

**OEIC United Kingdom**

**Contact Details**

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**Fund Manager:** Chris Kinder  
**Since:** Nov-10  
**Management Co:** Threadneedle Inv. Services Ltd.  
**Fund Inception Date:** 12/05/03  
**Target Benchmark:** FTSE All-Share  
**Comparator:** IA UK All Companies  
**Fund Currency:** GBP  
**Fund Domicile:** United Kingdom  
**XD Date:** 01-May  
**Pay Date:** 30-Jun  
**Portfolio Size:** £149.1m  
**No. of Securities:** 80

All information expressed in GBP

**Threadneedle UK Extended Alpha Fund Institutional Accumulation GBP**

**ISIN:** GB0033027474  
**Share Class Price:** 5.4502  
**Historic Yield:** 2.6%  
**Ongoing Charges:** 0.84% (as at 30/04/18)  
**Performance Fee:** Yes

The ongoing charges figure (OCF) is usually based on the last 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 excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). For a more detailed breakdown please visit [www.columbiathreadneedle.com/fees](http://www.columbiathreadneedle.com/fees). In some cases, the ongoing charges figure may be based on an estimate of future charges, either because the share/unit class is relatively new and has an insufficient track record to be calculated exactly, or if historic figures are unlikely to accurately reflect future ongoing costs.

Please see table of Share Classes available on page 4.

**Fund Changes**

For detailed information on Fund Changes please see "Significant events - Threadneedle UK Regulated Funds" PDF available on [www.columbiathreadneedle.co.uk/en/literature/document-centre/key-investor-information-documents-\(kids\)/](http://www.columbiathreadneedle.co.uk/en/literature/document-centre/key-investor-information-documents-(kids)/)

**Ratings/Awards**



For more information on the methodology of the Morningstar rating please visit [www.morningstar.com](http://www.morningstar.com)

**Investment Objective & Policy**

The Fund aims to increase the value of your investment over the long term. It looks to outperform the FTSE All-Share over rolling 3-year periods, after the deduction of charges.

The Fund is actively managed, and seeks to gain at least 90% of its investment exposure to a concentrated portfolio of shares of companies listed on the London Stock Exchange; predominantly UK companies. This exposure to company shares is achieved by taking both long and short equity positions. Long positions, which allow the Fund to profit from an increase in the share price of a company, are taken by investing in company shares directly, as well as indirectly using derivatives, and collective investment schemes (including funds managed by Columbia Threadneedle companies) when considered appropriate. Short positions, which allows the Fund to profit from the fall in the share price of a company, are taken using derivatives only. Typically, the combination of these positions provides exposure to fewer than 85 companies.

The Fund follows what is known as an "equity extension strategy", which allows proceeds from short positions to be used to extend long positions within the portfolio, to include more of the fund manager's strongest investment ideas. However, the Fund does not usually short more than 30% of its value, and long positions don't normally exceed 130% of the value of the Fund.

Derivatives are sophisticated investment instruments linked to the rise and fall of the price of other assets. Derivatives will be used to obtain, increase or reduce exposure to underlying assets and may create gearing. Where gearing is created, the net asset value of the Fund may experience more fluctuation than if there were no gearing.

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

A Performance Fee of 20% is accrued daily. The share price will be adjusted up or down depending on whether the fund has generated more or less return than the FTSE All-Share. Please refer to "Fees and Expenses" in the Prospectus for more details.

**Investment Approach**

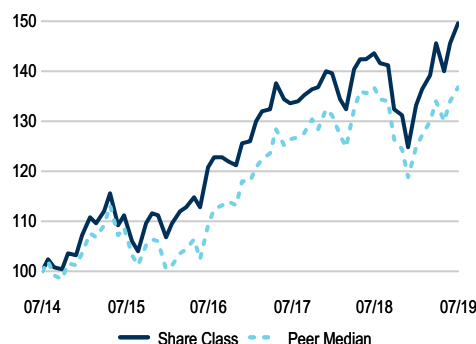
The fund provides exposure to UK companies by taking long and short positions. The portfolio management team believes that tactical shorting can add value and enhance risk management, and, in addition, that the proceeds from short positions can be used to "extend" the long positions.

The fund aims to be fully invested and to keep a net market exposure of 95% to 105% at all times. The investment approach gives the portfolio management team the flexibility to take significant stock and sector positions. The ability to adopt short positions allows the co-managers to take a more aggressive negative view on particular stocks than would be possible in a long-only fund, increasing the opportunity to outperform.

