



March 27, 2026

FORM ADV PART 2A BROCHURE

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This brochure provides information about the qualifications and business practices of Thornburg Investment Management, Inc. (“Thornburg”). If you have any questions about the contents of this brochure, please contact our Chief Compliance Officer at 1-800-533-9337 or www.thornburg.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Thornburg is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Thornburg is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 MATERIAL CHANGES

This brochure was updated on March 27, 2026, and provides information that is different from or supplemental to information Thornburg provided to clients and potential clients in our previous annual brochure dated March 28, 2025. In addition to certain routine updates, the following is a summary of the more significant updates that were made in the brochure:

- In Item 4, the disclosure relating to clients subject to ERISA was removed.
- In Items 5 and 7, the fees and investment minimums applicable to the investment strategies were revised.
- In Items 5, 7, and 8, investment strategies for American Opportunities and Focus Growth were added, and investment strategies related to Corporate Bond, Emerging Markets ESG ADR, High Yield, Small/Mid Cap Core, and Small/Mid Cap Growth were removed.
- In Item 7, the disclosure regarding sub-advisory relationships was removed, as there are currently no such relationships.
- In Item 8, the general risk factors summary was removed and replaced with more specific risk disclosures addressing financial market fluctuations, force majeure, market disruption, artificial intelligence, and trade.
- In Item 10, a disclosure regarding NFA exemption was added.
- In Item 11, a new section addressing other conflicts of interest was added.
- In Item 12, the disclosure relating to the Best Execution Committee was revised for clarity, and the trade error summary was removed.
- In Item 14, the disclosure relating to payments to financial intermediaries was revised for clarity.
- In Item 15, the disclosure relating to custody was revised for clarity.

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ITEM 4 ADVISORY BUSINESS

Thornburg Investment Management, Inc. (“**Thornburg**”) is a privately held investment management company based in Santa Fe, New Mexico and organized as a corporation under the laws of Delaware. Thornburg is registered as an investment adviser with the U.S. Securities and Exchange Commission (“**SEC**”), holds a foreign financial service license in Australia, files international adviser exemptions in several Canadian provinces, and is the parent of a FINRA registered limited purpose broker-dealer, and non-U.S. entities established in Hong Kong and the United Kingdom. Garrett Thornburg founded Thornburg in 1982 and currently beneficially owns 100% of Thornburg’s voting shares. As of December 31, 2025, Thornburg managed \$54,452,002,823 in client assets on a discretionary basis and \$1,216,736,817 in UMA/model assets.

Thornburg provides discretionary portfolio management and investment services to a number of client types, including:

- Thornburg Investment Trust (the “**Mutual Fund Trust**”), an open-end management investment company registered under the Investment Company Act of 1940, as amended (the “**1940 Act**”), that has a number of separate publicly available investment portfolios represented by separate series (the “**Thornburg Mutual Funds**”);
- Thornburg ETF Trust (the “**ETF Trust**”), an open-end management investment company registered under the 1940 Act, that has a number of separate publicly available investment portfolios represented by separate series (the “**Thornburg ETFs**”);
- Thornburg Income Builder Opportunities Trust (“**TBLD**”), a closed-end management investment company registered under the 1940 Act;
- Thornburg Global Investment plc (“**TGI**”), an umbrella investment company with several sub-funds, authorized and regulated by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended;
- separate accounts for institutional clients (“**Institutional Separate Accounts**”);
- separate accounts for private clients (“**Private Client Separate Accounts**” and together with Institutional Separate Accounts, “**Separate Accounts**”);
- separate accounts for clients in third party wrap fee programs (“**Wrap Programs**” and “**Wrap Program Accounts**”); and
- private investment funds and other non-SEC registered investment vehicles (“**Other Pooled Investment Vehicles**”).

Thornburg also provides nondiscretionary advice in unified managed account programs (“**UMA Programs**”). Additional detail about each of these client types is provided in Item 7, *Types of Clients*, below.

