | 3.38 | | Life Insurance 3.95% (2.90%) | | |
| 2,714,000 | PetroChina | 1,535 | 1.61 | 727,000 | AIA Group | 3,766 | 3.95 |
| | Construction & Materials 1.18% (0.85%) | | | | Real Estate Investment & Services 2.69% (3.52%) | | |
| 414,000 | Anhui Conch Cement | 943 | 0.99 | 1,012,000 | China Overseas Land & Investment | 2,568 | 2.69 |
| 323,000 | Beijing Urban Construction Design & Development Group | 183 | 0.19 | | Total Hong Kong | 22,234 | 23.31 |
| | Industrial Engineering 0.00% (1.25%) | | | LUXEMBOURG 5.06% (3.96%) | | | |
| | Automobiles & Parts 1.07% (2.64%) | | | | Construction & Materials 0.41% (0.43%) | | |
| 1,124,799 | AviChina Industry & Technology | 627 | 0.66 | 185,606 | J.P. Morgan International Derivatives (Anhui Conch Cement 'A' shares P Note) | 384 | 0.40 |
| 164,800 | Fuyao Glass Industry Group | 393 | 0.41 | 6,143 | J.P. Morgan International Derivatives (Anhui Conch Cement 'A' shares P Note) 12/04/2021 | 13 | 0.01 |
| | Pharmaceuticals & Biotechnology 1.14% (0.00%) | | | | | | |
| 272,400 | Sinopharm Group | 1,089 | 1.14 | | | | |

Threadneedle China Opportunities Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value |
|---|---|---------------|----------------------------|
| LUXEMBOURG 5.06% (3.96%) (continued) | | | |
| | Electronic & Electrical Equipment 1.08% (0.00%) | | |
| 345,500 | J.P. Morgan Structured Notes Warrant (Hangzhou Hikvision Digital Technology) 16/04/2020 | 1,028 | 1.08 |
| | Household Goods & Home Construction 0.74% (0.64%) | | |
| 213,692 | Midea Group | 704 | 0.74 |
| | Life Insurance 2.83% (2.89%) | | |
| 278,723 | J.P. Morgan International Derivatives (Ping An 'A' shares P Note) | 1,171 | 1.23 |
| 363,233 | J.P. Morgan Structured Notes Warrant (Ping An of China) 12/04/2021 | 1,526 | 1.60 |
| | Total Luxembourg | 4,826 | 5.06 |
| NETHERLANDS 0.42% (0.71%) | | | |
| | Industrial Transportation 0.42% (0.71%) | | |
| 121,280 | Shanghai International Air | 399 | 0.42 |
| | Total Netherlands | 399 | 0.42 |
| SWITZERLAND 1.06% (1.68%) | | | |
| | Chemicals 1.06% (1.68%) | | |
| 2,410,000 | Sinopec Shanghai Petrochemical | 1,011 | 1.06 |
| | Total Switzerland | 1,011 | 1.06 |
| TAIWAN 0.00% (0.43%) | | | |
| | Industrial Engineering 0.00% (0.43%) | | |
| | Total Taiwan | — | — |
| UNITED STATES OF AMERICA 1.02% (1.14%) | | | |
| | Pharmaceuticals & Biotechnology 1.02% (1.14%) | | |
| 9,820 | China Biologic Products | 968 | 1.02 |
| | Total United States of America | 968 | 1.02 |
| DERIVATIVES -0.01% (0.00%) | | | |
| | Forward Foreign Exchange Contracts -0.01% (0.00%) | | |
| | Sell USD 1,896,000 | | |
| | Buy GBP 1,551,837 Bank of Scotland | (6) | (0.01) |
| | Total Derivatives | (6) | (0.01) |
| Total value of investments | | 95,381 | 100.01 |
| Net other (liabilities)/assets (1.73%) | | (10) | (0.01) |
| Net assets | | 95,371 | 100.00 |

April 2016 comparatives in brackets.

Total Purchases and Sales

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--------------------------------|--------------|--------------|
| Total purchases for the period | 19,856 | 19,237 |
| Total sales for the period | 31,621 | 46,504 |

Threadneedle Global Emerging Markets Equity Fund

Portfolio Statement

as at 31 October 2016

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|---|--|---------------|----------------------------|-------------------------------------|--|---------------|----------------------------|
| ARGENTINA 0.97% (0.90%) | | | | CHINA 0.31% (0.04%) | | | |
| | Electricity 0.97% (0.90%) | | | | Automobiles & Parts 0.31% (0.04%) | | |
| 112,043 | Pampa Energia ADR | 3,130 | 0.97 | 413,200 | Fuyao Glass Industry Group | 985 | 0.31 |
| | Total Argentina | 3,130 | 0.97 | | Total China | 985 | 0.31 |
| BRAZIL 8.70% (5.03%) | | | | COLOMBIA 1.07% (0.00%) | | | |
| | General Industrials 0.93% (0.00%) | | | | Banks 1.07% (0.00%) | | |
| 701,200 | Klabin | 2,982 | 0.93 | 109,138 | Bancolombia ADR | 3,439 | 1.07 |
| | Automobiles & Parts 0.13% (0.00%) | | | | Total Colombia | 3,439 | 1.07 |
| 94,700 | Iochepe-Maxion | 409 | 0.13 | CZECH REPUBLIC 2.46% (1.61%) | | | |
| | Beverages 0.49% (0.00%) | | | | Banks 2.46% (1.61%) | | |
| 326,528 | Ambev ADR | 1,591 | 0.49 | 264,869 | Komerční Banka | 7,951 | 2.46 |
| | Food Producers 0.51% (0.00%) | | | | Total Czech Republic | 7,951 | 2.46 |
| 119,276 | BRF ADR | 1,657 | 0.51 | HONG KONG 5.69% (6.06%) | | | |
| | Personal Goods 1.22% (0.98%) | | | | Oil & Gas Producers 0.69% (0.72%) | | |
| 1,422,937 | Alpargatas | 3,948 | 1.22 | 2,112,000 | CNOOC | 2,208 | 0.69 |
| | General Retailers 0.50% (0.00%) | | | | Automobiles & Parts 0.46% (0.30%) | | |
| 400,900 | B2W Digital | 1,621 | 0.50 | 508,000 | Mint Group | 1,483 | 0.46 |
| | Fixed Line Telecommunications 1.45% (1.36%) | | | | Household Goods & Home Construction 1.32% (1.39%) | | |
| 402,850 | Telefonica Brasil ADR | 4,663 | 1.45 | 1,383,000 | Techtronic Industries | 4,271 | 1.32 |
| | Mobile Telecommunications 0.17% (0.00%) | | | | Personal Goods 0.00% (0.75%) | | |
| 116,600 | Linx | 561 | 0.17 | | Mobile Telecommunications 3.22% (2.90%) | | |
| | Electricity 1.75% (0.58%) | | | 1,103,500 | China Mobile | 10,387 | 3.22 |
| 708,479 | CPFL | 4,423 | 1.37 | | Total Hong Kong | 18,349 | 5.69 |
| 214,900 | Energisa | 1,216 | 0.38 | INDIA 15.07% (14.96%) | | | |
| | Banks 0.00% (0.08%) | | | | Construction & Materials 3.07% (2.97%) | | |
| | Real Estate Investment & Services 0.00% (0.59%) | | | 297,948 | Asian Paints | 3,922 | 1.21 |
| | Financial Services 1.55% (1.44%) | | | 214,533 | Larsen & Toubro | 3,911 | 1.21 |
| 1,059,500 | BM&FBovespa | 4,990 | 1.55 | 42,716 | Ultratech Cement | 2,091 | 0.65 |
| | Total Brazil | 28,061 | 8.70 | | Industrial Engineering 1.38% (1.16%) | | |
| BRITISH VIRGIN ISLANDS 0.00% (1.02%) | | | | 15,163 | Eicher Motors | 4,464 | 1.38 |
| | Software & Computer Services 0.00% (1.02%) | | | | Automobiles & Parts 1.19% (1.03%) | | |
| | Total British Virgin Islands | — | — | 93,115 | Hero Honda | 3,831 | 1.19 |
| CAYMAN ISLANDS 11.15% (6.67%) | | | | | Personal Goods 2.43% (2.11%) | | |
| | Electronic & Electrical Equipment 0.97% (1.61%) | | | 779,010 | Dabur India | 2,794 | 0.87 |
| 273,000 | AAC Technologies Holdings | 2,140 | 0.66 | 254,737 | Godrej Consumer Products | 5,026 | 1.56 |
| 248,000 | Sunny Optical Technology Group | 996 | 0.31 | | Health Care Equipment & Services 0.95% (0.93%) | | |
| | Personal Goods 1.18% (1.46%) | | | 185,553 | Apollo Hospitals Enterprise | 3,055 | 0.95 |
| 698,000 | Shenzhen International Group Holdings | 3,805 | 1.18 | | Pharmaceuticals & Biotechnology 0.00% (1.24%) | | |
| | General Retailers 2.35% (0.00%) | | | | Media 1.89% (1.45%) | | |
| 90,665 | Alibaba Group ADR | 7,588 | 2.35 | 2,182,895 | Dish TV India | 2,568 | 0.79 |
| | Software & Computer Services 6.65% (3.60%) | | | 554,235 | Zee Entertainment Enterprises | 3,545 | 1.10 |
| 26,304 | Baidu ADR | 3,881 | 1.20 | | Banks 3.10% (2.30%) | | |
| 807,000 | Tencent Holdings | 17,577 | 5.45 | 144,537 | HDFC Bank ADR | 8,377 | 2.60 |
| | Total Cayman Islands | 35,987 | 11.15 | 234,660 | ICICI Bank ADR | 1,608 | 0.50 |
| | | | | | Software & Computer Services 1.06% (1.77%) | | |
| | | | | 273,477 | Infosys ADR | 3,433 | 1.06 |
| | | | | | Total India | 48,625 | 15.07 |

Threadneedle Global Emerging Markets Equity Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|----------------------------------|---|---------------|----------------------------|--|--|---------------|----------------------------|
| INDONESIA 2.17% (1.87%) | | | | Real Estate Investment & Services 0.79% (0.93%) | | | |
| | Automobiles & Parts 1.49% (0.80%) | | | 115,415 | GT Capital Holdings | 2,550 | 0.79 |
| 9,295,800 | Astra International | 4,814 | 1.49 | | Total Philippines | 7,404 | 2.29 |
| | General Retailers 0.68% (1.07%) | | | POLAND 3.39% (3.49%) | | | |
| 1,929,600 | Matahari Department Store | 2,178 | 0.68 | | Food & Drug Retailers 1.36% (1.52%) | | |
| | Total Indonesia | 6,992 | 2.17 | 527,552 | Eurocash | 4,386 | 1.36 |
| MALAYSIA 0.28% (1.11%) | | | | | Banks 2.03% (1.97%) | | |
| | Construction & Materials 0.00% (1.11%) | | | 258,648 | Bank Pekao | 6,537 | 2.03 |
| | Health Care Equipment & Services 0.28% (0.00%) | | | | Total Poland | 10,923 | 3.39 |
| 710,800 | IHH Healthcare | 890 | 0.28 | RUSSIA 1.49% (1.35%) | | | |
| | Total Malaysia | 890 | 0.28 | | Food & Drug Retailers 0.70% (0.48%) | | |
| MEXICO 7.99% (10.70%) | | | | 92,213 | X5 Retail Group | 2,261 | 0.70 |
| | Construction & Materials 1.39% (0.00%) | | | | Financial Services 0.79% (0.87%) | | |
| 2,891,921 | Cemex | 2,070 | 0.64 | 1,688,680 | Moscow Exchange Rights | 2,559 | 0.79 |
| 78,172 | Cemex ADR | 558 | 0.17 | | Total Russia | 4,820 | 1.49 |
| 202,515 | Promotora y Operadora de Infraestructura | 1,868 | 0.58 | SOUTH AFRICA 5.58% (6.09%) | | | |
| | Industrial Transportation 0.44% (0.79%) | | | | Chemicals 0.00% (0.49%) | | |
| 292,500 | Grupo Aeroportuario Del Cent | 1,415 | 0.44 | | Mining 1.94% (2.37%) | | |
| | Automobiles & Parts 0.37% (0.74%) | | | 41,627 | Anglo Platinum | 799 | 0.25 |
| 1,391,382 | Nemak | 1,181 | 0.37 | 135,867 | AngloGold Ashanti | 1,489 | 0.46 |
| | Beverages 0.70% (1.84%) | | | 357,609 | AngloGold Ashanti ADR | 3,969 | 1.23 |
| 28,696 | Fomento Economico Mexicano ADR | 2,244 | 0.70 | | General Industrials 0.30% (1.71%) | | |
| | General Retailers 1.73% (3.09%) | | | 93,725 | Bidvest Group | 960 | 0.30 |
| 3,238,501 | Wal-Mart de Mexico | 5,587 | 1.73 | | Pharmaceuticals & Biotechnology 0.73% (0.00%) | | |
| | Media 0.00% (0.43%) | | | 132,401 | Aspen Pharmacare Holdings | 2,351 | 0.73 |
| | Travel & Leisure 0.97% (1.15%) | | | | Food & Drug Retailers 0.72% (0.00%) | | |
| 163,000 | Alsea | 499 | 0.16 | 161,729 | Bid | 2,333 | 0.72 |
| 170,844 | Controladora Vuela | 2,625 | 0.81 | | Media 1.89% (1.52%) | | |
| | Mobile Telecommunications 0.56% (0.00%) | | | 44,380 | Naspers | 6,112 | 1.89 |
| 168,891 | America Movil ADR | 1,808 | 0.56 | | Total South Africa | 18,013 | 5.58 |
| | Banks 1.37% (2.66%) | | | SOUTH KOREA 11.08% (9.43%) | | | |
| 910,800 | Grupo Financiero Banorte | 4,419 | 1.37 | | Chemicals 0.00% (1.29%) | | |
| | Real Estate Investment Trusts 0.46% (0.00%) | | | | Construction & Materials 0.86% (1.13%) | | |
| 1,107,300 | PLA Administradora Industrial | 1,493 | 0.46 | 79,658 | Hyundai Development Co-Engineering & Construction | 2,771 | 0.86 |
| | Total Mexico | 25,767 | 7.99 | | Household Goods & Home Construction 0.00% (0.37%) | | |
| NETHERLANDS 0.36% (0.00%) | | | | | Leisure Goods 4.17% (2.63%) | | |
| | Software & Computer Services 0.36% (0.00%) | | | 11,451 | Samsung Electronics | 13,467 | 4.17 |
| 71,021 | Yandex | 1,170 | 0.36 | | Food & Drug Retailers 0.68% (0.52%) | | |
| | Total Netherlands | 1,170 | 0.36 | 62,604 | GS Retail | 2,191 | 0.68 |
| PHILIPPINES 2.29% (2.36%) | | | | | General Retailers 0.37% (0.52%) | | |
| | Gas, Water & Multiutilities 0.70% (0.97%) | | | 10,451 | CJ O Shopping | 1,189 | 0.37 |
| 18,578,100 | Metro Pacific Investments | 2,254 | 0.70 | | Mobile Telecommunications 1.06% (0.00%) | | |
| | Banks 0.80% (0.46%) | | | 2,249 | SK Telecom | 361 | 0.11 |
| 1,885,097 | Metropolitan Bank & Trust | 2,600 | 0.80 | 171,610 | SK Telecom ADR | 3,057 | 0.95 |