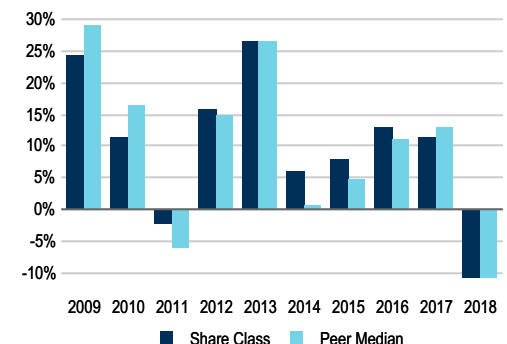
The portfolio management team believe that the stock market is influenced by short-term factors which create opportunities for those investors with a clear view of the worth of a business. They look to exploit these situations by taking long positions in fundamentally strong yet undervalued companies which can benefit from a re-rating, while taking short positions in overvalued companies with weakening fundamentals, which are vulnerable to being de-rated by investors.

Research is carried out by our UK team across a wide range of stocks, including mid-sized and smaller companies. Access to company management is an important part of our research process and the team have approximately 800 meetings with management per annum.

**5 Years (GBP)\***



**Calendar Years (GBP)\***



**Annualised Performance (GBP)\***

	1M	3M	6M	YTD	1 YR	2 YR	3 YR	5 YR	10 YR	SI
Share Class (Net)	2.9	2.8	12.3	19.7	4.2	5.9	7.4	8.4	10.9	--
Peer Median (Net)	1.8	1.4	9.9	15.4	-0.2	4.2	8.0	6.5	9.8	--
Peer Percentile	9%	23%	22%	15%	15%	20%	61%	23%	30%	--
Peer Quartile	1	1	1	1	1	1	3	1	2	--
Fund (Gross)	2.7	3.0	12.7	19.8	5.3	6.5	7.9	9.6	--	--
Index (Gross)	2.0	2.6	10.6	15.2	1.3	5.1	8.3	6.8	9.6	--

Since Inception Returns from: 17/05/03

**Calendar Year Performance (GBP)\***

**12M Rolling Period (GBP)\***

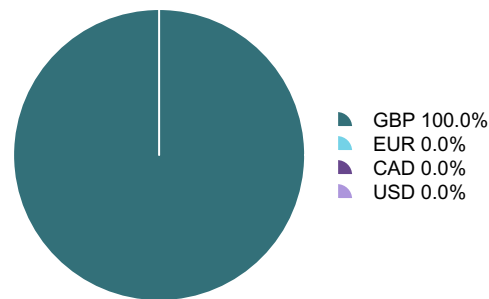
	2018	2017	2016	2015	2014	08/18 - 07/19	08/17 - 07/18	08/16 - 07/17	08/15 - 07/16	08/14 - 07/15
Share Class (Net)	-10.7	11.4	12.9	7.8	5.9	4.2	7.6	10.4	8.5	11.4
Peer Median (Net)	-10.6	13.0	11.0	4.9	0.7	-0.2	8.5	15.4	1.9	8.8
Peer Percentile	53%	75%	44%	35%	13%	15%	68%	90%	9%	35%
Peer Quartile	3	3	2	2	1	1	3	4	1	2
Fund (Gross)	-10.4	12.3	14.3	9.6	7.0	5.3	7.7	10.8	10.1	14.2
Index (Gross)	-9.5	13.1	16.8	1.0	1.2	1.3	9.2	14.9	3.8	5.4

\*Net returns - Net (of fee) returns assume income is reinvested for a local taxpayer, bid to bid performance (which means performance does not include the effect of any initial charges). Source Copyright © 2019 Morningstar UK Limited. Gross Fund returns - Gross Fund returns (where shown) are in-house calculated daily time weighted based on global close gross valuations with cash flows at start of day and are gross of fees. Past performance is not a guide to future performance. The performance data does not take account of the commissions and costs incurred on the issue and redemption of units. The value of investments and any income is not guaranteed and can go down as well as up and may be affected by exchange rate fluctuations. This means that an investor may not get back the amount invested. Index returns assume reinvestment of dividends and capital gains and unlike fund returns do not reflect fees or expenses. The index is unmanaged and cannot be invested directly. The Investment Association (IA) is the trade body representing the UK investment management industry.