Except for certain relationships, including Wrap Programs as discussed below, Thornburg generally performs advisory services for each client under the terms of an investment advisory agreement with that client. Within a given investment strategy – and consistent with the stated investment objectives, policies and restrictions of that investment strategy – Thornburg typically exercises exclusive investment discretion regarding the purchase or sale of securities or other investments. Thornburg may also agree to manage a client’s account subject to certain reasonable restrictions that the client imposes on the inclusion of specific securities, or types of securities, within that account.

Additional detail about Thornburg's investment strategies is provided in Item 8, *Methods of Analysis, Investment Strategies and Risk of Loss*, below.

Thornburg has also been retained as an investment manager under a number of Wrap Programs established by certain unaffiliated sponsors. Wrap Program clients typically enter into an investment advisory agreement with the sponsor and the sponsor enters into a sub-advisory agreement with Thornburg to provide portfolio management services to the Wrap Program clients. The sponsor is responsible for analyzing the financial needs of each particular Wrap Program client and determining that Thornburg's portfolio management services are suitable for that client. With some exceptions, Thornburg manages Wrap Program accounts in a manner that is generally similar to Private Client Separate Accounts. Differences include limited flexibility of Wrap Program accounts to customize investment guidelines and certain Wrap Program sponsors may not allow their clients to hold securities issued by the sponsor.

ITEM 5 FEES AND COMPENSATION

The investment advisory services Thornburg provides to the Thornburg Mutual Funds, the Thornburg ETFs, and TBLD and the fee schedules for such services, are generally described in their current disclosure documents filed with the SEC on the SEC's EDGAR database on the website (www.sec.gov), and together with similar information and disclosure documents for Thornburg Global Investment plc, are also publicly available at Thornburg's website (www.thornburg.com), or by contacting Thornburg at 1-800-847-0200.

Below are the standard fees generally quoted for prospective clients. Existing clients may have different fee arrangements from those stated below, and actual rates are negotiable. Unless otherwise specified below or in the advisory contract that Thornburg enters into with a particular client, Thornburg's fees will be automatically deducted from client accounts on a quarterly basis, typically in advance.

Thornburg imposes investment minimums on certain types of accounts. For a discussion of the applicable investment minimums, see Item 7, *Types of Clients*, below.

Fees for Institutional Separate Accounts and Private Client Separate Accounts

When Thornburg provides portfolio management services to an institutional or private client through a Separate Account, Thornburg will charge each such Separate Account a fee at a specified annual percentage rate of the account's assets under management. Thornburg's standard fee rates for Separate Accounts are listed below. However, the fees charged to Separate Accounts are negotiable and will typically vary depending on a number of factors including, but not limited to:

- the type of client;
- reporting requirements;
- whether the client wishes to impose restrictions on Thornburg's discretionary investment authority (e.g., restrictions on the types of securities that Thornburg may acquire for the account);
- the amount of assets of a client and/or its affiliates under management with Thornburg (i.e., relationship pricing).

The fee rates listed below do not include fees that a Separate Account client pays to other third-party service providers, such as custodian, third party money manager, consultant, brokerage and exchange fees, and fees charged by a custodian in certain Private Client Separate Accounts for trades Thornburg executes away from the program sponsor. Note also that, not all of the following investment strategies are available to Private Client Separate Account clients. See Item 7, *Types of Clients*, below, for more detail about the types of investment strategies that may be available to each client.

American Opportunities and Focus Growth investment strategies

<u>Net Assets</u>	<u>Annual Fee</u>
Up to \$50 million	0.55%
\$50 million to \$100 million	0.50%
Over \$100 million	0.45%

Emerging Markets Equity, Emerging Markets ADR, and Emerging Markets ADR Select investment strategies

<u>Net Assets</u>	<u>Annual Fee</u>
Up to \$50 million	0.80%
\$50 million to \$100 million	0.75%
Over \$100 million	0.65%

Equity Income Builder investment strategy

<u>Net Assets</u>	<u>Annual Fee</u>
Up to \$50 million	0.65%
\$50 million to \$100 million	0.55%
Over \$100 million	0.45%