Threadneedle Global Emerging Markets Equity Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|---|--|---------------|----------------------------|--|---|----------------|----------------------------|
| SOUTH KOREA 11.08% (9.43%) (continued) | | | | DERIVATIVES 0.00% (0.00%) | | | |
| | Electricity 1.00% (1.41%) | | | | Forward Foreign Exchange Contracts 0.00% (0.00%) | | |
| 180,157 | Korea Electric Power ADR | 3,225 | 1.00 | | Sell USD 69,000 | | |
| | Life Insurance 1.02% (1.03%) | | | | Buy GBP 56,475 Bank of Scotland | — | — |
| 41,489 | Samsung Life Insurance | 3,277 | 1.02 | | Total Derivatives | — | — |
| | Software & Computer Services 1.92% (0.53%) | | | | Total value of investments | 296,652 | 91.96 |
| 10,062 | NAVER | 6,191 | 1.92 | | Net other assets (8.27%) | 25,948 | 8.04 |
| | Total South Korea | 35,729 | 11.08 | | Net assets | 322,600 | 100.00 |
| TAIWAN 8.28% (9.15%) | | | | Total Purchases and Sales | | | |
| | Personal Goods 0.00% (0.95%) | | | <i>for the accounting period 1 May 2016 to 31 October 2016</i> | | | |
| | Food & Drug Retailers 1.19% (0.99%) | | | | 2016 | 2015 | |
| 624,000 | President Chain Store | 3,834 | 1.19 | | £000 | £000 | |
| | Mobile Telecommunications 1.01% (0.98%) | | | | Total purchases for the period | 150,077 | 180,034 |
| 1,675,000 | Far EasTone Telecommunications | 3,253 | 1.01 | | Total sales for the period | 140,194 | 231,145 |
| | Banks 0.70% (0.62%) | | | | | | |
| 4,833,538 | E.Sun Financial | 2,259 | 0.70 | | | | |
| | Technology Hardware & Equipment 5.38% (5.61%) | | | | | | |
| 74,289 | Taiwan Semiconductor Manufacturing | 365 | 0.11 | | | | |
| 590,880 | Taiwan Semiconductor Manufacturing | | | | | | |
| | ADR | 14,937 | 4.63 | | | | |
| 897,000 | Wistron Neweb | 2,053 | 0.64 | | | | |
| | Total Taiwan | 26,701 | 8.28 | | | | |
| THAILAND 3.63% (4.71%) | | | | | | | |
| | Oil & Gas Producers 0.57% (0.96%) | | | | | | |
| 226,500 | PTT | 1,834 | 0.57 | | | | |
| | Industrial Transportation 0.93% (0.95%) | | | | | | |
| 334,600 | Airports of Thailand | 2,993 | 0.93 | | | | |
| | Real Estate Investment & Services 2.13% (2.80%) | | | | | | |
| 2,581,000 | Central Pattana REIT | 3,363 | 1.04 | | | | |
| 16,418,100 | Land & Houses | 3,526 | 1.09 | | | | |
| | Total Thailand | 11,716 | 3.63 | | | | |
| TURKEY 0.00% (3.80%) | | | | | | | |
| | Oil & Gas Producers 0.00% (0.77%) | | | | | | |
| | Automobiles & Parts 0.00% (0.57%) | | | | | | |
| | Beverages 0.00% (0.63%) | | | | | | |
| | Food Producers 0.00% (0.94%) | | | | | | |
| | Banks 0.00% (0.89%) | | | | | | |
| | Total Turkey | — | — | | | | |
| UNITED KINGDOM 0.00% (1.38%) | | | | | | | |
| | Beverages 0.00% (1.38%) | | | | | | |
| | Total United Kingdom | — | — | | | | |

Threadneedle Emerging Market Local Fund

Portfolio Statement

as at 31 October 2016

| | | | Value £000 | % of Net Asset Value | | | | Value £000 | % of Net Asset Value |
|--------------------------------|--------------------------------|--|---------------|----------------------------|---|---------------------------------|---|---------------|----------------------------|
| Holding | Investment | | | | Holding | Investment | | | |
| ANGOLA 0.00% (1.92%) | | | | | DOMINICAN REPUBLIC 0.59% (1.60%) | | | | |
| | B1 0.00% (1.92%) | | | | | Not Rated 0.59% (1.60%) | | | |
| | Total Angola | | — | — | DOP | 26,270,000 | Dominican Republic International Bond 11% 05/01/2018 | 473 | 0.59 |
| ARGENTINA 1.71% (4.32%) | | | | | | Total Dominican Republic | | 473 | 0.59 |
| | B- 1.33% (4.32%) | | | | ECUADOR 1.63% (0.00%) | | | | |
| USD | 310,000 | Provincia de Buenos Aires 9.125% 16/03/2024 | 282 | 0.35 | | B 1.63% (0.00%) | | | |
| USD | 300,000 | Provincia de Buenos Aires 9.95% 09/06/2021 | 280 | 0.35 | USD | 1,500,000 | Republic of Ecuador 10.75% 28/03/2022 | 1,308 | 1.63 |
| USD | 200,000 | Provincia de Buenos Aires 10.875% 26/01/2021 | 188 | 0.24 | | Total Ecuador | | 1,308 | 1.63 |
| USD | 370,000 | Provincia De Cordoba 7.125% 10/06/2021 | 314 | 0.39 | GHANA 2.12% (0.00%) | | | | |
| | Not Rated 0.38% (0.00%) | | | | | B- 2.12% (0.00%) | | | |
| USD | 340,000 | Province of Neuquen 8.625% 12/05/2028 | 301 | 0.38 | USD | 1,152,000 | Republic of Ghana 7.875% 07/08/2023 | 905 | 1.13 |
| | Total Argentina | | 1,365 | 1.71 | USD | 930,000 | Republic of Ghana 9.25% 15/09/2022 | 793 | 0.99 |
| BRAZIL 16.99% (10.68%) | | | | | | Total Ghana | | 1,698 | 2.12 |
| | BB 14.40% (7.52%) | | | | GUATEMALA 0.00% (2.08%) | | | | |
| BRL | 5,758 | Brazil Government International Bond 10% 01/01/2019 | 1,497 | 1.87 | | BB 0.00% (2.08%) | | — | — |
| BRL | 16,062 | Brazil Government International Bond 10% 01/01/2021 | 4,124 | 5.15 | | Total Guatemala | | — | — |
| BRL | 8,102 | Brazil Government International Bond 10% 01/01/2023 | 2,052 | 2.56 | HUNGARY 4.71% (3.63%) | | | | |
| BRL | 13,550 | Brazil Government International Bond 10% 01/01/2025 | 3,398 | 4.25 | | BBB- 4.71% (0.00%) | | | |
| BRL | 1,845 | Brazil Government International Bond 10% 01/01/2027 | 457 | 0.57 | HUF | 475,240,000 | Hungary Government Bond 5.5% 24/06/2025 | 1,677 | 2.09 |
| | Ba2 2.59% (3.16%) | | | | HUF | 479,360,000 | Hungary Government Bond 6% 24/11/2023 | 1,728 | 2.16 |
| BRL | 10,150 | Brazil Letras do Tesouro Nacional 0% 01/01/2019 | 2,073 | 2.59 | HUF | 49,540,000 | Hungary Government Bond 7% 24/06/2022 | 182 | 0.23 |
| | Total Brazil | | 13,601 | 16.99 | HUF | 51,390,000 | Hungary Government Bond 7.5% 12/11/2020 | 184 | 0.23 |
| COLOMBIA 10.72% (6.03%) | | | | | | BB+ 0.00% (3.63%) | | | |
| | BBB 6.98% (2.93%) | | | | | Total Hungary | | 3,771 | 4.71 |
| COP | 797,000,000 | Colombia Government International Bond 7.75% 14/04/2021 | 231 | 0.29 | INDONESIA 12.21% (9.35%) | | | | |
| COP | 16,069,000,000 | Colombia Government International Bond 9.85% 28/06/2027 | 5,354 | 6.69 | | Baa3 8.60% (7.49%) | | | |
| | Baa2 3.20% (1.70%) | | | | IDR | 9,352,000,000 | Indonesia Government International Bond 5.625% 15/05/2023 | 544 | 0.68 |
| COP | 10,482,000,000 | Colombia Government International Bond 4.375% 21/03/2023 | 2,563 | 3.20 | IDR | 34,703,000,000 | Indonesia Government International Bond 6.625% 15/05/2033 | 1,959 | 2.45 |
| | Baa3 0.54% (1.40%) | | | | IDR | 18,835,000,000 | Indonesia Government International Bond 8.375% 15/03/2034 | 1,250 | 1.56 |
| COP | 1,690,000,000 | Empresas Publicas de Medellin 7.625% 10/09/2024 | 434 | 0.54 | IDR | 27,700,000,000 | Indonesia Government International Bond 9% 15/03/2029 | 1,938 | 2.42 |
| | Total Colombia | | 8,582 | 10.72 | IDR | 16,125,000,000 | Indonesia Government International Bond 9.5% 15/07/2031 | 1,191 | 1.49 |
| CROATIA 0.00% (0.72%) | | | | | | Not Rated 3.61% (1.86%) | | | |
| | BB- 0.00% (0.72%) | | | | IDR | 34,257,000,000 | Indonesia Government International Bond 8.375% 15/09/2026 | 2,327 | 2.91 |
| | Total Croatia | | — | — | IDR | 8,194,000,000 | Indonesia Government International Bond 8.75% 15/05/2031 | 565 | 0.70 |
| | | | | | | Total Indonesia | | 9,774 | 12.21 |

Threadneedle Emerging Market Local Fund

Portfolio Statement

(continued)

| | Holding | Investment | Value £000 | % of Net Asset Value | | Holding | Investment | Value £000 | % of Net Asset Value |
|----------------------------------|------------|--|---------------|----------------------------|--|-------------|---|---------------|----------------------------|
| IVORY COAST 0.44% (0.00%) | | | | | PHILIPPINES 0.31% (0.55%) | | | | |
| | | Not Rated 0.44% (0.00%) | | | | | BBB 0.31% (0.55%) | | |
| USD | 439,000 | *Ivory Coast Government International Bond 2.5% 31/12/2032 | 350 | 0.44 | PHP | 14,000,000 | Philippine Government International Bond 4.95% 15/01/2021 | 248 | 0.31 |
| | | Total Ivory Coast | 350 | 0.44 | | | Total Philippines | 248 | 0.31 |
| KAZAKHSTAN 0.28% (0.00%) | | | | | POLAND 0.00% (5.79%) | | | | |
| | | BBB- 0.28% (0.00%) | | | | | A- 0.00% (5.79%) | | |
| USD | 276,000 | Development Bank of Kazakhstan 4.125% 10/12/2022 | 221 | 0.28 | | | Total Poland | — | — |
| | | Total Kazakhstan | 221 | 0.28 | REPUBLIC OF IRELAND 1.65% (0.79%) | | | | |
| LUXEMBOURG 0.92% (0.00%) | | | | | | | BBB- 0.31% (0.79%) | | |
| | | BB- 0.92% (0.00%) | | | RUB | 19,500,000 | Russian Railways via RZD Capital 8.3% 02/04/2019 | 249 | 0.31 |
| USD | 920,000 | Minerva 6.5% 20/09/2026 | 739 | 0.92 | | | Ba3 1.34% (0.00%) | | |
| | | Total Luxembourg | 739 | 0.92 | USD | 1,270,000 | GTK Europe 5.95% 19/07/2021 | 1,075 | 1.34 |
| MALAYSIA 2.88% (0.00%) | | | | | | | Total Republic of Ireland | 1,324 | 1.65 |
| | | Not Rated 2.88% (0.00%) | | | ROMANIA 2.57% (3.71%) | | | | |
| MYR | 6,253,000 | Malaysian Government Bond 3.84% 15/04/2033 | 1,157 | 1.45 | | | Not Rated 2.57% (3.71%) | | |
| MYR | 5,601,000 | Malaysian Government Bond 4.392% 15/04/2026 | 1,147 | 1.43 | RON | 795,000 | Romania Government Bond 4.75% 24/02/2025 | 178 | 0.22 |
| | | Total Malaysia | 2,304 | 2.88 | RON | 7,560,000 | Romania Government Bond 5.85% 26/04/2023 | 1,780 | 2.22 |
| MEXICO 3.66% (8.43%) | | | | | RON | 440,000 | Romania Government Bond 5.95% 11/06/2021 | 102 | 0.13 |
| | | A 1.63% (8.43%) | | | | | Total Romania | 2,060 | 2.57 |
| MXN | 1,767,700 | Mexican Bonos 7.5% 03/06/2027 | 84 | 0.10 | RUSSIA 8.12% (8.81%) | | | | |
| MXN | 2,044,100 | Mexican Bonos 7.75% 29/05/2031 | 98 | 0.12 | | | BBB- 6.00% (6.50%) | | |
| MXN | 1,247,200 | Mexican Bonos 7.75% 23/11/2034 | 60 | 0.08 | RUB | 34,000 | Russian Federal Bond 7% 25/01/2023 | — | — |
| MXN | 2,846,200 | Mexican Bonos 8.5% 31/05/2029 | 145 | 0.18 | RUB | 150,210,000 | Russian Federal Bond 7% 16/08/2023 | 1,810 | 2.26 |
| MXN | 13,003,900 | Mexican Bonos 10% 05/12/2024 | 702 | 0.88 | RUB | 199,527,000 | Russian Federal Bond 7.05% 19/01/2028 | 2,340 | 2.93 |
| MXN | 2,315,200 | Mexican Bonos 10% 20/11/2036 | 137 | 0.17 | RUB | 8,848,000 | Russian Federal Bond 7.6% 14/04/2021 | 111 | 0.14 |
| MXN | 321,400 | United Mexican States Index-Linked 4% 15/11/2040 | 84 | 0.10 | RUB | 41,993,000 | Russian Federal Bond 8.15% 03/02/2027 | 537 | 0.67 |
| | | BBB+ 2.03% (0.00%) | | | | | Not Rated 2.12% (2.31%) | | |
| USD | 1,120,000 | Comision Federal de Electricidad 4.75% 23/02/2027 | 934 | 1.17 | RUB | 130,457,000 | Russian Federal Bond 8.5% 17/09/2031 | 1,697 | 2.12 |
| USD | 820,000 | Mexico City Airport Trust 4.25% 31/10/2026 | 685 | 0.86 | | | Total Russia | 6,495 | 8.12 |
| | | Total Mexico | 2,929 | 3.66 | SENEGAL 0.43% (0.00%) | | | | |
| NETHERLANDS 2.67% (0.00%) | | | | | | | B+ 0.43% (0.00%) | | |
| | | B+ 2.67% (0.00%) | | | USD | 375,000 | Senegal Government International Bond 8.75% 13/05/2021 | 348 | 0.43 |
| USD | 1,496,000 | Petrobras Global Finance 6.25% 17/03/2024 | 1,211 | 1.51 | | | Total Senegal | 348 | 0.43 |
| USD | 1,000,000 | Petrobras Global Finance 8.75% 23/05/2026 | 924 | 1.16 | SERBIA 0.90% (1.77%) | | | | |
| | | Total Netherlands | 2,135 | 2.67 | | | Not Rated 0.90% (1.77%) | | |
| PERU 3.96% (0.59%) | | | | | RSD | 97,000,000 | Serbia Treasury Bond 6% 22/02/2019 | 724 | 0.90 |
| | | A- 3.96% (0.59%) | | | | | Total Serbia | 724 | 0.90 |
| PEN | 11,980,000 | Peruvian Government International Bond 6.95% 12/08/2031 | 3,172 | 3.96 | SOUTH AFRICA 8.38% (9.88%) | | | | |
| | | Total Peru | 3,172 | 3.96 | | | BBB+ 2.65% (1.99%) | | |
| | | | | | ZAR | 31,256,203 | South Africa Government Bond 10.5% 21/12/2026 | 2,118 | 2.65 |

Threadneedle Emerging Market Local Fund

Portfolio Statement

(continued)