## Top 10 Holdings (%)

Security Name	Fund	Index	
Royal Dutch Shell	5.1	9.0	Oil & Gas
GlaxoSmithKline plc	5.0	3.5	Health Care
Prudential plc	5.0	1.9	Financials
Diageo plc	4.7	3.4	Consumer Goods
RELX PLC	4.1	1.6	Consumer Services
Reckitt Benckiser Group plc	3.5	1.7	Consumer Goods
Rio Tinto plc	3.4	2.2	Basic Materials
Compass Group PLC	3.1	1.4	Consumer Services
Associated British Foods plc	3.1	0.4	Consumer Goods
Tesco PLC	2.9	0.9	Consumer Services
<b>Total</b>	<b>39.9</b>	<b>26.0</b>	

## Fund Currency Exposure including Hedging

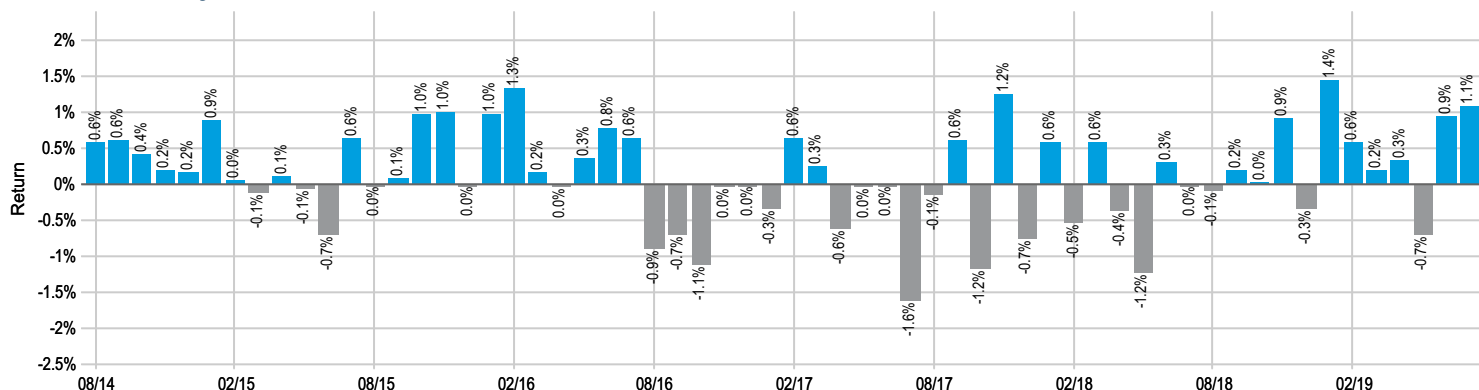


All % are as at calendar month end based at global close gross valuation point and on a look-through exposure basis to underlying assets including forward currency positions.

## Weightings (%)

Sector	Long	Short	Net
Consumer Services	27.2	-4.3	22.9
Consumer Goods	21.9	-1.5	20.4
Financials	22.0	-2.8	19.2
Industrials	18.2	-7.4	10.9
Oil & Gas	7.5	--	7.5
Health Care	7.4	--	7.4
Basic Materials	5.4	-0.7	4.7
Telecommunications	2.7	-0.6	2.2
Technology	1.2	--	1.2
Utilities	--	-1.0	-1.0

## Relative Monthly Net Returns vs Peer Median



Net Returns - All performance is sourced from Morningstar. Returns are calculated on a bid-bid basis and are net of all other expenses. Returns assume income is invested for local taxpayer. Gross Returns - Gross Fund returns (where shown) are in-house calculated daily time weighted based on global close gross valuations with cash flows at start of day and are gross of fees. Relative returns are calculated on a geometric basis. Past performance is not a guide to future performance. The value of investments and any income from them can fall as well as rise. All positions are based on gross portfolio asset valuations at global close. Groupings of securities, e.g. sectors are in-house defined and are for comparative purposes only.