Global Opportunities, International Equity, International ADR, International Equity ESG, International Equity ESG ADR, International Growth, International Growth ADR and investment strategies

<u>Net Assets</u>	<u>Annual Fee</u>
Up to \$50 million	0.65%
\$50 million to \$100 million	0.55%
Over \$100 million	0.50%

Investment Income Builder investment strategy

<u>Net Assets</u>	<u>Annual Fee</u>
Up to \$50 million	0.60%
\$50 million to \$100 million	0.55%
Over \$100 million	0.50%

Multi-Asset investment strategy

<u>Net Assets</u>	<u>Annual Fee</u>
Up to \$50 million	0.50%
\$50 million to \$100 million	0.45%
Over \$100 million	0.40%

Multisector Opportunistic and Strategic Income investment strategies

<u>Net Assets</u>	<u>Annual Fee</u>
Up to \$50 million	0.45%
\$50 million to \$100 million	0.40%
Over \$100 million	0.30%

Core Plus Bond investment strategy

<u>Net Assets</u>	<u>Annual Fee</u>
Up to \$50 million	0.35%
\$50 million to \$100 million	0.30%
Over \$100 million	0.25%

Intermediate Income, Limited Term Income, and Limited Term U.S. Government investment strategies

<u>Net Assets</u>	<u>Annual Fee</u>
Up to \$50 million	0.30%
\$50 million to \$100 million	0.25%
Over \$100 million	0.20%

Ultra Short Income investment strategy

<u>Net Assets</u>	<u>Annual Fee</u>
Up to \$50 million	0.20%
\$50 million to \$100 million	0.15%
Over \$100 million	0.10%

All municipal fixed income investment strategies

<u>Net Assets</u>	<u>Annual Fee</u>
Up to \$50 million	0.30%
\$50 million to \$100 million	0.25%
Over \$100 million	0.20%

Core+ and Opportunistic investment strategies (real estate)

<u>Net Assets</u>	<u>Annual Fee</u>
All assets	negotiable

Fees for Sub-Advisory Services to Registered Investment Companies

Thornburg may provide sub-advisory services to other mutual funds. The sub-advisory fees are set forth in the sub-advisory agreement between Thornburg and that principal adviser. Thornburg's fee is a component of the total investment advisory fee. Additional detail about the fees charged to an investor in a fund for which Thornburg provides sub-advisory services is available in the fund's then-current prospectus.

Fees for Wrap Programs

A client in a Wrap Program typically pays the sponsor of the program an annual fee typically ranging from 1% to 3% of the client's annual assets under management. In general, Thornburg receives an annual fee ranging from 0.17% to 0.75% of the client assets it manages. The specific fee will depend on a number of factors, including the size of the Wrap Program and the particular Thornburg investment strategy(ies) that the program will offer to clients. The Wrap Program client does not pay any fees directly to Thornburg; instead, the sponsor pays Thornburg's fee out of the proceeds of the "wrap fee" paid by the client. If Thornburg's service to the Wrap Program is terminated, the sponsor will refund a *pro rata* portion of any pre-paid advisory fee to the client.

Wrap Program fees typically cover all brokerage commissions on trades that are executed with the sponsor. A Wrap Program client will pay fees in addition to the Wrap Program fees when trades are "stepped-out" to broker-dealers other than the sponsor. Thornburg will "step-out" trades when it believes that "step-out" trades are more likely to provide Wrap Program clients with best overall execution price. The additional fees that are charged to the client are reflected in the "net price" a client pays for or receives from the transaction and typically are not shown separately on a trade confirmation or account statement.

For more information about the types of brokerage commissions that may be separately charged to Wrap Program clients, see Item 12, *Brokerage Practices*, below.

Fees for Unified Managed Account ("UMA") Programs

Thornburg charges UMA Program sponsors an annual fee that varies depending on a number of factors, including the number of model portfolios that the sponsor is purchasing and the sponsor's total assets under management.

Fees for Other Pooled Investment Vehicles

The fees that Thornburg charges for the portfolio management services to the Other Pooled Investment Vehicles are described and disclosed in their respective offering documents.