| | Holding | Investment | Value £000 | % of Net Asset Value | | Holding | Investment | Value £000 | % of Net Asset Value |
|---|------------|--|---------------|----------------------------|--|----------------------------------|------------|---------------|----------------------------|
| SOUTH AFRICA 8.38% (9.88%) (continued) | | | | | | | | | |
| | | Baa2 5.73% (7.89%) | | | | Sell USD 1,928,290 | | | |
| ZAR | 1,801,941 | South Africa Government Bond 6.25% 31/03/2036 | 80 | 0.10 | | Buy BRL 6,266,903 Barclays | 32 | 0.04 | |
| ZAR | 10,714,786 | South Africa Government Bond 6.5% 28/02/2023 | 629 | 0.79 | | Sell USD 1,937,114 | | | |
| ZAR | 33,802,420 | South Africa Government Bond 6.5% 28/02/2041 | 1,498 | 1.87 | | Buy BRL 6,365,745 Citigroup | 50 | 0.06 | |
| ZAR | 15,675,932 | South Africa Government Bond 8% 31/01/2030 | 870 | 1.09 | | Sell USD 2,131,881 | | | |
| ZAR | 14,096,413 | South Africa Government Bond 8.25% 31/03/2032 | 788 | 0.98 | | Buy BRL 6,884,910 J.P. Morgan | 24 | 0.03 | |
| ZAR | 12,919,734 | South Africa Government Bond 8.5% 31/01/2037 | 722 | 0.90 | | Sell USD 1,056,397 | | | |
| | | Total South Africa | 6,705 | 8.38 | | Buy COP 3,166,549,909 Barclays | 1 | — | |
| SRI LANKA 0.69% (0.00%) | | | | | | Sell USD 19,551 | | | |
| | | B+ 0.69% (0.00%) | | | | Buy GBP 16,000 HSBC | — | — | |
| USD | 622,000 | National Savings Bank 8.88% 18/09/2018 | 549 | 0.69 | | Sell USD 30,584 | | | |
| | | Total Sri Lanka | 549 | 0.69 | | Buy GBP 25,000 Goldman Sachs | — | — | |
| SURINAME 0.31% (0.00%) | | | | | | Sell USD 36,825 | | | |
| | | B1 0.31% (0.00%) | | | | Buy GBP 30,000 Lloyds | — | — | |
| USD | 290,000 | Republic of Suriname 9.25% 26/10/2026 | 249 | 0.31 | | Sell USD 46,697 | | | |
| | | Total Suriname | 249 | 0.31 | | Buy GBP 36,000 J.P. Morgan | (2) | — | |
| TURKEY 7.16% (13.56%) | | | | | | Sell USD 480,417 | | | |
| | | Not Rated 7.16% (13.56%) | | | | Buy GBP 370,000 RBC | (25) | (0.03) | |
| TRY | 7,460,024 | Turkey Government Bond 8% 12/03/2025 | 1,773 | 2.21 | | Sell USD 49,070 | | | |
| TRY | 3,064,707 | Turkey Government Bond 8.5% 14/09/2022 | 765 | 0.96 | | Buy GBP 40,000 Goldman Sachs | — | — | |
| TRY | 8,268,476 | Turkey Government Bond 9.4% 08/07/2020 | 2,184 | 2.73 | | Sell USD 81,019 | | | |
| TRY | 644,929 | Turkey Government Bond 10.4% 27/03/2019 | 175 | 0.22 | | Buy GBP 62,000 Bank of Scotland | (5) | (0.01) | |
| TRY | 3,000,000 | Turkey Government Bond 10.6% 11/02/2026 | 832 | 1.04 | | Sell USD 863,000 | | | |
| | | Total Turkey | 5,729 | 7.16 | | Buy GBP 706,348 Bank of Scotland | (3) | — | |
| DERIVATIVES -0.64% (-0.02%) | | | | | | Sell USD 114,174 | | | |
| | | Credit Default Swaps 0.00% (0.28%) | | | | Buy GBP 88,000 Bank of Scotland | (6) | (0.01) | |
| | | Interest Rate Swaps -0.10% (-0.07%) | | | | Sell USD 687,351 | | | |
| BRL | 16,739,306 | HSBC Interest Rate Swap Receive BRL 11.025% Pay Rlcdi 1D 01/04/2021 | (16) | (0.02) | | Buy HUF 189,906,311 UBS | (11) | (0.01) | |
| PLN | 17,000,000 | HSBC Interest Rate Swap Receive PLN 2.29% Pay Wibor 6M 20/09/2026 | (80) | (0.10) | | Sell USD 458,829 | | | |
| CZK | 80,900,000 | UBS Interest Rate Swap Receive CZK 0.68% Pay Pribor 6M 20/05/2020 | 24 | 0.03 | | Buy IDR 5,967,628,070 Barclays | (2) | — | |
| CZK | 41,500,000 | UBS Interest Rate Swap Receive CZK Pribor Pay 1.04% 20/05/2025 | (36) | (0.05) | | Sell USD 5,445,956 | | | |
| ZAR | 15,600,000 | UBS Interest Rate Swap Receive ZAR 8.8% Pay Jibar-Safex 06/03/2026 | 36 | 0.04 | | Buy MXN 102,015,649 J.P. Morgan | (40) | (0.05) | |
| | | Forward Foreign Exchange Contracts -0.54% (-0.23%) | | | | Sell USD 998,177 | | | |
| | | Sell USD 388,686 | | | | Buy MXN 18,506,752 RBC | (16) | (0.02) | |
| | | Buy BRL 1,281,842 RBC | 10 | 0.01 | | Sell USD 1,947,817 | | | |
| | | Sell USD 3,810,196 | | | | Buy MXN 36,964,893 Credit Suisse | 8 | 0.01 | |
| | | Buy BRL 12,365,990 HSBC | (11) | (0.01) | | Sell USD 2,097,478 | | | |
| | | | | | | Buy MXN 41,438,297 HSBC | 78 | 0.10 | |
| | | | | | | Sell USD 431,543 | | | |
| | | | | | | Buy MYR 1,789,763 Citigroup | (4) | — | |
| | | | | | | Sell USD 8,607,830 | | | |
| | | | | | | Buy MYR 35,362,687 Barclays | (151) | (0.19) | |
| | | | | | | Sell USD 584,376 | | | |
| | | | | | | Buy PEN 1,996,813 HSBC | 7 | 0.01 | |
| | | | | | | Sell USD 4,307,075 | | | |
| | | | | | | Buy PLN 16,795,693 HSBC | (44) | (0.06) | |
| | | | | | | Sell USD 5,005,459 | | | |
| | | | | | | Buy PLN 19,348,601 Citigroup | (87) | (0.11) | |
| | | | | | | Sell USD 333,999 | | | |
| | | | | | | Buy RON 1,325,352 HSBC | (10) | (0.01) | |
| | | | | | | Sell USD 1,734,546 | | | |
| | | | | | | Buy RUB 108,573,893 HSBC | (13) | (0.02) | |
| | | | | | | Sell USD 1,951,839 | | | |
| | | | | | | Buy RUB 129,275,191 HSBC | 78 | 0.10 | |
| | | | | | | Sell USD 2,417,323 | | | |
| | | | | | | Buy RUB 153,548,379 Citigroup | 11 | 0.01 | |
| | | | | | | Sell USD 7,740,735 | | | |
| | | | | | | Buy THB 267,984,241 HSBC | (70) | (0.09) | |
| | | | | | | Sell USD 2,016,576 | | | |
| | | | | | | Buy TRY 6,040,129 J.P. Morgan | (59) | (0.07) | |

Threadneedle Emerging Market Local Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|--|------------------------------------|---------------|----------------------------|-----------------------------------|---------------|---------------|----------------------------|
| DERIVATIVES -0.64% (-0.02%) (continued) | | | | Sell BRL 15,646,830 | | | |
| | Sell USD 2,336,220 | | | Buy USD 4,714,605 Goldman Sachs | (152) | (0.19) | |
| | Buy TRY 7,275,850 Bank of Scotland | 8 | 0.01 | Sell COP 1,227,707,791 | | | |
| | Sell CNY 8,559,330 | | | Buy USD 411,274 HSBC | 1 | — | |
| | Buy USD 1,265,424 HSBC | 12 | 0.02 | Sell THB 14,945,811 | | | |
| | Sell IDR 20,183,327,947 | | | Buy USD 427,512 HSBC | — | — | |
| | Buy USD 1,502,124 UBS | (33) | (0.04) | Sell GBP 40,000 | | | |
| | Sell BRL 6,365,745 | | | Buy USD 48,673 Goldman Sachs | — | — | |
| | Buy USD 1,886,314 Citigroup | (92) | (0.11) | Sell ZAR 7,963,159 | | | |
| | Sell COP 5,503,890,672 | | | Buy USD 550,962 Citigroup | (29) | (0.04) | |
| | Buy USD 1,907,100 HSBC | 57 | 0.07 | Sell CNY 3,947,859 | | | |
| | Sell ZAR 28,505,921 | | | Buy USD 582,882 HSBC | 5 | 0.01 | |
| | Buy USD 1,919,268 RBC | (151) | (0.19) | Sell CNY 4,484,918 | | | |
| | Sell MXN 36,964,893 | | | Buy USD 667,597 HSBC | 10 | 0.01 | |
| | Buy USD 1,937,955 Citigroup | (16) | (0.02) | Sell CNY 5,486,147 | | | |
| | Sell RUB 129,275,191 | | | Buy USD 808,153 Citigroup | 5 | 0.01 | |
| | Buy USD 1,963,019 Barclays | (69) | (0.09) | Sell CNY 5,657,376 | | | |
| | Sell GBP 80,000 | | | Buy USD 835,901 HSBC | 8 | 0.01 | |
| | Buy USD 104,566 J.P. Morgan | 6 | 0.01 | Sell GBP 635,000 | | | |
| | Sell GBP 85,000 | | | Buy USD 850,669 UBS | 64 | 0.08 | |
| | Buy USD 107,955 HSBC | 4 | — | Sell GBP 75,000 | | | |
| | Sell GBP 100,000 | | | Buy USD 91,978 HSBC | — | — | |
| | Buy USD 133,976 UBS | 10 | 0.01 | Sell EUR 812,952 | | | |
| | Sell GBP 150,000 | | | Buy USD 913,257 UBS | 19 | 0.02 | |
| | Buy USD 183,086 UBS | — | — | Sell CNY 6,601,913 | | | |
| | Sell BRL 6,782,366 | | | Buy USD 972,013 Citigroup | 6 | 0.01 | |
| | Buy USD 2,004,364 Citigroup | (98) | (0.12) | Sell IDR 13,002,398,620 | | | |
| | Sell TRY 7,587,550 | | | Buy USD 976,523 HSBC | (14) | (0.02) | |
| | Buy USD 2,399,665 Bank of Scotland | (8) | (0.01) | Sell GBP 80,000 | | | |
| | Sell TRY 7,275,850 | | | Buy USD 98,045 Bank of Scotland | 1 | — | |
| | Buy USD 2,427,105 Barclays | 67 | 0.08 | Sell USD 1,600,857 | | | |
| | Sell RUB 160,976,824 | | | Buy ZAR 23,472,435 UBS | 105 | 0.13 | |
| | Buy USD 2,448,503 HSBC | (81) | (0.10) | Sell USD 1,988,962 | | | |
| | Sell PEN 8,886,728 | | | Buy ZAR 28,505,921 Goldman Sachs | 94 | 0.12 | |
| | Buy USD 2,602,249 HSBC | (29) | (0.04) | Sell USD 3,868,900 | | | |
| | Sell CNY 18,580,673 | | | Buy ZAR 53,863,494 Barclays | 86 | 0.11 | |
| | Buy USD 2,739,704 Citigroup | 21 | 0.03 | Total Derivatives | (516) | (0.64) | |
| | Sell COP 8,200,000,000 | | | Total value of investments | 76,337 | 95.37 | |
| | Buy USD 2,797,432 Goldman Sachs | 49 | 0.06 | Net other assets (5.81%) | 3,702 | 4.63 | |
| | Sell GBP 200,000 | | | Net assets | 80,039 | 100.00 | |
| | Buy USD 242,901 UBS | (1) | — | | | | |
| | Sell GBP 190,000 | | | | | | |
| | Buy USD 250,553 UBS | 16 | 0.02 | | | | |
| | Sell IDR 3,556,862,301 | | | | | | |
| | Buy USD 268,058 HSBC | (3) | — | | | | |
| | Sell MYR 12,532,272 | | | | | | |
| | Buy USD 3,058,517 Goldman Sachs | 60 | 0.08 | | | | |
| | Sell ZAR 53,863,494 | | | | | | |
| | Buy USD 3,848,666 Goldman Sachs | (103) | (0.13) | | | | |
| | Sell HUF 84,688,433 | | | | | | |
| | Buy USD 305,218 Bank of Scotland | 4 | 0.01 | | | | |
| | Sell GBP 30,000 | | | | | | |
| | Buy USD 38,683 HSBC | 2 | — | | | | |
| | Sell RUB 25,302,451 | | | | | | |
| | Buy USD 383,227 Bank of Scotland | (14) | (0.02) | | | | |
| | Sell RUB 25,890,713 | | | | | | |
| | Buy USD 390,886 HSBC | (15) | (0.02) | | | | |
| | Sell BRL 13,151,814 | | | | | | |
| | Buy USD 4,137,742 HSBC | 8 | 0.01 | | | | |
| | Sell RUB 262,122,273 | | | | | | |
| | Buy USD 4,145,536 Barclays | (4) | — | | | | |

April 2016 comparatives in brackets.
*Variable rate bonds.

ANALYSIS OF INVESTMENTS BY ASSET CLASS

| | Value £000 | % of Investment |
|-----------------------------------|---------------|--------------------|
| Fixed interest | 76,503 | 100.22 |
| Floating rate notes | 350 | 0.46 |
| Derivatives | (516) | (0.68) |
| Total value of investments | 76,337 | 100.00 |

Total Purchases and Sales

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--------------------------------|--------------|--------------|
| Total purchases for the period | 74,488 | 10,698 |
| Total sales for the period | 30,543 | 12,255 |

Threadneedle Global Extended Alpha Fund

Portfolio Statement

as at 31 October 2016

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|-------------------------------------|--|---------------|----------------------------|--|--|---------------|----------------------------|
| BELGIUM 1.98% (2.45%) | | | | INDIA 2.32% (1.81%) | | | |
| | Beverages 1.98% (2.45%) | | | | Personal Goods 0.35% (0.31%) | | |
| 41,561 | Anheuser-Busch InBev | 3,958 | 1.98 | 58,783 | Colgate Palm | 702 | 0.35 |
| | Total Belgium | 3,958 | 1.98 | | Media 0.60% (0.51%) | | |
| | | | | 109,000 | Info Edge India | 1,202 | 0.60 |
| BERMUDA 2.18% (2.07%) | | | | | Banks 1.37% (0.99%) | | |
| | Financial Services 2.18% (2.07%) | | | 148,829 | HDFC Bank | 2,728 | 1.37 |
| 143,654 | Ihs Markit | 4,354 | 2.18 | | Total India | 4,632 | 2.32 |
| | Total Bermuda | 4,354 | 2.18 | | | | |
| BRAZIL 0.88% (0.66%) | | | | INDONESIA 2.18% (1.29%) | | | |
| | General Retailers 0.88% (0.66%) | | | | Banks 2.18% (1.29%) | | |
| 439,300 | Kroton Educacional | 1,765 | 0.88 | 5,662,300 | Bank Rakyat Indonesia | 4,350 | 2.18 |
| | Total Brazil | 1,765 | 0.88 | | Total Indonesia | 4,350 | 2.18 |
| CANADA 1.69% (0.00%) | | | | JAPAN 4.90% (3.53%) | | | |
| | Oil & Gas Producers 1.69% (0.00%) | | | | Industrial Engineering 1.20% (0.93%) | | |
| 133,009 | Suncor Energy USD | 3,370 | 1.69 | 183,500 | Yaskawa Electric | 2,405 | 1.20 |
| | Total Canada | 3,370 | 1.69 | | Household Goods & Home Construction 1.46% (1.04%) | | |
| CAYMAN ISLANDS 3.46% (3.27%) | | | | 225,100 | Sekisui Chemical | 2,912 | 1.46 |
| | General Retailers 1.40% (1.05%) | | | | Leisure Goods 2.24% (1.13%) | | |
| 33,356 | Alibaba Group ADR | 2,792 | 1.40 | 22,500 | Nintendo | 4,477 | 2.24 |
| | Software & Computer Services 2.06% (2.22%) | | | | Financial Services 0.00% (0.43%) | | |
| 189,300 | Tencent Holdings | 4,123 | 2.06 | | Total Japan | 9,794 | 4.90 |
| | Total Cayman Islands | 6,915 | 3.46 | | | | |
| CHINA 2.10% (1.56%) | | | | JERSEY 0.82% (0.90%) | | | |
| | Pharmaceuticals & Biotechnology 0.64% (0.56%) | | | | Support Services 0.82% (0.90%) | | |
| 319,600 | Sinopharm Group | 1,278 | 0.64 | 38,564 | Wolseley | 1,631 | 0.82 |
| | Life Insurance 1.46% (1.00%) | | | | Total Jersey | 1,631 | 0.82 |
| 674,000 | Ping An Insurance Group of China | 2,924 | 1.46 | | | | |
| | Total China | 4,202 | 2.10 | MEXICO 3.14% (3.30%) | | | |
| DENMARK 0.91% (1.20%) | | | | | Beverages 1.58% (1.55%) | | |
| | Pharmaceuticals & Biotechnology 0.91% (1.20%) | | | 40,229 | Fomento Economico Mexicano ADR | 3,146 | 1.58 |
| 63,000 | Novo Nordisk | 1,819 | 0.91 | | Banks 1.56% (1.75%) | | |
| | Total Denmark | 1,819 | 0.91 | 643,100 | Grupo Financiero Banorte | 3,121 | 1.56 |
| FRANCE 0.61% (1.32%) | | | | | Total Mexico | 6,267 | 3.14 |
| | Oil & Gas Producers 0.00% (0.76%) | | | NETHERLANDS 1.78% (0.48%) | | | |
| | Software & Computer Services 0.61% (0.56%) | | | | Media 0.99% (0.00%) | | |
| 40,458 | Criteo ADR | 1,224 | 0.61 | 143,431 | RELX (EUR) | 1,988 | 0.99 |
| | Total France | 1,224 | 0.61 | | Technology Hardware & Equipment 0.79% (0.48%) | | |
| GERMANY 1.17% (0.71%) | | | | 18,185 | ASML | 1,577 | 0.79 |
| | Chemicals 0.64% (0.71%) | | | | Total Netherlands | 3,565 | 1.78 |
| 29,196 | Brenntag | 1,274 | 0.64 | REPUBLIC OF IRELAND 3.99% (4.74%) | | | |
| | Mobile Telecommunications 0.53% (0.00%) | | | | Construction & Materials 0.81% (1.06%) | | |
| 80,000 | Deutsche Telekom | 1,066 | 0.53 | 60,593 | CRH (Dublin Listing) | 1,613 | 0.81 |
| | Total Germany | 2,340 | 1.17 | | Pharmaceuticals & Biotechnology 1.11% (0.90%) | | |
| HONG KONG 1.37% (1.11%) | | | | 52,734 | Alkermes | 2,210 | 1.11 |
| | Life Insurance 1.37% (1.11%) | | | | Banks 0.00% (0.72%) | | |
| 530,400 | AIA Group | 2,748 | 1.37 | | Nonlife Insurance 2.07% (2.06%) | | |
| | Total Hong Kong | 2,748 | 1.37 | 40,144 | Willis Towers Watson | 4,143 | 2.07 |
| | | | | | Total Republic of Ireland | 7,966 | 3.99 |