## Top Positive/Negative Security Attribution (3 Months)

Security Name - 5 Highest	Fund		Index	Attri.		Security Name - 5 Lowest	Fund		Index	Attri.	
	Avg. Weight	Contr. To Return		Avg. Weight	Geo. Total Effect		Avg. Weight	Contr. To Return		Avg. Weight	Geo. Total Effect
Cobham plc	1.5	0.6	0.1	0.5	AstraZeneca PLC	--	--	3.5	-0.7		
Merlin Entertainments Plc	2.2	0.6	0.1	0.5	BT Group plc	2.8	-0.6	0.7	-0.5		
Intermediate Capital Group plc	2.8	0.5	0.2	0.3	ITV plc	1.6	-0.4	0.2	-0.4		
Lloyds Banking Group plc	--	--	1.8	0.3	easyJet plc	1.5	-0.3	0.1	-0.3		
Smith & Nephew plc	2.3	0.5	0.6	0.3	St. James's Place Plc	2.2	-0.3	0.2	-0.3		

## Risk Analysis

	3 YR		5 YR	
	Fund	Index	Fund	Index
Absolute Volatility	10.0	9.5	9.8	9.6
Relative Volatility	1.1	--	1.0	--
Tracking Error	3.1	--	3.1	--
Sharpe Ratio	0.7	--	0.9	--
Information Ratio	-0.1	--	0.9	--
Beta	1.0	--	1.0	--
Sortino Ratio	1.2	--	1.5	--
Jensen Alpha	-0.4	--	2.9	--
Annualised Alpha	-0.3	--	2.8	--
Alpha	0.0	--	0.2	--
Max Drawdown	-12.1	-12.1	-12.1	-12.1
R <sup>2</sup>	90.6	--	90.0	--

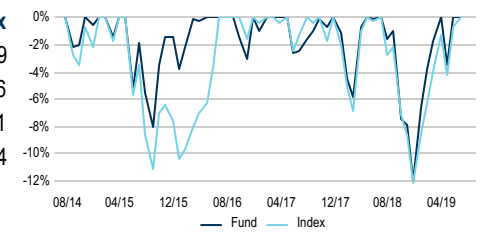
Ex post risk calculations are based on monthly gross global close returns.

## Portfolio Statistics

	Fund	Index
Price to Earnings FY1	13.4	13.9
Price to Book	1.8	1.6
Dividend Yield	3.8	4.1
Return on Equity	11.0	10.4

Analytics are based on global close valuations using Columbia Threadneedle Investments sourced market attributes. Underlying securities data may be provisional or based on estimates. Market cap weightings include cash in the % calculations.