General Information about Fees

Refunds of Pre-Paid and Unearned Advisory Fees. Thornburg's advisory contracts with clients typically can be terminated at any time by either party upon written notice to the other party. If an advisory contract is terminated, Thornburg will refund to the client any unearned and pre-paid advisory fees.

Most Favored Nation Clauses. Certain clients have negotiated "most favored nation" clauses in their agreements with Thornburg. These clauses typically require Thornburg to decrease the fees charged to the "most favored nation" client in certain cases depending on various factors when Thornburg enters into an agreement at a lower fee rate with another client. The applicability of a "most favored nation" clause may depend on the degree of similarity between clients, including reporting requirements, investment restrictions, the amount of assets under management, the client's investment strategy, and other factors. Thornburg does not agree to "most favored nation" clauses in all circumstances.

Portfolio Values for Fee Calculations. For purposes of calculating the amount of any asset-based fee owed and payable to Thornburg, the following methods are used for each type of client:

- *Thornburg Mutual Funds, Thornburg ETFs, and TBLD:* The net asset value of each fund is calculated each day that the New York Stock Exchange is open for business, based on data provided to Thornburg by the respective fund's custodian bank and by independent third-party pricing vendors, or other sources, as more fully described in the relevant fund's prospectuses and reports to shareholders. A fund's net asset value is computed by adding the fair market value of the fund's investments, cash and other assets, and by subtracting the liabilities of the fund.
- *Institutional Separate Accounts (including unaffiliated registered investment companies):* As set forth in the client's contract with Thornburg, portfolio valuations are generally determined by either (i) the client's custodian or (ii) Thornburg, using its own asset valuations. Thornburg's valuations are generally based upon information that Thornburg receives from third party pricing vendors and may be higher or lower than the portfolio valuation calculated by a custodian. If no pricing vendor information is available or Thornburg does not agree with the vendor's valuation, Thornburg uses various factors in accordance with its pricing and valuation policies and procedures to determine a fair value.
- *Private Client Separate Accounts:* Thornburg generally determines portfolio valuations using its own asset valuations. Those valuations are generally based upon information that Thornburg receives from third party pricing vendors and may be higher or lower than the portfolio valuation calculated by a custodian. If no pricing vendor information is available or Thornburg does not agree with the vendor's valuation, Thornburg uses various factors in accordance with its pricing and valuation policies and procedures to determine a fair value.
- *Wrap Programs:* The program's sponsor or its agents or affiliates typically determines asset valuations.
- *Other Pooled Investment Vehicles:* The entity's custodian or trustee generally determines asset valuations. Thornburg may, from time to time, typically for difficult to value securities, make valuation recommendations to the custodian or trustee.

Investments in Thornburg Advised Funds. If permitted by a client's investment guidelines, at times, Thornburg will invest a portion of the assets in a client's separate account in one or more of the Thornburg Mutual Funds, Thornburg ETFs, or other affiliated or unaffiliated funds that Thornburg may advise or sub-advise (collectively, the "**Thornburg Advised Funds**"). This may occur when, for example, a Thornburg Advised Fund provides a more efficient or cost-effective way to diversify a separate account or when we offer a particular strategy, partially or wholly, only through a Thornburg Advised Fund.

That portion of a separate account's assets invested in a Thornburg Advised Fund will not be subject to the account's advisory fee if the Thornburg Advised Fund also charges an advisory fee; however, if the Thornburg Advised Fund does not charge an advisory fee (a "**No-Fee Thornburg Advised Fund**"), the separate account assets invested in the Thornburg Advised Fund will be subject to the

account's advisory fee. No-Fee Thornburg Advised Funds are currently utilized as completion funds in certain strategies. Shares of No-Fee Thornburg Advised Funds used as completion funds are only available for purchase and redemption by or on behalf of separately managed account clients where Thornburg has an agreement with the managed account program's sponsor or directly with the client.