Threadneedle Global Extended Alpha Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|---|---|---------------|----------------------------|--|--------------------------------|---------------|----------------------------|
| SINGAPORE 0.94% (0.82%) | | | | Industrial Transportation 3.72% (2.91%) | | | |
| | Technology Hardware & Equipment 0.94% (0.82%) | | | 52,261 | Union Pacific | 3,794 | 1.90 |
| 13,494 | Broadcom | 1,877 | 0.94 | 41,103 | United Parcel Service | 3,637 | 1.82 |
| | Total Singapore | 1,877 | 0.94 | Beverages 0.00% (1.37%) | | | |
| SPAIN 1.60% (1.37%) | | | | Household Goods & Home Construction 0.00% (0.34%) | | | |
| | General Retailers 0.82% (0.57%) | | | Leisure Goods 2.23% (1.62%) | | | |
| 57,141 | Inditex | 1,636 | 0.82 | 125,162 | Activision Blizzard | 4,455 | 2.23 |
| | Mobile Telecommunications 0.78% (0.80%) | | | Personal Goods 1.97% (3.77%) | | | |
| 116,419 | Cellnex Telecom | 1,561 | 0.78 | 18,626 | Estee Lauder Companies Class A | 1,322 | 0.66 |
| | Total Spain | 3,197 | 1.60 | 61,321 | NIKE | 2,620 | 1.31 |
| SWITZERLAND 3.66% (2.97%) | | | | Health Care Equipment & Services 3.72% (2.80%) | | | |
| | Electronic & Electrical Equipment 1.02% (0.90%) | | | 44,311 | Dentsply Sirona | 2,077 | 1.04 |
| 40,076 | TE Connectivity | 2,053 | 1.02 | 145,548 | Endologix | 1,271 | 0.64 |
| | Pharmaceuticals & Biotechnology 1.32% (0.00%) | | | 22,000 | Stryker | 2,065 | 1.03 |
| 44,681 | Novartis | 2,636 | 1.32 | 20,157 | Zimmer Holdings | 2,026 | 1.01 |
| | Banks 1.32% (2.07%) | | | Pharmaceuticals & Biotechnology 5.88% (7.79%) | | | |
| 226,018 | UBS Group | 2,637 | 1.32 | 57,808 | Gilead Sciences | 3,508 | 1.76 |
| | Total Switzerland | 7,326 | 3.66 | 204,861 | Pfizer | 5,374 | 2.69 |
| UNITED KINGDOM 8.43% (8.81%) | | | | 44,800 | Vertex Pharmaceuticals | 2,855 | 1.43 |
| | Oil & Gas Producers 0.79% (1.10%) | | | General Retailers 4.03% (4.65%) | | | |
| 74,011 | Royal Dutch Shell B Shares | 1,570 | 0.79 | 9,692 | Amazon.com | 6,181 | 3.09 |
| | Beverages 0.00% (1.01%) | | | 31,279 | TJX Companies | 1,888 | 0.94 |
| | Personal Goods 1.57% (1.51%) | | | Media 1.45% (1.52%) | | | |
| 92,138 | Unilever | 3,147 | 1.57 | 57,018 | Comcast | 2,899 | 1.45 |
| | Tobacco 1.45% (1.05%) | | | Travel & Leisure 2.22% (3.17%) | | | |
| 61,324 | British American Tobacco | 2,891 | 1.45 | 1,269 | Priceline Group | 1,538 | 0.77 |
| | Media 1.44% (1.24%) | | | 115,327 | Sabre | 2,433 | 1.22 |
| 78,553 | Nielson Holdings | 2,881 | 1.44 | 11,400 | Spirit Airlines | 450 | 0.23 |
| | Fixed Line Telecommunications 1.07% (1.05%) | | | Banks 2.77% (1.86%) | | | |
| 569,259 | BT Group | 2,138 | 1.07 | 115,814 | BB&T | 3,725 | 1.86 |
| | Nonlife Insurance 2.11% (1.85%) | | | 31,934 | JPMorgan Chase | 1,813 | 0.91 |
| 46,253 | Aon | 4,228 | 2.11 | Financial Services 5.87% (4.96%) | | | |
| | Total United Kingdom | 16,855 | 8.43 | 95,686 | Charles Schwab | 2,506 | 1.25 |
| UNITED STATES OF AMERICA 44.05% (47.75%) | | | | 45,540 | MasterCard Class A | 3,992 | 2.00 |
| | Oil Equipment, Services & Distribution 0.70% (0.81%) | | | 77,613 | Visa 'A' Shares | 5,243 | 2.62 |
| 66,672 | Enterprise Products Partners | 1,401 | 0.70 | Software & Computer Services 6.46% (6.22%) | | | |
| | Construction & Materials 0.63% (0.00%) | | | 9,304 | Alphabet Class A | 6,264 | 3.13 |
| 6,283 | Sherwin-Williams | 1,263 | 0.63 | 1,186 | Alphabet Class C | 775 | 0.39 |
| | Aerospace & Defence 0.00% (0.80%) | | | 29,735 | Facebook | 3,207 | 1.60 |
| | Electronic & Electrical Equipment 1.27% (2.03%) | | | 54,428 | Microsoft | 2,677 | 1.34 |
| 47,088 | Amphenol | 2,533 | 1.27 | Technology Hardware & Equipment 0.52% (1.13%) | | | |
| | Industrial Engineering 0.61% (0.00%) | | | 72,895 | Micron Technology | 1,029 | 0.52 |
| 19,739 | Graco | 1,210 | 0.61 | Total United States of America | | | |
| | | | | | | 88,031 | 44.05 |

Threadneedle Global Extended Alpha Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value |
|-----------------------------------|---|----------------|----------------------------|
| DERIVATIVES 0.17% (0.03%) | | | |
| | Forward Foreign Exchange Contracts 0.00% (0.00%) | | |
| | Sell USD 786,000 | | |
| | Buy GBP 643,325 Bank of Scotland | (3) | — |
| | Portfolio Swap 0.17% (0.03%) | | |
| | UBS Portfolio Swap | 344 | 0.17 |
| | Total Derivatives | 341 | 0.17 |
| Total value of investments | | 188,527 | 94.33 |
| Net other assets (7.85%) | | 11,339 | 5.67 |
| Net assets | | 199,866 | 100.00 |

April 2016 comparatives in brackets.

Total Purchases and Sales

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--------------------------------|--------------|--------------|
| Total purchases for the period | 47,428 | 42,881 |
| Total sales for the period | 48,275 | 32,170 |

as at 31 October 2016

| | Holding | Investment | Value £000 | % of Net Asset Value | | Holding | Investment | Value £000 | % of Net Asset Value |
|----------------|-----------|--|---------------|----------------------------|--------------|------------|---|---------------|----------------------------|
| AUSTRALIA | 6.69% | (6.48%) | | | GERMANY | 5.07% | (5.17%) | | |
| | | Construction & Materials 1.05% (0.85%) | | | | | Chemicals 1.33% (1.27%) | | |
| | 4,956,742 | Dulux Group | 19,728 | 1.05 | | 343,581 | BASF | 24,924 | 1.33 |
| | | General Industrials 1.18% (1.48%) | | | | | Automobiles & Parts 0.91% (1.35%) | | |
| | 2,442,905 | Amcor | 22,254 | 1.18 | | 293,394 | Daimler | 17,152 | 0.91 |
| | | Industrial Transportation 1.17% (1.79%) | | | | | Media 1.13% (1.37%) | | |
| | 5,619,094 | Sydney Airport | 21,942 | 1.17 | | 600,282 | ProSiebenSat.1 Media | 21,289 | 1.13 |
| | | Life Insurance 1.98% (1.01%) | | | | | Travel & Leisure 0.00% (1.18%) | | |
| | 4,976,597 | AMP | 14,179 | 0.75 | | | Mobile Telecommunications 1.70% (0.00%) | | |
| | 3,465,354 | Challenger | 23,102 | 1.23 | | 2,397,107 | Deutsche Telekom | 31,951 | 1.70 |
| | | Real Estate Investment Trusts 1.31% (1.35%) | | | | | Total Germany | 95,316 | 5.07 |
| | 5,916,289 | Goodman Group | 24,581 | 1.31 | | | | | |
| | | Total Australia | 125,786 | 6.69 | | | | | |
| BRAZIL | 2.27% | (1.32%) | | | | | Fixed Line Telecommunications 1.24% (1.06%) | | |
| | | Beverages 1.33% (0.80%) | | | | 20,731,000 | HKT Trust & HKT | 23,368 | 1.24 |
| | 5,070,827 | Ambev | 24,983 | 1.33 | | | Total Hong Kong | 23,368 | 1.24 |
| | | General Retailers 0.94% (0.52%) | | | JAPAN | 1.53% | (3.75%) | | |
| | 4,410,300 | Kroton Educacional | 17,722 | 0.94 | | | Banks 0.92% (1.01%) | | |
| | | Total Brazil | 42,705 | 2.27 | | 6,348,636 | Aozora Bank | 17,229 | 0.92 |
| CANADA | 4.57% | (2.95%) | | | | | Real Estate Investment Trusts 0.61% (1.91%) | | |
| | | Oil & Gas Producers 1.77% (0.00%) | | | | 20,733 | Japan Hotel Investment REIT | 11,464 | 0.61 |
| | 1,314,300 | Suncor Energy CAD | 33,310 | 1.77 | | | Technology Hardware & Equipment 0.00% (0.83%) | | |
| | | Oil Equipment, Services & Distribution 1.51% (0.00%) | | | | | Total Japan | 28,693 | 1.53 |
| | 761,700 | TransCanada | 28,450 | 1.51 | MEXICO | 2.39% | (2.53%) | | |
| | | Chemicals 1.00% (0.67%) | | | | | Personal Goods 1.28% (1.45%) | | |
| | 246,418 | Agrium | 18,836 | 1.00 | | 13,489,613 | Kimberly-Clark de Mexico | 24,039 | 1.28 |
| | | Support Services 0.29% (0.55%) | | | | | General Retailers 1.11% (1.08%) | | |
| | 491,500 | DH | 5,391 | 0.29 | | 12,160,500 | Wal-Mart de Mexico | 20,977 | 1.11 |
| | | Media 0.00% (0.61%) | | | | | Total Mexico | 45,016 | 2.39 |
| | | Banks 0.00% (1.12%) | | | NETHERLANDS | 3.45% | (3.26%) | | |
| | | Total Canada | 85,987 | 4.57 | | | Chemicals 1.56% (1.05%) | | |
| CAYMAN ISLANDS | 0.00% | (0.62%) | | | | 446,668 | LyondellBasell Industries | 29,456 | 1.56 |
| | | Travel & Leisure 0.00% (0.62%) | | | | | Personal Goods 1.89% (2.21%) | | |
| | | Total Cayman Islands | - | - | | 1,035,475 | Unilever (EUR) | 35,475 | 1.89 |
| DENMARK | 0.87% | (0.00%) | | | | | Total Netherlands | 64,931 | 3.45 |
| | | Pharmaceuticals & Biotechnology 0.87% (0.00%) | | | NORWAY | 0.92% | (0.87%) | | |
| | 569,300 | Novo Nordisk | 16,434 | 0.87 | | | Mobile Telecommunications 0.92% (0.87%) | | |
| | | Total Denmark | 16,434 | 0.87 | | 1,316,002 | Telenor | 17,359 | 0.92 |
| | | | | | | | Total Norway | 17,359 | 0.92 |
| FINLAND | 0.79% | (0.87%) | | | SOUTH AFRICA | 0.46% | (0.00%) | | |
| | | Nonlife Insurance 0.79% (0.87%) | | | | | Food & Drug Retailers 0.46% (0.00%) | | |
| | 396,423 | Sampo | 14,915 | 0.79 | | 750,320 | SPAR Group | 8,586 | 0.46 |
| | | Total Finland | 14,915 | 0.79 | | | Total South Africa | 8,586 | 0.46 |
| FRANCE | 0.00% | (0.77%) | | | SOUTH KOREA | 0.00% | (0.66%) | | |
| | | Construction & Materials 0.00% (0.77%) | | | | | Mobile Telecommunications 0.00% (0.66%) | | |
| | | Total France | - | - | | | Total South Korea | - | - |

Threadneedle Global Equity Income Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value | Holding | Investment | Value £000 | % of Net Asset Value |
|---------------------------------------|--|----------------|----------------------------|---|---|---------------|----------------------------|
| SPAIN 0.77% (1.10%) | | | | UNITED STATES OF AMERICA 45.89% (46.51%) | | | |
| | Construction & Materials 0.77% (1.10%) | | | | Oil & Gas Producers 1.93% (1.55%) | | |
| 903,728 | Ferrovial | 14,424 | 0.77 | 599,295 | Occidental Petroleum | 36,252 | 1.93 |
| 903,728 | Ferrovial Rights | — | — | | | | |
| | Total Spain | 14,424 | 0.77 | | Oil Equipment, Services & Distribution 1.73% (1.79%) | | |
| | | | | 1,547,001 | Enterprise Products Partners | 32,511 | 1.73 |
| SWITZERLAND 2.87% (4.96%) | | | | | Alternative Energy 0.89% (0.86%) | | |
| | Chemicals 0.00% (1.76%) | | | 925,465 | Pattern Energy Group | 16,826 | 0.89 |
| | Pharmaceuticals & Biotechnology 1.99% (1.72%) | | | | Chemicals 1.32% (1.06%) | | |
| 632,628 | Novartis | 37,318 | 1.99 | 558,383 | Dow Chemical | 24,745 | 1.32 |
| | Banks 0.88% (1.48%) | | | | Construction & Materials 0.24% (0.00%) | | |
| 1,420,315 | UBS Group | 16,568 | 0.88 | 41,069 | Watsco | 4,589 | 0.24 |
| | Total Switzerland | 53,886 | 2.87 | | General Industrials 1.38% (1.67%) | | |
| | | | | 1,081,230 | General Electric | 25,956 | 1.38 |
| TAIWAN 4.19% (2.34%) | | | | | Industrial Transportation 1.00% (1.01%) | | |
| | Technology Hardware & Equipment 4.19% (2.34%) | | | 211,600 | United Parcel Service | 18,723 | 1.00 |
| 14,721,000 | Advanced Semiconductor Engineering | 14,218 | 0.76 | | Support Services 0.00% (2.60%) | | |
| 12,607,000 | Pegatron | 27,897 | 1.48 | | Automobiles & Parts 1.79% (1.58%) | | |
| 7,471,000 | Taiwan Semiconductor Manufacturing | 36,663 | 1.95 | 1,306,967 | General Motors | 33,641 | 1.79 |
| | Total Taiwan | 78,778 | 4.19 | | Beverages 1.02% (2.01%) | | |
| | | | | 555,748 | Coca-Cola | 19,281 | 1.02 |
| UNITED KINGDOM 15.22% (13.36%) | | | | | Tobacco 5.20% (5.04%) | | |
| | Oil & Gas Producers 2.69% (2.02%) | | | 357,450 | Altria Group | 19,347 | 1.03 |
| 2,488,314 | Royal Dutch Shell A Shares (UK Listing) | 50,650 | 2.69 | 285,832 | Philip Morris International | 22,621 | 1.20 |
| | Mining 0.60% (0.59%) | | | 1,240,308 | Reynolds American | 55,769 | 2.97 |
| 396,604 | Rio Tinto | 11,248 | 0.60 | | Pharmaceuticals & Biotechnology 4.35% (5.06%) | | |
| | Aerospace & Defence 1.43% (1.73%) | | | 389,313 | AbbVie | 18,420 | 0.98 |
| 4,976,508 | BAE Systems | 26,948 | 1.43 | 368,400 | Merck & Co | 17,803 | 0.95 |
| | Tobacco 1.71% (0.00%) | | | 1,733,285 | Pfizer | 45,468 | 2.42 |
| 683,119 | British American Tobacco | 32,202 | 1.71 | | General Retailers 2.04% (2.03%) | | |
| | Pharmaceuticals & Biotechnology 2.51% (2.65%) | | | 633,940 | L Brands | 38,384 | 2.04 |
| 601,061 | AstraZeneca | 27,667 | 1.47 | | Travel & Leisure 4.43% (6.07%) | | |
| 1,214,428 | GlaxoSmithKline | 19,595 | 1.04 | 500,101 | Las Vegas Sands | 23,715 | 1.26 |
| | Fixed Line Telecommunications 1.24% (1.46%) | | | 1,520,584 | Regal Entertainment Group | 26,571 | 1.41 |
| 6,185,998 | BT Group | 23,231 | 1.24 | 743,215 | Six Flags Entertainment | 33,076 | 1.76 |
| | Gas, Water & Multiutilities 0.97% (1.09%) | | | | Electricity 1.33% (1.47%) | | |
| | Banks 1.18% (1.07%) | | | 2,622,153 | AES | 25,075 | 1.33 |
| 3,587,156 | HSBC Holdings | 22,222 | 1.18 | | Banks 5.04% (3.10%) | | |
| | Life Insurance 1.83% (1.84%) | | | 990,151 | BB&T | 31,847 | 1.69 |
| 8,272,054 | Legal & General Group | 17,380 | 0.93 | 678,738 | JPMorgan Chase | 38,532 | 2.05 |
| 1,789,739 | St James's Place | 16,895 | 0.90 | 644,465 | Wells Fargo | 24,472 | 1.30 |
| | Financial Services 0.00% (0.91%) | | | | Real Estate Investment Trusts 3.24% (4.03%) | | |
| | UK bond 1.06% (0.00%) | | | 430,873 | Crown Castle International | 32,294 | 1.72 |
| 20,022,526 | Threadneedle Sterling Fund | 19,990 | 1.06 | 1,581,624 | Starwood Property Trust | 28,639 | 1.52 |
| | Total United Kingdom | 286,209 | 15.22 | | Financial Services 2.85% (2.20%) | | |
| | | | | 737,916 | Blackstone Group | 15,459 | 0.82 |
| | | | | 464,593 | CME Group | 38,135 | 2.03 |