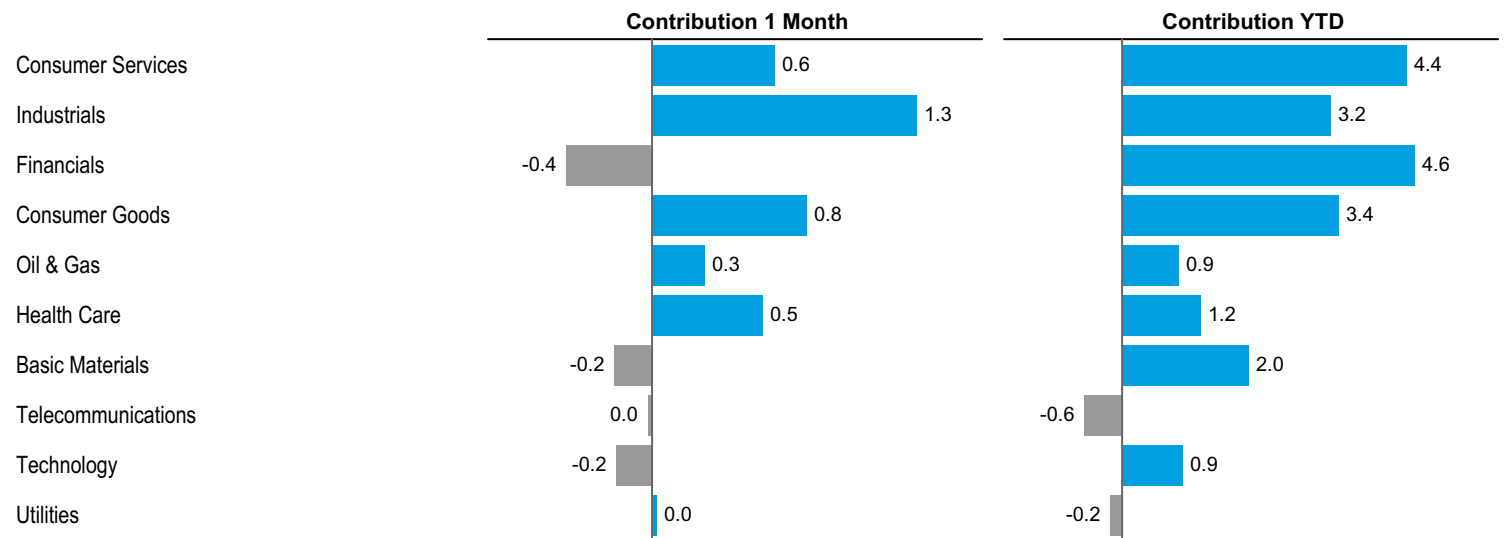
## Drawdown



## Portfolio Characteristics

Total Gross Exposure	132.0
Total Net Exposure	95.4
Total Long Positions	113.7
Total Short Positions	-18.3
Total No. of Long Positions	53
Total No. of Short Positions	27

## Sector Performance Contribution - Absolute



Analytics are based on global close valuations using Columbia Threadneedle Investments sourced market attributes. Underlying securities data may be provisional or based on estimates. Market cap weightings include cash in the % calculations.

## Share Classes Available

Share	Class	Curr	Tax	AMC	Entry Charge	Min Inv.	Launch	ISIN	SEDOL	BBID	WKN/Valor/ CUSIP	Hedged
Inst.	Acc	GBP	--	0.75%	0.00%	50,000	12/05/03	GB0033027474	3302747	THUKLIA LN	A0DK18	No
Retail	Acc	GBP	--	1.25%	3.75%	2,000	13/09/04	GB00B02QB917	B02QB91	THUKACC LN	A0DK17	No

The Share Class currency, unless indicated as a Hedged Share Class, is a translated price using exchange rates at the official valuation point of the fund. This is intended as a way to access a Share Class in your chosen currency and does not reduce your overall exposure to foreign currency. The fund currency indicates the highest currency exposure of the fund unless the currency breakdown is detailed in the Weightings % table on page 2.

### Risks

- The value of investments can fall as well as rise and investors might not get back the sum originally invested.
- 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.
- 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.
- The Fund's assets may sometimes be difficult to value objectively and the actual value may not be recognised until assets are sold.
- Leverage occurs when economic exposure through derivatives is greater than the amount invested. Such exposure, and the use of short selling techniques, may lead to the Fund suffering losses in excess of the amount it initially invested.
- The Fund may invest materially in derivatives. A relatively small change in the value of the underlying investment may have a much larger positive or negative impact on the value of the derivative.

### Opportunities

- Has the flexibility to pursue investment opportunities wherever we believe they exist in the UK market.
- Brings together sophisticated tools and strategies within a fully authorised and regulated framework.
- Benefits from the ability to generate returns from both rising and falling stock prices.
- Leverages the strength of one of the most experienced and largest UK equity teams in the industry.

## Important Information

Threadneedle Specialist Investment Funds ICVC ("TSIF") is an open-ended investment company structured as an umbrella company, incorporated in England and Wales, authorised and regulated in the UK by the Financial Conduct Authority (FCA) as a UCITS scheme.

This material is for information only and does not constitute an offer or solicitation of an order to buy or sell any securities or other financial instruments, or to provide investment advice or services. The dealing price may include a dilution adjustment where the fund experiences large inflows and outflows of investment. Further details are available in the Prospectus.

Subscriptions to a Fund may only be made on the basis of the current Prospectus and the Key Investor Information Document (KIID), as well as the latest annual or interim reports, which can be obtained free of charge on request, and the applicable terms & conditions. Please refer to the 'Risk Factors' section of the Prospectus for all risks applicable to investing in any fund and specifically this Fund. The above documents are available in English, French, German, Portuguese, Italian, Spanish and Dutch (no Dutch Prospectus) and free of charge on request from Threadneedle Investment Services Ltd, Client Services department, P.O. Box 10033, Chelmsford, Essex CM99 2AL.

For Professional and/or Qualified Investors only (not to be used with or passed on to Retail Clients). Past performance is not a guide to future performance. The value of investments and any income from them can go down as well as up and you may get back less than invested.

Portfolio positions are based on gross asset valuations at global close (not official NAV time). Historic Yield reflects distributions declared over the past 12 months. Distribution Yield reflects the amount that may be expected to be distributed over the next 12 months. Underlying Yield reflects the annualised income net of expenses of the fund. Yields shown do not include any preliminary charge and investors may be subject to tax on their distributions.

Columbia Threadneedle Investments is the global brand name of the Columbia and Threadneedle group of companies.

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