Threadneedle Global Equity Income Fund

Portfolio Statement

(continued)

| Holding | Investment | Value £000 | % of Net Asset Value |
|---|---------------------------|------------------|----------------------------|
| UNITED STATES OF AMERICA 45.89% (46.51%) (continued) | | | |
| Equity Investment Instruments 1.09% (0.84%) | | | |
| 1,616,323 | Ares Capital | 20,543 | 1.09 |
| Technology Hardware & Equipment 5.02% (2.54%) | | | |
| 2,110,142 | Cisco Systems | 53,031 | 2.82 |
| 2,162,144 | Cypress Semiconductor | 17,941 | 0.95 |
| 722,933 | Maxim Integrated Products | 23,419 | 1.25 |
| Total United States of America | | 863,085 | 45.89 |
| DERIVATIVES 0.00% (0.01%) | | | |
| Forward Foreign Exchange Contracts 0.00% (0.01%) | | | |
| Sell USD 154 | | | |
| Buy AUD 200 J.P. Morgan | | | |
| Sell USD 391,889 | | | |
| Buy AUD 514,000 J.P. Morgan | | | |
| Sell USD 13,800 | | | |
| Buy CHF 13,765 J.P. Morgan | | | |
| Sell USD 13,948 | | | |
| Buy CHF 13,912 J.P. Morgan | | | |
| Sell USD 3,595 | | | |
| Buy EUR 3,306 J.P. Morgan | | | |
| Sell USD 1,282 | | | |
| Buy SGD 1,784 J.P. Morgan | | | |
| Sell USD 1,617,324 | | | |
| Buy SGD 2,252,407 J.P. Morgan | | | |
| Sell USD 14,903,160 | | | |
| Buy SGD 20,755,259 J.P. Morgan | | | |
| Sell USD 4,170 | | | |
| Buy SGD 5,808 J.P. Morgan | | | |
| Sell USD 4,535 | | | |
| Buy SGD 6,316 J.P. Morgan | | | |
| Sell USD 542,984 | | | |
| Buy SGD 756,200 J.P. Morgan | | | |
| Sell SGD 2,084 | | | |
| Buy USD 1,494 J.P. Morgan | | | |
| Total Derivatives | | 7 | - |
| Total value of investments | | 1,865,485 | 99.19 |
| Net other assets (1.41%) | | 15,258 | 0.81 |
| Net assets | | 1,880,743 | 100.00 |

April 2016 comparatives in brackets.

Total Purchases and Sales

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--------------------------------|--------------|--------------|
| Total purchases for the period | 510,971 | 460,749 |
| Total sales for the period | 428,936 | 456,272 |

Threadneedle Global Opportunities Bond Fund

Portfolio Statement

as at 31 October 2016

| | Holding | Investment | Value £000 | % of Net Asset Value | | Holding | Investment | Value £000 | % of Net Asset Value |
|---|-----------|--|---------------|----------------------------|---|-----------|---|---------------|----------------------------|
| ARGENTINA 0.59% (0.00%) | | | | | CAYMAN ISLANDS 1.60% (1.58%) | | | | |
| | | B- 0.59% (0.00%) | | | | | BBB 1.23% (1.50%) | | |
| USD | 610,000 | Republic of Argentina International Bond 7.5% 22/04/2026 | 547 | 0.59 | GBP | 850,000 | *Thames Water Utilities Cayman Finance 5.375% 21/07/2025 | 873 | 0.94 |
| | | Total Argentina | 547 | 0.59 | GBP | 265,000 | *Yorkshire Water Services Bradford Finance 6% 24/04/2025 | 270 | 0.29 |
| AUSTRALIA 4.72% (2.24%) | | | | | | | BB+ 0.37% (0.00%) | | |
| | | Aaa 1.61% (0.00%) | | | USD | 119,000 | Noble Holding International 5.25% 15/03/2042 | 55 | 0.06 |
| AUD | 2,399,000 | Australia Government Bond 1.75% 21/11/2020 | 1,496 | 1.61 | USD | 525,000 | Noble Holding International 6.95% 01/04/2045 | 290 | 0.31 |
| | | A 0.00% (0.34%) | | | | | BB 0.00% (0.08%) | | |
| | | A- 1.15% (0.00%) | | | | | Total Cayman Islands | 1,488 | 1.60 |
| EUR | 937,000 | SGSP Australia Assets 2% 30/06/2022 | 903 | 0.97 | CROATIA 1.38% (0.00%) | | | | |
| USD | 200,000 | SGSP Australia Assets 3.25% 29/07/2026 | 164 | 0.18 | | | BB 1.38% (0.00%) | | |
| | | BBB+ 1.74% (1.40%) | | | USD | 1,380,000 | Croatia Government International Bond 6% 26/01/2024 | 1,278 | 1.38 |
| EUR | 480,000 | Aurizon Network 2% 18/09/2024 | 447 | 0.48 | | | Total Croatia | 1,278 | 1.38 |
| EUR | 370,000 | *BHP Billiton Finance 5.625% 22/10/2079 | 374 | 0.40 | DOMINICAN REPUBLIC 1.38% (2.39%) | | | | |
| USD | 200,000 | *BHP Billiton Finance USA 6.75% 19/10/2075 | 187 | 0.20 | | | BB- 1.38% (2.39%) | | |
| USD | 740,000 | Woodside Finance 3.65% 05/03/2025 | 609 | 0.66 | USD | 1,420,000 | Dominican Republic International Bond 7.5% 06/05/2021 | 1,286 | 1.38 |
| | | BBB 0.00% (0.15%) | | | | | Total Dominican Republic | 1,286 | 1.38 |
| | | BBB- 0.22% (0.00%) | | | FRANCE 0.88% (0.61%) | | | | |
| USD | 240,000 | Asciano Finance 5% 07/04/2018 | 204 | 0.22 | | | BBB 0.42% (0.29%) | | |
| | | BB+ 0.00% (0.35%) | | | USD | 440,000 | *Credit Agricole 8.125% 19/09/2033 | 391 | 0.42 |
| | | Total Australia | 4,384 | 4.72 | | | B+ 0.46% (0.32%) | | |
| AUSTRIA 1.04% (0.45%) | | | | | EUR | 450,000 | SFR Group 5.375% 15/05/2022 | 422 | 0.46 |
| | | BBB- 0.55% (0.00%) | | | | | Total France | 813 | 0.88 |
| USD | 600,000 | *Erste Group Bank 5.5% 26/05/2025 | 509 | 0.55 | GEORGIA 1.51% (0.52%) | | | | |
| | | Baa3 0.49% (0.33%) | | | | | BB- 0.00% (0.52%) | | |
| EUR | 400,000 | BAWAG PSK Bank fuer Arbeit und Wirtschaft und Oesterreichische Postsparkasse 8.125% 30/10/2023 | 455 | 0.49 | | | B+ 1.51% (0.00%) | | |
| | | BB+ 0.00% (0.12%) | | | USD | 1,525,000 | Georgian Railway JSC 7.75% 11/07/2022 | 1,400 | 1.51 |
| | | Total Austria | 964 | 1.04 | | | Total Georgia | 1,400 | 1.51 |
| BELGIUM 0.00% (0.63%) | | | | | GERMANY 0.26% (0.50%) | | | | |
| | | A- 0.00% (0.37%) | | | | | A 0.04% (0.00%) | | |
| | | BB 0.00% (0.26%) | | | GBP | 34,000 | *Muenchener Rueckversicherungs-Gesellschaft in Muenchen 7.625% 21/06/2028 | 37 | 0.04 |
| | | Total Belgium | - | - | | | BB- 0.22% (0.16%) | | |
| BRITISH VIRGIN ISLANDS 0.37% (0.29%) | | | | | EUR | 270,000 | Unitymedia Hessen 5.125% 21/01/2023 | 207 | 0.22 |
| | | BBB 0.37% (0.29%) | | | | | B+ 0.00% (0.34%) | | |
| GBP | 310,000 | Global Switch Holdings 4.375% 13/12/2022 | 342 | 0.37 | | | Total Germany | 244 | 0.26 |
| | | Total British Virgin Islands | 342 | 0.37 | GHANA 0.00% (0.38%) | | | | |
| CANADA 0.00% (0.35%) | | | | | | | B- 0.00% (0.38%) | | |
| | | B- 0.00% (0.35%) | | | | | Total Ghana | - | - |
| | | Total Canada | - | - | | | | | |

Threadneedle Global Opportunities Bond Fund

Portfolio Statement

(continued)

| | | | Value £000 | % of Net Asset Value | | | | Value £000 | % of Net Asset Value |
|----------------------------------|--------------------------------|---|---------------|----------------------------|----------------------------------|------------|--|---------------|----------------------------|
| Holding | Investment | | | | Holding | Investment | | | |
| GUERNSEY 0.00% (0.29%) | | | | | B- 0.44% (0.00%) | | | | |
| | Not Rated 0.00% (0.29%) | | | | GBP | 395,000 | TVL Finance 8.5% 15/05/2023 | 413 | 0.44 |
| | Total Guernsey | | — | — | | | Total Jersey | 820 | 0.88 |
| HUNGARY 1.39% (3.64%) | | | | | LUXEMBOURG 8.09% (6.79%) | | | | |
| | BB+ 0.00% (3.43%) | | | | | | BBB 0.87% (0.56%) | | |
| | Ba1 1.39% (0.21%) | | | | EUR | 300,000 | GELF Bond Issuer I 1.625% 20/10/2026 | 267 | 0.29 |
| USD | 1,400,000 | MFB Magyar Fejlesztési Bank 6.25% 21/10/2020 | 1,294 | 1.39 | EUR | 600,000 | Grand City Properties 1.5% 17/04/2025 | 541 | 0.58 |
| | Total Hungary | | 1,294 | 1.39 | | | Baa2 0.27% (0.00%) | | |
| ICELAND 0.58% (0.18%) | | | | | EUR | 278,000 | SELP Finance 1.25% 25/10/2023 | 249 | 0.27 |
| | BBB 0.58% (0.00%) | | | | | | BB+ 0.42% (0.41%) | | |
| EUR | 581,000 | Arion Banki HF 2.5% 26/04/2019 | 542 | 0.58 | USD | 440,000 | Gaz Capital 5.999% 23/01/2021 | 387 | 0.42 |
| | BBB- 0.00% (0.18%) | | | | | | BB 0.40% (0.77%) | | |
| | Total Iceland | | 542 | 0.58 | EUR | 400,000 | Hanesbrands 3.5% 15/06/2024 | 376 | 0.40 |
| INDIA 0.00% (0.88%) | | | | | | | BB- 0.00% (0.37%) | | |
| | BBB- 0.00% (0.88%) | | | | EUR | 515,000 | Cirsa Funding Luxembourg 5.75% 15/05/2021 | 489 | 0.52 |
| | Total India | | — | — | | | B+ 0.52% (0.46%) | | |
| INDONESIA 3.65% (0.00%) | | | | | | | B 0.90% (1.38%) | | |
| | BB+ 1.16% (0.00%) | | | | EUR | 490,000 | Altice 6.25% 15/02/2025 | 454 | 0.49 |
| USD | 1,200,000 | Indonesia Government International Bond 4.75% 08/01/2026 | 1,075 | 1.16 | EUR | 400,000 | Altice 7.25% 15/05/2022 | 381 | 0.41 |
| | Not Rated 2.49% (0.00%) | | | | | | (P)B 0.25% (0.00%) | | |
| IDR | 33,658,000,000 | Indonesia Government International Bond 8.75% 15/05/2031 | 2,320 | 2.49 | EUR | 260,000 | Crystal Almond 10% 01/11/2021 | 233 | 0.25 |
| | Total Indonesia | | 3,395 | 3.65 | | | Collective Investment Schemes 4.46% (2.84%) | | |
| ITALY 6.49% (0.55%) | | | | | USD | 161,168 | Threadneedle (Lux) – US High Yield Bond Fund | 4,144 | 4.46 |
| | Baa2u 5.89% (0.00%) | | | | | | Total Luxembourg | 7,521 | 8.09 |
| EUR | 6,122,000 | Buoni Poliennali Del Tesoro 2.7% 01/03/2047 | 5,466 | 5.89 | MEXICO 1.94% (2.55%) | | | | |
| | BB+ 0.31% (0.19%) | | | | | | A 0.00% (1.37%) | | |
| EUR | 300,000 | *Enel 5% 15/01/2025 | 288 | 0.31 | | | BBB+ 1.94% (1.18%) | | |
| | B3 0.29% (0.36%) | | | | USD | 2,080,000 | Petroleos Mexicanos 5.5% 04/02/2019 | 1,801 | 1.94 |
| EUR | 305,000 | Banca Monte dei Paschi di Siena 3.625% 01/04/2019 | 271 | 0.29 | | | Total Mexico | 1,801 | 1.94 |
| | Total Italy | | 6,025 | 6.49 | NETHERLANDS 4.29% (4.21%) | | | | |
| IVORY COAST 1.07% (0.00%) | | | | | | | BBB+ 1.30% (0.78%) | | |
| | Ba3 1.07% (0.00%) | | | | USD | 570,000 | Deutsche Annington Finance 3.2% 02/10/2017 | 473 | 0.51 |
| USD | 1,200,000 | Ivory Coast Government International Bond 5.375% 23/07/2024 | 995 | 1.07 | GBP | 225,000 | PostNL 7.5% 14/08/2018 | 250 | 0.27 |
| | Total Ivory Coast | | 995 | 1.07 | EUR | 490,000 | Vesteda Finance 2.5% 27/10/2022 | 480 | 0.52 |
| JAPAN 0.53% (0.72%) | | | | | | | BBB 0.42% (0.53%) | | |
| | BB+ 0.53% (0.72%) | | | | EUR | 415,000 | *Eneco Holding 3.25% 29/12/2049 | 389 | 0.42 |
| EUR | 500,000 | Softbank Group 4% 30/07/2022 | 494 | 0.53 | | | BBB- 1.04% (0.36%) | | |
| | Total Japan | | 494 | 0.53 | GBP | 233,000 | Innogy Finance 6.25% 03/06/2030 | 305 | 0.33 |
| JERSEY 0.88% (0.35%) | | | | | EUR | 200,000 | *Vonovia Finance 4% 29/12/2049 | 188 | 0.20 |
| | B 0.44% (0.35%) | | | | EUR | 500,000 | *Vonovia Finance 4.625% 08/04/2074 | 473 | 0.51 |
| GBP | 385,000 | CPUK Finance 7% 28/08/2020 | 407 | 0.44 | | | BB+ 0.90% (0.67%) | | |
| | | | | | EUR | 445,000 | *SNS Bank FRN 05/11/2025 | 409 | 0.44 |
| | | | | | GBP | 400,000 | *Telefonica Europe 6.75% Perpetual | 425 | 0.46 |

Threadneedle Global Opportunities Bond Fund

Portfolio Statement

(continued)

| | Holding | Investment | Value £000 | % of Net Asset Value | | Holding | Investment | Value £000 | % of Net Asset Value |
|--|-------------|--|---------------|----------------------------|---|-----------|---|---------------|----------------------------|
| NETHERLANDS 4.29% (4.21%) (continued) | | | | | BBB 1.42% (0.12%) | | | | |
| | | BB- 0.29% (0.20%) | | | EUR | 1,355,000 | *Credit Suisse 5.75% 18/09/2025 | 1,325 | 1.42 |
| EUR | 300,000 | Ziggo Secured Finance 3.75% 15/01/2025 | 271 | 0.29 | | | BB+ 0.56% (0.00%) | | |
| | | B+ 0.00% (0.68%) | | | EUR | 248,000 | *UBS Group 5.75% 29/12/2049 | 233 | 0.25 |
| | | B 0.34% (0.75%) | | | USD | 325,000 | *UBS Group 7% 29/12/2049 | 285 | 0.31 |
| EUR | 315,000 | LGE HoldCo VI 7.125% 15/05/2024 | 320 | 0.34 | | | BB 0.00% (0.33%) | | |
| | | Not Rated 0.00% (0.24%) | | | | | Total Switzerland | 2,521 | 2.71 |
| | | Total Netherlands | 3,983 | 4.29 | UNITED ARAB EMIRATES 0.38% (0.26%) | | | | |
| NORWAY 0.19% (0.66%) | | | | | | | A3 0.38% (0.00%) | | |
| | | A+ 0.19% (0.00%) | | | EUR | 390,000 | Emirates 1.75% 23/03/2022 | 353 | 0.38 |
| USD | 215,000 | *DNB Bank FRN 02/06/2021 | 178 | 0.19 | | | Baa1 0.00% (0.26%) | | |
| | | BBB 0.00% (0.66%) | | | | | Total United Arab Emirates | 353 | 0.38 |
| | | Total Norway | 178 | 0.19 | UNITED KINGDOM 17.18% (17.14%) | | | | |
| PORTUGAL 0.41% (0.29%) | | | | | | | AAA 0.49% (0.00%) | | |
| | | Not Rated 0.41% (0.29%) | | | GBP | 454,000 | *Towd Point Mortgage Funding 2016 FRN 20/04/2045 | 454 | 0.49 |
| EUR | 1,700,000 | Novo Banco 4% 21/01/2019 (Defaulted) | 384 | 0.41 | | | Aa1u 7.04% (7.51%) | | |
| | | Total Portugal | 384 | 0.41 | GBP | 5,000,000 | United Kingdom Gilt 1% 07/09/2017 | 5,033 | 5.42 |
| | | | | | GBP | 1,500,000 | United Kingdom Gilt 1.75% 22/01/2017 | 1,505 | 1.62 |
| REPUBLIC OF IRELAND 1.83% (0.86%) | | | | | | | AA 0.24% (0.00%) | | |
| | | BB+ 0.58% (0.00%) | | | GBP | 266,000 | Telereal Securitisation 4.9741% 10/09/2027 | 222 | 0.24 |
| USD | 630,000 | VEB Finance 5.94% 21/11/2023 | 534 | 0.58 | | | A 0.13% (0.00%) | | |
| | | B+ 1.25% (0.86%) | | | GBP | 112,000 | Greene King Finance 4.0643% 15/03/2035 | 117 | 0.13 |
| EUR | 245,000 | *Allied Irish Banks 4.125% 26/11/2025 | 215 | 0.23 | | | A- 1.32% (0.47%) | | |
| EUR | 780,000 | Ardagh Packaging Finance 4.25% 15/01/2022 | 722 | 0.78 | GBP | 184,000 | Aspire Defence Finance 4.674% 31/03/2040 'B' | 211 | 0.23 |
| EUR | 260,000 | *Governor & Co of the Bank of Ireland 7.375% 29/12/2049 | 226 | 0.24 | GBP | 185,000 | *HSBC Bank 5% 20/03/2023 | 192 | 0.21 |
| | | Total Republic of Ireland | 1,697 | 1.83 | EUR | 224,000 | National Grid Gas 0.625% 22/09/2024 | 199 | 0.21 |
| ROMANIA 0.00% (6.03%) | | | | | GBP | 210,000 | National Grid Gas 2.125% 22/09/2028 | 205 | 0.22 |
| | | Not Rated 0.00% (6.03%) | | | GBP | 230,000 | National Grid Gas 2.625% 22/09/2038 | 222 | 0.24 |
| | | Total Romania | - | - | GBP | 200,000 | National Grid Gas 2.75% 22/09/2046 | 191 | 0.21 |
| RUSSIA 11.89% (0.00%) | | | | | | | BBB+ 1.55% (1.29%) | | |
| | | BBB- 3.68% (0.00%) | | | USD | 520,000 | *BG Energy Capital 6.5% 30/11/2072 USD | 443 | 0.48 |
| RUB | 267,727,000 | Russian Federal Bond 8.15% 03/02/2027 | 3,425 | 3.68 | GBP | 200,000 | *HSBC Holdings 6.375% 18/10/2022 | 208 | 0.22 |
| | | Not Rated 8.21% (0.00%) | | | GBP | 197,000 | *RSA Insurance Group 9.375% 20/05/2039 | 228 | 0.24 |
| RUB | 612,560,000 | Russian Federal Bond 7.5% 18/08/2021 | 7,626 | 8.21 | USD | 255,000 | Standard Chartered 4.05% 12/04/2026 | 215 | 0.23 |
| | | Total Russia | 11,051 | 11.89 | GBP | 156,000 | Telereal Securitisation 5.4252% 10/12/2031 | 161 | 0.17 |
| SWEDEN 0.64% (0.29%) | | | | | GBP | 185,000 | Western Power Distribution 3.625% 06/11/2023 | 199 | 0.21 |
| | | BBB 0.44% (0.29%) | | | | | BBB 0.00% (0.24%) | | |
| USD | 490,000 | *Swedish Export 2.88% 14/11/2023 | 403 | 0.44 | | | BBB- 1.46% (1.04%) | | |
| | | BB+ 0.20% (0.00%) | | | GBP | 335,000 | Barclays Bank 10% 21/05/2021 | 422 | 0.45 |
| EUR | 194,000 | Akelius Residential 3.375% 23/09/2020 | 188 | 0.20 | GBP | 365,000 | G4S 7.75% 13/05/2019 | 415 | 0.45 |
| | | Total Sweden | 591 | 0.64 | GBP | 455,000 | GKN Holdings 6.75% 28/10/2019 | 519 | 0.56 |
| SWITZERLAND 2.71% (0.45%) | | | | | | | Baa3 1.04% (1.10%) | | |
| | | BBB+ 0.73% (0.00%) | | | GBP | 295,000 | Safeway 6% 10/01/2017 | 297 | 0.32 |
| EUR | 705,000 | *UBS 4.75% 12/02/2026 | 678 | 0.73 | | | | | |

Threadneedle Global Opportunities Bond Fund

Portfolio Statement

(continued)

| | | | Value £000 | % of Net Asset Value | | | | Value £000 | % of Net Asset Value |
|---|------------|---|---------------|----------------------------|---|-------------|--|---------------|----------------------------|
| Holding | Investment | | | | Holding | Investment | | | |
| UNITED KINGDOM 17.18% (17.14%) (continued) | | | | | BBB 1.63% (2.06%) | | | | |
| GBP | 300,000 | *TSB Banking Group 5.75% 06/05/2026 | 312 | 0.34 | EUR | 610,000 | Digital Euro Finco 2.625% 15/04/2024 | 575 | 0.62 |
| GBP | 315,000 | WM Morrison Supermarkets 4.625% 08/12/2023 | 352 | 0.38 | EUR | 471,000 | Liberty Mutual Group 2.75% 04/05/2026 | 446 | 0.48 |
| | | | | | USD | 405,000 | Scripps Networks 2.8% 15/06/2020 | 339 | 0.36 |
| | | | | | USD | 190,000 | Scripps Networks 3.95% 15/06/2025 | 162 | 0.17 |
| Baa3e 0.18% (0.00%) | | | | | BBB- 3.94% (2.45%) | | | | |
| GBP | 168,000 | National Express Group 2.5% 11/11/2023 | 168 | 0.18 | USD | 510,000 | Cimarex Energy 4.375% 01/06/2024 | 441 | 0.47 |
| | | | | | USD | 300,000 | *Hartford Financial Services 8.125% 15/06/2038 | 270 | 0.29 |
| BB+ 0.65% (0.84%) | | | | | | 460,000 | Kinder Morgan Energy Partners 2.25% 16/03/2027 | 413 | 0.44 |
| GBP | 645,000 | Tesco Property Finance 5.5% 13/10/2041 | 607 | 0.65 | USD | 510,000 | Kinder Morgan Energy Partners 4.25% 01/09/2024 | 432 | 0.46 |
| BB 1.12% (1.11%) | | | | | | 235,000 | Molson Coors Brewing 1.25% 15/07/2024 | 214 | 0.23 |
| GBP | 150,000 | *Barclays Bank 14% 29/11/2049 | 185 | 0.20 | EUR | 485,000 | Molson Coors Brewing 5% 01/05/2042 | 444 | 0.48 |
| GBP | 113,000 | *CYBG 5% 09/02/2026 | 106 | 0.11 | USD | 874,000 | Plains All American Pipeline 4.65% 15/10/2025 | 762 | 0.82 |
| EUR | 581,000 | Merlin Entertainments 2.75% 15/03/2022 | 545 | 0.59 | USD | 310,000 | The Kraft Heinz 4.125% 01/07/2027 | 346 | 0.37 |
| USD | 235,000 | Royal Bank of Scotland Group 6.125% 15/12/2022 | 203 | 0.22 | USD | 460,000 | Williams Partners 4.9% 15/01/2045 | 350 | 0.38 |
| BB- 0.19% (0.93%) | | | | | BB+ 0.40% (0.25%) | | | | |
| GBP | 170,000 | *Lloyds Banking Group 7.875% 29/12/2049 | 180 | 0.19 | USD | 450,000 | Continental Resources 5% 15/09/2022 | 368 | 0.40 |
| Ba3 0.00% (0.38%) | | | | | BB 0.42% (0.28%) | | | | |
| B+ 0.00% (0.30%) | | | | | EUR | 390,000 | Sealed Air 4.5% 15/09/2023 | 387 | 0.42 |
| B 0.59% (0.16%) | | | | | Total United States of America | | | | |
| USD | 200,000 | *Royal Bank of Scotland 8.625% 29/12/2049 | 163 | 0.17 | | | | 8,500 | 9.15 |
| GBP | 380,000 | Virgin Media Finance 6.375% 15/10/2024 | 393 | 0.42 | DERIVATIVES -0.54% (0.98%) | | | | |
| B2 0.00% (0.34%) | | | | | Credit Default Swaps -1.48% (-0.05%) | | | | |
| Not Rated 1.18% (1.43%) | | | | | EUR | (3,800,000) | Barclays Itraxx-Finance Credit Default Swap Index Buy Protection 20/06/2021 Spread 100 | (17) | (0.02) |
| EUR | 540,000 | International Personal Finance 5.75% 07/04/2021 | 444 | 0.48 | EUR | (240,000) | Barclays PostNL Credit Default Swap Buy Protection 20/12/2020 Spread 100 | (6) | (0.01) |
| GBP | 620,000 | *Pennon Group 6.75% 08/03/2018 | 648 | 0.70 | EUR | (1,810,000) | Barclays RWE Credit Default Swap Buy Protection 20/03/2020 Spread 100 | (31) | (0.03) |
| Total United Kingdom | | | 15,964 | 17.18 | EUR | (460,000) | Citigroup BCA Antonveneta Credit Default Swap Buy Protection 20/12/2019 Spread 500 | 76 | 0.08 |
| UNITED STATES OF AMERICA 9.15% (13.30%) | | | | | USD | (1,550,000) | Citigroup CDX-NAHYS27V1-5Y Credit Default Swap Index Buy Protection 20/12/2021 Spread 500 | (46) | (0.05) |
| Aaa 0.00% (7.15%) | | | | | EUR | (1,100,000) | Citigroup Credit Agricole Credit Default Swap Buy Protection 20/12/2018 Spread 500 | (87) | (0.09) |
| AA- 0.14% (0.09%) | | | | | EUR | (1,600,000) | Citigroup Gas Natural Capital Credit Default Swap Buy Protection 20/03/2020 Spread 100 | (27) | (0.03) |
| USD | 170,000 | Massachusetts Mutual Life Insurance 4.5% 15/04/2065 | 131 | 0.14 | EUR | (4,070,000) | Citigroup Itraxx Crossover Credit Default Swap Index Buy Protection 20/12/2021 Spread 500 | (283) | (0.30) |
| A+ 0.19% (0.13%) | | | | | EUR | (1,250,000) | Citigroup Pearson Credit Default Swap Buy Protection 20/09/2020 Spread 100 | (6) | (0.01) |
| USD | 204,000 | Loews 3.75% 01/04/2026 | 176 | 0.19 | EUR | (370,000) | Citigroup PostNL Credit Default Swap Buy Protection 20/12/2020 Spread 100 | (10) | (0.01) |
| A- 1.09% (0.00%) | | | | | EUR | (925,000) | Citigroup Tesco Credit Default Swap Buy Protection 20/06/2020 Spread 100 | 14 | 0.02 |
| USD | 240,000 | Aetna 4.375% 15/06/2046 | 200 | 0.22 | EUR | (960,000) | Goldman Sachs BCO Comercial Portugues Credit Default Swap Buy Protection 20/09/2019 Spread 500 | 49 | 0.05 |
| GBP | 300,000 | American International Group 5% 26/04/2023 | 340 | 0.37 | | | | | |
| USD | 520,000 | Columbia Pipeline 4.5% 01/06/2025 | 460 | 0.50 | | | | | |
| BBB+ 1.34% (0.89%) | | | | | | | | | |
| GBP | 550,000 | *J.P. Morgan Chase 6.125% FRN 30/05/2017 | 549 | 0.59 | | | | | |
| USD | 355,000 | *Prudential Financial 8.875% 15/06/2038 | 323 | 0.35 | | | | | |
| USD | 436,000 | Verizon Communications 5.012% 21/08/2054 | 372 | 0.40 | | | | | |

Threadneedle Global Opportunities Bond Fund

Portfolio Statement

(continued)

| | Holding | Investment | Value £000 | % of Net Asset Value | | Holding | Investment | Value £000 | % of Net Asset Value |
|--|--------------|---|---------------|----------------------------|--|---------|--|---------------|----------------------------|
| DERIVATIVES -0.54% (0.98%) (continued) | | | | | | | | | |
| USD | (10,895,000) | Goldman Sachs CDX-NAHYS27V1-5Y Credit Default Swap Index Buy Protection 20/12/2021 Spread 500 | (324) | (0.35) | | | Sell USD 197,863 | | |
| | | | | | | | Buy CNY 1,325,980 HSBC | (2) | — |
| | | | | | | | Sell USD 230,289 | | |
| EUR | (8,350,000) | Goldman Sachs Itraxx Crossover Credit Default Swap Index Buy Protection 20/12/2021 Spread 500 | (580) | (0.62) | | | Buy CNY 1,540,631 HSBC | (3) | — |
| | | | | | | | Sell USD 314,904 | | |
| | | | | | | | Buy CNY 2,103,557 HSBC | (5) | — |
| EUR | (2,050,000) | Goldman Sachs Pernod Ricard Credit Default Swap Buy Protection 20/12/2019 Spread 100 | (42) | (0.04) | | | Sell USD 364,789 | | |
| | | | | | | | Buy CNY 2,438,066 HSBC | (5) | (0.01) |
| | | | | | | | Sell USD 417,673 | | |
| EUR | (260,000) | Goldman Sachs PostNL Credit Default Swap Buy Protection 20/12/2020 Spread 100 | (7) | (0.01) | | | Buy CNY 2,804,050 HSBC | (4) | — |
| | | | | | | | Sell USD 488,543 | | |
| | | | | | | | Buy CNY 3,270,552 HSBC | (6) | (0.01) |
| | | | | | | | Sell USD 682,585 | | |
| EUR | (1,375,000) | Goldman Sachs UBS Credit Default Swap Buy Protection 20/03/2019 Spread 300 | (70) | (0.07) | | | Buy CNY 4,594,479 Citigroup | (6) | (0.01) |
| | | | | | | | Sell JPY 120,030,805 | | |
| EUR | (1,130,000) | Goldman Sachs United Utilities Credit Default Swap Buy Protection 20/03/2020 Spread 100 | (20) | (0.02) | | | Buy EUR 1,048,000 Goldman Sachs | 4 | — |
| | | | | | | | Sell AUD 3,009,974 | | |
| | | | | | | | Buy EUR 2,096,002 Goldman Sachs | 8 | 0.01 |
| USD | (2,100,000) | Goldman Sachs Westpac Banking Credit Default Swap Buy Protection 20/03/2020 Spread 100 | (33) | (0.04) | | | Sell USD 295,949 | | |
| | | | | | | | Buy GBP 222,495 UBS | (21) | (0.02) |
| | | | | | | | Sell EUR 32,028,869 | | |
| EUR | (5,400,000) | HSBC Itraxx-Finance Credit Default Swap Index Buy Protection 20/06/2021 Spread 100 | (24) | (0.03) | | | Buy GBP 28,667,920 UBS | (159) | (0.17) |
| | | | | | | | Sell USD 39,560,202 | | |
| | | | | | | | Buy GBP 32,168,415 UBS | (321) | (0.35) |
| USD | 8,600,000 | J.P. Morgan CDX-NAIGS26V1-5Y Credit Default Swap Index Sell Protection 20/06/2021 Spread 100 | 95 | 0.10 | | | Sell USD 1,799,152 | | |
| | | | | | | | Buy JPY 185,708,092 HSBC | (25) | (0.03) |
| | | | | | | | Sell AUD 13,405,343 | | |
| | | | | | | | Buy USD 10,290,478 Barclays | 83 | 0.09 |
| | | Interest Rate Swaps 0.10% (0.00%) | | | | | Sell RUB 873,811,909 | | |
| BRL | 25,345,746 | HSBC Interest Rate Swap Receive BRL 11.48% Pay Rlcdi 1D 01/04/2021 | 95 | 0.10 | | | Buy USD 13,794,489 J.P. Morgan | 6 | 0.01 |
| | | | | | | | Sell CNY 104,723,935 | | |
| | | | | | | | Buy USD 15,764,554 HSBC | 295 | 0.32 |
| | | Futures and Options 0.94% (0.22%) | | | | | Sell IDR 38,802,396,676 | | |
| AUD | 95 | UBS Australia 3 Year Bond Future Expiring December 2016 | (34) | (0.04) | | | Buy USD 2,967,679 UBS | 4 | — |
| | | | | | | | Sell EUR 227,216 | | |
| EUR | (68) | UBS EURO-Bobl Future Expiring December 2016 | 32 | 0.03 | | | Buy USD 249,385 J.P. Morgan | — | — |
| | | | | | | | Sell EUR 232,812 | | |
| EUR | (118) | UBS EURO-Btp Bond Future Expiring December 2016 | 346 | 0.37 | | | Buy USD 255,404 Citigroup | — | — |
| | | | | | | | Sell CNY 27,364,191 | | |
| EUR | 8 | UBS EURO Bond Future Expiring December 2016 | (2) | — | | | Buy USD 4,068,420 HSBC | 38 | 0.04 |
| | | | | | | | Sell CNY 2,931,084 | | |
| EUR | (43) | UBS EURO Buxl 30 Year Future Expiring December 2016 | 92 | 0.10 | | | Buy USD 433,656 Bank of Scotland | 2 | — |
| | | | | | | | Sell NZD 13,402,013 | | |
| USD | (30) | UBS US 5 Year Note Future Expiring December 2016 | 10 | 0.01 | | | Buy USD 9,646,770 J.P. Morgan | 55 | 0.06 |
| USD | (92) | UBS US 10 Year Note Future Expiring December 2016 | 99 | 0.11 | | | Total Derivatives | (500) | (0.54) |
| GBP | (135) | UBS Long Gilt Future Expiring December 2016 | 348 | 0.37 | | | Total value of investments | 80,355 | 86.48 |
| | | | | | | | Net other assets (29.64%) | 12,565 | 13.52 |
| USD | 1 | UBS US Long Bond Future Expiring December 2016 | (2) | — | | | Net assets | 92,920 | 100.00 |
| USD | (12) | UBS US Ultra Bond Future Expiring December 2016 | (11) | (0.01) | | | | | |
| | | | | | | | April 2016 comparatives in brackets. *Variable rate bonds. (P) refers to provisional rating. | | |
| | | Forward Foreign Exchange Contracts -0.10% (0.81%) | | | | | ANALYSIS OF INVESTMENTS BY ASSET CLASS | | |
| | | Sell USD 2,639,020 | | | | | | Value £000 | % of Investment |
| | | Buy AUD 3,504,912 UBS | 20 | 0.02 | | | | 64,094 | 79.76 |
| | | Sell USD 2,881,936 | | | | | | 12,617 | 15.70 |
| | | Buy CAD 3,771,525 Citigroup | (51) | (0.05) | | | | (500) | (0.62) |
| | | Sell USD 187,484 | | | | | | 4,144 | 5.16 |
| | | Buy CNY 1,265,252 Bank of Scotland | (1) | — | | | | | |
| | | | | | | | Total value of investments | 80,355 | 100.00 |

Threadneedle Global Opportunities Bond Fund

Portfolio Statement

(continued)

ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS

| | Value £000 |
|---|-----------------|
| UBS Australia 3 Year Bond Future Expiring December 2016 | 6,682 |
| UBS EURO-Bobl Future Expiring December 2016 | (8,021) |
| UBS EURO-Btp Bond Future Expiring December 2016 | (14,700) |
| UBS EURO Bond Future Expiring December 2016 | 1,168 |
| UBS EURO Buxl 30 Year Future Expiring December 2016 | (6,968) |
| UBS Long Gilt Future Expiring December 2016 | (16,920) |
| UBS US 5 Year Note Future Expiring December 2016 | (2,977) |
| UBS US 10 Year Note Future Expiring December 2016 | (9,797) |
| UBS US Long Bond Future Expiring December 2016 | 133 |
| UBS US Ultra Bond Future Expiring December 2016 | (1,729) |
| Total net exposure | (53,129) |

Total Purchases and Sales

for the accounting period 1 May 2016 to 31 October 2016

| | 2016 £000 | 2015 £000 |
|--------------------------------|--------------|--------------|
| Total purchases for the period | 104,743 | 102,453 |
| Total sales for the period | 115,414 | 81,984 |

Performance Summary for the six months ended 31 October 2016 – UK Universe

| Funds | Sector | Index | Class 1 Net Return % | Class 2 Net Return % | Sector Median Net Return % | Fund Gross Total Return % | Index Total Return % |
|---|------------------------------|--|-------------------------------|-------------------------------|-------------------------------------|------------------------------------|-------------------------------|
| UK Mid 250 Fund | (IA) UK All Companies | FTSE 250 x Investment Trusts* | +0.41 | +0.70 | +9.18 | +2.04 | +4.59 |
| Ethical UK Equity Fund¹ | (IA) UK All Companies | MSCI UK IMI extended SRI | +8.10 | +8.32 | +9.18 | +9.38 | +9.97 |
| UK Extended Alpha Fund | (IA) UK All Companies | FTSE All-Share* | +7.89 | +8.19 | +9.18 | +8.89 | +12.21 |
| UK Equity Alpha Income Fund | (IA) UK Equity Income* | FTSE All-Share | +8.07 | +8.38 | +7.50 | +9.35 | +12.21 |
| UK Absolute Alpha Fund | (IA) Absolute Return | UK LIBOR 3 Month | -3.56 | -3.27 | +1.37 | -2.64 | +0.24 |
| Absolute Return Bond Fund | (IA) Absolute Return | UK LIBOR 3 Month | -3.36 | -3.00 | +1.37 | -2.87 | +0.24 |
| Target Return Fund^{***} | (IA) Unclassified | EURIBOR 3 Month Deposit Rate (in GBP) | +10.69 | +11.08 | – | +10.79 | +14.67 |
| Pan European Focus Fund | (IA) Europe Including UK | MSCI Europe* | +3.48 | +3.78 | +14.38 | +4.47 | +16.57 |
| Pan European Equity Dividend Fund | (IA) Europe Including UK* | MSCI Europe | +12.18 | +12.51 | +14.38 | +13.11 | +16.57 |
| American Extended Alpha Fund | (IA) North America* | S&P 500 | +24.74 | +25.27 | +23.78 | +26.45 | +24.85 |
| US Equity Income Fund² | (IA) North America | S&P 500* | +23.19 | +23.50 | +23.73 | +25.24 | +24.85 |
| China Opportunities Fund | (IA) China – Greater China | MSCI China* | +32.69 | +33.08 | +33.30 | +32.79 | +34.74 |
| Global Emerging Markets Equity Fund | (IA) Global Emerging Markets | MSCI EM (Emerging Markets)* | +25.82 | +26.17 | +31.35 | +27.15 | +31.60 |
| Emerging Market Local Fund¹ | (IA) Specialist | JPM GBI-EM Global Diversified Composite* | +21.96 | +23.29** | – | +23.47 | +22.32 |
| Global Extended Alpha Fund | (IA) Global Growth | MSCI AC World* | +23.36 | +23.88 | +21.18 | +23.99 | +23.96 |
| Global Equity Income Fund | (IA) Global Equity Income | MSCI AC World* | +19.17 | +19.50 | +21.18 | +20.69 | +23.96 |
| Global Opportunities Bond Fund | (IA) Absolute Return | Citigroup GBP 1 Month Euro deposit | -1.83 | – | +1.34 | -0.98 | +0.21 |

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.

¹These funds do not currently display a sector median return because the Fund Sector (as defined by the Investment Association) is not felt to be representative.

*Denotes official benchmark of the fund.

**Performance information for this fund is shown on a gross income basis.

¹Shown are the Class T – Net income and Class Z – Net accumulation share classes.

²Fund launched 20 May 2016.

Net returns (Source: Morningstar) are calculated using official noon prices, bid to bid basis with net income reinvested and are net of assumed fees and expenses but does not include any initial charges. Gross returns (Source: Factset) represent the fund at total level and are calculated using global close authorised valuations based on in-house calculated transactions with cash flow at the start of the day and are gross of total expenses to facilitate comparison with the index. All data shown in GBP.

Performance Summary for the six months ended 31 October 2016 – Offshore Universe

| Funds | Sector | Index | Share Class 1 Return % | Share Class 2 Return % | Sector Median Net Return % | Fund Gross Total Return % | Index Total Return % | Currency |
|--|--|--|------------------------|------------------------|----------------------------|---------------------------|----------------------|----------|
| UK Mid 250 Fund | GIFS Offshore – UK Mid Cap Equity | FTSE 250 x Investment Trusts* | +0.41 | +0.70 | +5.75 | +2.04 | +4.59 | GBP |
| Ethical UK Equity Fund¹ | GIFS Offshore – UK Large Cap Blend | MSCI UK IMI extended SRI | +8.10 | +8.32 | +11.09 | +9.38 | +9.97 | GBP |
| UK Extended Alpha Fund | GIFS Offshore – UK Large Cap Blend | FTSE All-Share* | +7.89 | +8.19 | +11.09 | +8.89 | +12.21 | GBP |
| UK Equity Alpha Income Fund | GIFS Offshore – UK Large Cap Value | FTSE All-Share | +8.07 | +8.38 | +7.94 | +9.35 | +12.21 | GBP |
| UK Absolute Alpha Fund | GIFS Offshore – Alternative Long/Short UK | UK LIBOR 3 Month | -3.56 | -3.27 | +4.03 | -2.64 | +0.24 | GBP |
| Absolute Return Bond Fund | GIFS Offshore – Alternative Long/Short Debt | UK LIBOR 3 Month | -3.37 | -3.02 | +16.60 | -2.87 | +0.24 | GBP |
| Target Return Fund | GIFS Offshore – Alternative Debt Arbitrage | EURIBOR 3 Month Deposit Rate | -4.06 | -3.74 | +1.10 | -3.52 | -0.15 | EUR |
| Pan European Focus Fund | GIFS Offshore – Europe Large Cap Growth | MSCI Europe* | -10.32 | -10.05 | -0.47 | -9.03 | +1.51 | EUR |
| Pan European Equity Dividend Fund | GIFS Offshore – Europe Large Cap Value | MSCI Europe | -2.72 | -2.45 | +1.51 | -1.50 | +1.51 | EUR |
| American Extended Alpha Fund | GIFS Offshore – US Large Cap Growth | S&P 500 | +3.89 | +4.32 | +2.51 | +5.39 | +4.06 | USD |
| US Equity Income Fund² | GIFS Offshore – US Large Cap Value | S&P 500* | +4.00 | +4.25 | +4.17 | +4.38 | +4.06 | USD |
| China Opportunities Fund | GIFS Offshore – China Equity | MSCI China* | +10.07 | +10.39 | +10.22 | +10.67 | +12.30 | USD |
| Global Emerging Markets Equity Fund | GIFS Offshore – Global Emerging Markets Equity | MSCI EM (Emerging Markets)* | +4.78 | +5.09 | +8.87 | +5.97 | +9.68 | USD |
| Emerging Market Local Fund | GIFS Offshore – Global Emerging Markets Bond Local | JPM GBI-EM Global Diversified Composite* | +2.32 | +2.75 | +1.32 | +2.90 | +1.94 | USD |
| Global Extended Alpha Fund | GIFS Offshore – Global Large Cap Blend | MSCI AC World* | +2.74 | +3.17 | +0.67 | +3.34 | +3.31 | USD |
| Global Equity Income Fund | GIFS Offshore – Global Equity Income | MSCI AC World* | -0.78 | -0.50 | +1.63 | +0.59 | +3.31 | USD |
| Global Opportunities Bond Fund | – | Citigroup GBP 1 Month Euro deposit | -1.83 | – | – | -0.98 | +0.21 | GBP |

Morningstar changed its definition of the GIFS Offshore Universe as at February 2011. This resulted in Threadneedle OEIC Funds being removed from it. For the purposes of comparison, Threadneedle continues to use this Universe with its OEICs included.

Performance data is shown on a gross of tax basis.

Net returns (Source: Morningstar) are calculated using official noon prices, bid to bid basis with unadjusted income and are net of assumed fees and expenses but does not include any initial charges. Gross returns (Source: Factset) represent the fund at total level and are calculated using global close authorised valuations based on in-house calculated transactions with cash flow at the start of the day and are gross of total expenses to facilitate comparison with the index. All data shown in Fund Currency.

*Denotes official benchmark of the fund.

¹Shown are the Class T – Net income and Class Z – Net accumulation share classes.

²Fund launched 20 May 2016.

Risk and Reward Profiles

| Fund | Share Class | SRRI** |
|-----------------------------------|--|--------|
| UK Mid 250 Fund | Class 1 – Net accumulation shares | 6 |
| | Class 2 – Net accumulation shares | 6 |
| | Class X – Net accumulation shares | 6 |
| | Class Z – Net accumulation shares | 6 |
| Ethical UK Equity Fund | Class T – Net income shares | 5 |
| | Class Z – Net accumulation shares | 5 |
| UK Extended Alpha Fund | Class 1 – Net accumulation shares | 6 |
| | Class 2 – Net accumulation shares | 6 |
| | Class X – Net accumulation shares | 6 |
| UK Equity Alpha Income Fund | Class 1 – Net income shares | 5 |
| | Class 2 – Net income shares | 5 |
| | Class X – Net income shares | 5 |
| | Class Z – Net income shares | 5 |
| UK Absolute Alpha Fund | Class 1 – Net accumulation shares | 5 |
| | Class 1 EUR Hedged – Net accumulation shares | 5 |
| | Class 2 – Net income shares | 5 |
| | Class 2 – Net accumulation shares | 5 |
| | Class 2 EUR Hedged – Net accumulation shares | 5 |
| | Class X – Net accumulation shares | 5 |
| | Class Z – Net income shares | 5 |
| | Class Z – Net accumulation shares | 5 |
| | Class Z CHF Hedged – Net accumulation shares | 5 |
| | Class Z EUR Hedged – Net accumulation shares | 5 |
| | Class Z USD Hedged – Net accumulation shares | 5 |
| Absolute Return Bond Fund | Class 1 – Net accumulation shares | 3 |
| | Class 1 EUR Hedged – Net accumulation shares | 3 |
| | Class 1 – Gross accumulation shares | 3 |
| | Class 1 EUR Hedged – Gross accumulation shares | 3 |
| | Class 1 USD Hedged – Gross accumulation shares | 3 |
| | Class 2 – Net accumulation shares | 3 |
| | Class 2 – Gross accumulation shares | 3 |
| | Class 2 EUR Hedged – Gross accumulation shares | 3 |
| | Class X – Gross accumulation shares | 3 |
| Target Return Fund | Class 1 – Net accumulation shares | 4 |
| | Class 1 – Gross accumulation shares | 4 |
| | Class 1 CHF Hedged – Gross accumulation shares | 4 |
| | Class 1 USD Hedged – Gross accumulation shares | 4 |
| | Class 2 – Gross income shares | 4 |
| | Class 2 – Gross accumulation shares | 4 |
| | Class X – Gross accumulation shares | 4 |
| | Class Z – Net accumulation shares | 4 |
| | Class Z – Gross accumulation shares | 4 |
| Pan European Focus Fund | Class 1 – Net income shares | 6 |
| | Class 1 – Net accumulation shares | 6 |
| | Class 2 – Net accumulation shares | 6 |
| | Class X – Net accumulation shares | 6 |
| | Class Z – Net accumulation shares | 6 |
| Pan European Equity Dividend Fund | Class 1 – Net income shares | 5 |
| | Class 1 – Net accumulation shares | 5 |
| | Class 2 – Net income shares | 5 |
| | Class 2 – Net accumulation shares | 5 |
| | Class X – Net income shares | 5 |
| | Class X – Net accumulation shares | 5 |
| | Class Z – Net income shares | 5 |
| | Class Z – Net accumulation shares | 5 |
| American Extended Alpha Fund | Class 1 – Net accumulation shares | 5 |
| | Class 1 EUR Hedged – Net accumulation shares | 5 |
| | Class 2 – Net accumulation shares | 5 |
| | Class Z – Net accumulation shares | 5 |

Risk and Reward Profiles

(continued)

| Fund | Share Class | SRRI** |
|-------------------------------------|--|--------|
| US Equity Income Fund | *Class 1 – Net income shares | 5 |
| | *Class 1 – Net accumulation shares | 5 |
| | *Class 1 EUR Hedged – Net accumulation shares | 5 |
| | *Class 2 – Net income shares | 5 |
| | *Class 2 EUR Hedged – Net income shares | 5 |
| | *Class 2 EUR Hedged – Net accumulation shares | 5 |
| | *Class L – Net income shares | 5 |
| | *Class X – Net income shares | 5 |
| | *Class Z – Net income shares | 5 |
| | *Class Z CHF Hedged – Net income shares | 5 |
| | *Class Z – Net accumulation shares | 5 |
| | *Class Z EUR Hedged – Net accumulation shares | 5 |
| China Opportunities Fund | Class 1 – Net accumulation shares | 6 |
| | Class 2 – Net accumulation shares | 6 |
| | Class Z – Net accumulation shares | 6 |
| Global Emerging Markets Equity Fund | Class 1 – Net accumulation shares | 6 |
| | Class 2 – Net accumulation shares | 6 |
| | Class X – Net income shares | 6 |
| | Class X – Net accumulation shares | 6 |
| | Class Z – Net accumulation shares | 6 |
| Emerging Market Local Fund | Class 1 – Net income shares | 5 |
| | Class 1 – Gross accumulation shares | 5 |
| | Class 2 – Gross accumulation shares | 5 |
| | Class X – Gross income shares | 5 |
| | Class X – Gross accumulation shares | 5 |
| | Class Z – Net income shares | 5 |
| | Class Z – Gross accumulation shares | 5 |
| Global Extended Alpha Fund | Class 1 – Net income shares | 5 |
| | Class 1 – Net accumulation shares | 5 |
| | Class 2 – Net accumulation shares | 5 |
| | Class X – Net accumulation shares | 5 |
| | Class Z – Net accumulation shares | 5 |
| Global Equity Income Fund | Class 1 – Net income shares | 5 |
| | Class 1 – Monthly net income shares | 5 |
| | Class 1 SGD Hedged – Net income shares | 5 |
| | Class 1 AUD Hedged – Monthly net income shares | 5 |
| | Class 1 SGD Hedged – Monthly net income shares | 5 |
| | Class 1 – Net accumulation shares | 5 |
| | Class 1 CHF Hedged – Net accumulation shares | 5 |
| | Class 1 SGD Hedged – Net accumulation shares | 5 |
| | Class 2 – Net income shares | 5 |
| | Class 2 EUR Hedged – Net income shares | 5 |
| | Class 2 – Net accumulation shares | 5 |
| | Class X – Net income shares | 5 |
| | Class X – Net accumulation shares | 5 |
| | Class Z – Net income shares | 5 |
| | Class Z SGD Hedged – Net income shares | 5 |
| | Class Z – Net accumulation shares | 5 |
| | Class Z CHF Hedged – Net accumulation shares | 5 |
| | Class Z SGD Hedged – Net accumulation shares | 5 |
| Global Opportunities Bond Fund | Class 1 – Net income shares | 4 |
| | Class 1 – Net accumulation shares | 4 |
| | Class 1 – Gross accumulation shares | 4 |
| | Class X – Gross accumulation shares | 4 |
| | Class Z – Net income shares | 4 |
| | Class Z – Net accumulation shares | 4 |
| | Class Z – Gross income shares | 4 |
| | Class Z – Gross accumulation shares | 4 |

*For launch dates, refer to the footnotes after the fund's comparative table.

Risk and Reward Profiles

(continued)

****As at 31 October 2016 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.

Important Information

Threadneedle Specialist Investment Funds ICVC (the Company) is an open-ended investment company with variable capital incorporated in England and Wales under regulation 14 (Authorisation) of the Open-Ended Investment Companies Regulations 2001 (as amended) and the shareholders are not liable for the debts of the Company.

The Company is structured as an umbrella company in which different sub-funds (funds) may be established from time to time by the ACD with the approval of the Financial Conduct Authority (FCA) and the agreement of the depositary.

References in this document to any fund do not constitute an offer or invitation to subscribe to shares in such a fund. We recommend you obtain detailed information before the purchase of shares. Subscriptions to a fund may only be made on the basis of the current Prospectus or Key Investor Information document (KIID) and the latest annual and interim reports. Please refer also to the Risk Factors in the Prospectus.

Past performance is not a guide to future returns. The value of investments and any income from them is not guaranteed and may fall as well as rise and the investor may not get back the original investment. Exchange rate movements could increase or decrease the value of underlying investments/holdings. The dealing price of the funds may include a dilution adjustment. Further details are available in the Prospectus.

The mention of any specific shares or bonds should not be taken as a recommendation to deal and anyone considering dealing in these financial instruments should consult a stockbroker or financial adviser. The research and analysis included in this document has been produced by Threadneedle for its own investment management activities, may have been acted upon prior to publication and is made available here incidentally. Any opinions expressed are made as at the date of publication but are subject to change without notice.

Prospectus

A prospectus (the Prospectus), which describes each fund in detail, is available from Threadneedle Investment Services Limited, International Financial Data Services, P.O. Box 10033, Chelmsford, Essex CM99 2AL and from the paying agents and distributors in the countries where the fund is distributed.

The funds are segregated portfolios of assets and, accordingly, the assets of a fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the umbrella, or any other fund, and shall not be available for any such purpose.

Each fund has the investment powers equivalent to those of a UCITS scheme (as defined in the FCA rules).

Other funds may be launched in the future.

Key Investor Information Document – Subscription requirements

The KIID is a pre-contractual document and investors have to confirm that they have read the latest KIID before making a subscription. Threadneedle has the right to reject a subscription if the investor does not confirm that they have read the latest KIID at the time of application. Investors can obtain the latest KIID from columbiathreadneedle.com.

Changes to the management of the ACD

The following changes have been made to the directors of the ACD:

- Appointment of Ms. Laura Weatherup on 11 July 2016
- Appointment of Mr. Dominik Kremer on 22 July 2016

Changes to the performance fees: UK Extended Alpha Fund and UK Absolute Alpha Fund

From 1 January 2017 there will be changes to the way performance fees are calculated on the Threadneedle UK Extended Alpha Fund and the Threadneedle UK Absolute Alpha Fund as follows:

- For the UK Extended Alpha Fund, an excess return test will be introduced to ensure that any underperformance of the fund is recovered before a performance fee can be charged.
- For the UK Absolute Alpha Fund, the performance benchmark will be amended to be the greater of either the Sterling 3-month London Inter-Bank Offered Rate with income reinvested, or 0%. This change has been made to ensure that a performance fee cannot be charged where the Fund has produced negative returns.

Increase to the Depositary's fee

From 1 October 2016, the fee payable to the Depositary was increased from 0.008% to 0.01% per annum. This was agreed as a result of additional services to be performed by the Depositary as a result of the implementation of EU Directive 2014/91/EU (UCITS V).

Changes to the Prospectus

During the period from 1 May 2016 to 31 October 2016, the main changes to the Prospectus of the Company were as follows:

- Inclusion of four new sub-funds (to be launched to receive assets from funds of Threadneedle Investment Funds III ICVC in November/December 2016)
- Increase to the depositary's fee effective from 1 October 2016 (from 0.008% per annum to 0.01% per annum)
- Updates to risk factors
- Updated disclosures required in relation to the depositary and remuneration following implementation of the UCITS V Directive
- Update to list of directors and funds managed by the ACD
- Updates to taxation section
- Correction to investment and borrowing powers section for the UCITS funds to improve clarity and for consistency with the COLL rules
- Updated address of the auditor

Changes to the Instrument of Incorporation

The instrument of incorporation of the Company was amended on 3 May 2016 to introduce income equalisation for certain funds and on 5 August 2016 to add four new Funds of the Company.

Introduction of income equalisation for certain funds of the Company

The ACD introduced income equalisation for certain funds of the Company with effect from 1 May 2016. Further information on income equalisation can be found at www.columbiathreadneedle.co.uk/income-equalisation.

Launch of the US Equity Income Fund

The US Equity Income Fund launched on 20 May 2016.

Characteristics of Shares

The Company is structured as an umbrella company and currently consists of 17 different sub-funds. Several classes of share may be issued in respect of each fund; such share classes are distinguished by their criteria for subscription and fee structure.

Important Information

(continued)

| Share Class | Minimum Investment | Eligibility |
|-------------|--|--|
| Class 1 | GBP 2,000 EUR 2,500 – EUR 3,000 USD 2,500 – USD 3,000 SEK 25,000 CHF 4,000 SGD 4,000 | Available to retail and institutional investors seeking income or growth (or a combination of both) over the medium to long-term. |
| Class 2 | GBP 50,000 – GBP 500,000 EUR 100,000 – EUR 750,000 USD 750,000 – USD 800,000 SEK 6 – 7 million CHF 1,200,000 | Non-retail investors |
| Class L | GBP 500,000 | Available only to certain investors in the US Equity Income Fund |
| Class M | GBP 2,000 AUD 3,000 SGD 4,000 USD 3,000 | Available to retail and institutional investors (distributions paid monthly) seeking income or growth (or a combination of both) over the medium to long-term. |
| Class T | GBP 2,000 | Available only to certain investors in the Ethical UK Equity Fund. |
| Class X | GBP 3 million EUR 5 million USD 5 million AUD 5 million | Eligible investors only |
| Class Z | Minimum initial investment: GBP 1 million EUR 1.5 million USD 1.5 million CHF 1.5 million | Available at the ACD's discretion to eligible distributors which have entered into separate fee arrangements with their clients* |

*Class Z Shares are available at the ACD's discretion to eligible distributors that have entered into separate fee arrangements with their clients.

The limits for minimum initial investment, minimum subsequent investment and minimum holding of shares may be waived at the discretion of the ACD. The level of net income attributable to each share class will differ. For further information please refer to the Prospectus.

Where a range of minimum initial investments is indicated, this means there are different minimum initial investments for different sub-funds. The limits for minimum initial investment, minimum subsequent investment and minimum holding of shares may be waived at the discretion of the ACD. For further information and for information regarding the minimum subsequent investment and minimum holding of shares please refer to the Prospectus. Certain classes of share may be unavailable to investors in certain countries.

Hedged Share Classes (HSCs)

HSCs use currency hedging transactions to try to reduce the exposure to the Reference Currency and replace it with an exposure to the hedged Currency. The terms Reference Currency, Portfolio Currency and Hedged Currency are defined as follows:

- "Reference Currency" or "Reference Currencies" means (according to the context) the primary investment currency of the share class against

which the currency hedging transaction will be applied in order to reduce any exchange rate fluctuation with the Hedged Currency;

- "Portfolio Currency" or "Portfolio Currencies" means (according to the context) the currency or currencies in which the underlying assets of the fund are invested in line with the investment objectives applicable to the fund;

- "Hedged Currency" is the currency in which the Hedged Share Class is denominated.

These HSCs should not be confused with other share classes that may be denominated in other currencies but will not be hedged. For full details of the HSCs available, including details of the Reference Currency or Portfolio Currency of each fund for which HSCs are available, please refer to the latest version of the Prospectus.

Income Equalisation

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 Management Association sector is not felt to be a representative peer group. Audited peer group information is only available from Morningstar's Fund Services at month end points.

Report and Financial Statements

Investors will receive a report twice a year in relation to any funds of Threadneedle Specialist Investment Funds ICVC in which they invest. The reports received will be short form versions and reports containing the full financial statements will be available from Threadneedle Investment Services Limited, P.O. Box 10033, Chelmsford, Essex CM99 2AL and from the paying agents and distributors in the countries where the funds are registered. The report will provide information on the performance of the funds, the market background, and details of each of the portfolios. The annual accounting period for the funds ends on 30 April and the interim reporting period ends on 31 October.

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.

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 Risk | Currency Risk | No Capital Guarantee Risk | Counterparty Risk | Issuer Risk | Political and Financial Risk | Liquidity Risk | Effect of Portfolio Concentration Risk | Inflation Risk | Interest Rate Risk | Valuation Risk | Active Currency Investment Risk | Short Selling Risk | Investment in Derivatives Risk | Leverage Risk | Derivatives for EPM/Hedging Risk | Volatility Risk | High Volatility Risk |
|-------------------------------------|-----------------|---------------|---------------------------|-------------------|-------------|------------------------------|----------------|--|----------------|--------------------|----------------|---------------------------------|--------------------|--------------------------------|---------------|----------------------------------|-----------------|----------------------|
| UK Mid 250 Fund | X | X | | | | | | | | | | | | | | X | | X |
| Ethical UK Equity Fund | X | | | | | | | X | | | | | | | | X | X | |
| UK Extended Alpha Fund | X | X | | X | | | | | | | X | | X | X | X | | X | |
| UK Equity Alpha Income Fund | X | X | | | | | | X | | | | | | | | X | | X |
| UK Absolute Alpha Fund | X | X | X | X | | | | | | | X | | X | X | X | | X | |
| Absolute Return Bond Fund | X | X | X | X | X | | X | | X | X | X | X | X | X | X | | | |
| Target Return Fund | X | X | X | X | X | | X | | X | X | X | | X | X | X | | | |
| Pan European Focus Fund | X | X | | | | | | X | | | | | | | | X | | X |
| Pan European Equity Dividend Fund | X | X | | | | | | | | | | | | | | X | X | |
| American Extended Alpha Fund | X | X | | X | | | | | | | X | | X | X | X | | X | |
| US Equity Income Fund | X | X | | | | | | | | | | | | | | X | | X |
| China Opportunities Fund | X | X | | | | X | X | | | | | | | | | X | | X |
| Global Emerging Markets Equity Fund | X | X | | | | X | X | | | | | | | | | X | | X |
| Emerging Market Local Fund | X | X | | X | X | X | X | | X | X | X | | X | X | X | | X | |
| Global Extended Alpha Fund | X | X | | X | | X | | | | | X | | X | X | X | | X | |
| Global Equity Income Fund | X | X | | | | | | | | | | | | | | X | | X |
| Global Opportunities Bond Fund | X | X | X | X | X | | X | | X | X | X | | X | X | X | | X | |

Description of the Key Risks:

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

Currency Risk: Where investments are in assets that are denominated in multiple currencies, or currencies other than your own, changes in exchange rates may affect the value of the investments.

No Capital Guarantee Risk: Positive returns are not guaranteed and no form of capital protection applies.

Counterparty Risk: The fund may enter into financial transactions with selected counterparties. Any financial difficulties arising at these counterparties could significantly affect the availability and the value of fund assets.

Issuer Risk: The Fund invests in securities whose value would be significantly affected if the issuer refused, was unable to or was perceived to be unable to pay.

Political and Financial Risk: The fund invests in markets where economic and regulatory risk can be significant. These factors can affect liquidity, settlement and asset values. Any such event can have a negative effect on the value of your investment.

Liquidity Risk: The fund holds assets which could prove difficult to sell. The fund may have to lower the selling price, sell other investments or forego more appealing investment opportunities.

Effect of Portfolio Concentration Risk: The Fund has a concentrated portfolio (holds a limited number of investments and/or has a restricted investment universe) and if one or more of these investments declines or is otherwise affected, it may have a pronounced effect on the fund's value.

Inflation Risk: Most bond and cash funds offer limited capital growth potential and an income that is not linked to inflation. Inflation is likely to affect the value of capital and income over time.

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.

Active Currency Investment Risk: The fund actively invests directly in foreign currency instruments. Currency markets are complex and exchange rates are sensitive to political and market events. This aspect of the fund's investment policy may affect the value of your investments.

Important Information

(continued)

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.

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:
International Financial Data Services (UK) Limited
(Authorised and regulated by the Financial Conduct Authority (FCA))
St Nicholas Lane
Basildon
Essex SS15 5FS

Investment Manager

Threadneedle Asset Management Limited
Cannon Place
78 Cannon Street
London EC4N 6AG

Depository

Citibank Europe plc, UK branch
(Authorised by the Prudential Regulatory Authority (PRA)
and regulated by the FCA and PRA)
Citigroup Centre
33 Canada Square
Canary Wharf
London E14 5LB

Legal Advisers

Eversheds LLP
One Wood Street
London EC2V 7WS

Baum Financial Services Law Team
Grosser Burstah 42
20457 Hamburg
Germany

Independent Auditor

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Authorised Corporate Director Client Services Details

UK Investors

Address: Threadneedle Investment Services Limited
PO Box 10033
Chelmsford
Essex CM99 2AL
Telephone (dealing & customer enquiries): 0800 953 0134*
Fax (dealing): 0845 113 0274
Email (enquiries): questions@service.columbiathreadneedle.co.uk

Asian Investors

Address: Threadneedle Investment Services Limited
International Financial Data Services
47, avenue JF Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg
Telephone (dealing & customer enquiries): +852 3667 7111*
Fax (dealing): +352 2452 9817
Email (enquiries): columbiathreadneedle@statestreet.com

All Other Investors

Address: Threadneedle Investment Services Limited
International Financial Data Services
47, avenue JF Kennedy
L-1855 Luxembourg
Telephone (dealing & customer enquiries): +352 464 010 7020*
Fax (dealing): +352 2452 9807
Email (enquiries): questions@service.columbiathreadneedle.co.uk
Website: columbiathreadneedle.com

Paying and Information Agent in Austria

Raiffeisen Bank International AG
Am Stadtpark 9
A-1030 Vienna
Austria

Paying and Information Agent in Belgium

J.P. Morgan Chase Bank Brussels
1, Boulevard du Roi Albert II
1210 Brussels
Belgium

Paying and Information Agent in France

BNP Paribas Securities Services
66 rue de la Victoire
75009 Paris
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 Santa Margherita, 7
20121 Milan
Italy

BNP Paribas Securities Services
Via Ansperto 5
20123 Milan
Italy

Société Générale Securities Services S.p.A.
via Benigno Crespi 19/A – MAC2
20159 Milan
Italy

State Street Bank S.p.A.
Via Ferrante Aporti, 10
20125 Milan
Italy

*Calls will be recorded

Directory

(continued)

Paying and Information Agent in Luxembourg

State Street Bank Luxembourg S.A.
49, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Information Agent in Spain

Threadneedle Specialist Investment Funds ICVC is duly authorised for its marketing in Spain under registered number 481 for such purposes with the Register of Foreign Collective Investment Schemes of the Comisión Nacional del Mercado de Valores (CNMV), in accordance with section 15. 2 of Law 35/2003 of 4 November 2003 on Collective Investment Schemes, as amended.

A list of the appointed local distributors and Funds and share classes available for public distribution in Spain is available at the CNMV web page (www.cnmv.es).

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
Selnastrasse 16
8002 Zurich
Switzerland

To find out more visit columbiathreadneedle.com



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