Expenses and charges applicable to shareholders in the Thornburg Advised Fund are set forth in the Thornburg Advised Fund's current prospectus or other governing documents. Under some circumstances, the advisory fee rate paid by a Thornburg Advised Fund to Thornburg will be higher than the advisory fee rate payable to Thornburg with respect to the separate account. Thornburg will charge its separate account advisory fee when we purchase interests in funds that are not Thornburg Advised Funds.

Additional Expenses. Please see Item 12, *Brokerage Practices*, below, for additional information about the types of brokerage and other transaction costs that Thornburg's clients may incur.

Services to Employees, Family and Friends of Thornburg. Thornburg provides portfolio management services to certain Thornburg principals, employees, and their family members and friends without charge, or for fees that are lower than the fees available to other clients. Thornburg's employees are eligible to invest in certain Thornburg-managed pooled investment vehicles, and Thornburg typically waives performance-based fees for assets invested by Thornburg's principals, employees, and their family members and friends.

Tax Implications – Sale of Existing Positions upon Transition to Thornburg. When a new client's existing portfolio transitions to Thornburg, Thornburg will sell all securities transferred into an account if Thornburg does not believe the securities are suitable or consistent with the selected Thornburg investment strategy. Thornburg will then use the proceeds to buy securities appropriate for the selected investment strategy. Thornburg does not consider tax consequences to a client when selling transferred securities. If requested by the client, Thornburg will work with the client to identify those securities selected by Thornburg to be sold and move those securities to a different account or accounts at their custodian, or elsewhere, that Thornburg does not advise.

ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Unless otherwise noted in the fee schedule under Item 5, or otherwise negotiated by an Institutional Separate Account client, Thornburg typically does not charge a performance fee to clients. Certain private investment funds managed by Thornburg may charge performance fees. Thornburg's performance fees are intended to comply with the requirements of Thornburg's investment advisory agreements policy and Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act").

When Thornburg charges a performance fee, Thornburg has an incentive to maximize gains in that account (and, therefore, maximize its performance fee) by making investments for that account that are riskier or more speculative than would be the case in the absence of a performance fee. Thornburg also has an incentive to favor accounts for which it charges a performance fee over other types of client accounts, by allocating more profitable investments to performance fee accounts or by devoting more resources toward the management of those accounts. Thornburg seeks to mitigate the

conflicts that may arise from managing accounts that pay a performance fee by monitoring and enforcing its policies and procedures, including those related to investment allocations.

ITEM 7 TYPES OF CLIENTS

The following information describes the types of clients to which Thornburg provides portfolio management services. Where relevant, this disclosure also includes information about the minimum account size necessary to open and maintain each type of client account. See Item 5, *Fees and Compensation*, above, for a discussion of how Thornburg is compensated for managing each of the following types of client accounts.

Thornburg Registered Investment Companies

Thornburg is the investment adviser and administrator to the Thornburg Investment Trust (the “**Mutual Fund Trust**”), a diversified, open-end management investment company registered under the 1940 Act, that has a number of separate publicly available investment portfolios represented by separate series.

Thornburg is the investment adviser to the Thornburg ETF Trust (the “**ETF Trust**”), an open-end management investment company registered under the 1940 Act, that has a number of separate publicly available funds.

Thornburg is also the investment adviser and administrator to the Thornburg Income Builder Opportunities Trust (“**TBLD**”), a diversified, closed end management investment company, registered under the 1940 Act.

Thornburg’s services to the Mutual Fund Trust, the ETF Trust, and TBLD are supervised by each of their respective governing Boards of Trustees. Additional information on TBLD and the funds of the Mutual Fund Trust and ETF Trust, including their investment objectives, strategies and risks, and the services that Thornburg provides, can be found in each entity’s prospectus and statement of additional information. Those documents are publicly available through Thornburg’s website (www.thornburg.com) or through the EDGAR database on the SEC’s website (www.sec.gov), and may also be obtained free of charge by contacting Thornburg at 1-800-847-0200.

Institutional Separate Account

Thornburg will manage an Institutional Separate Account consistent with the client’s selected investment strategy(ies). Clients may limit or restrict Thornburg’s management of the account; however, Thornburg reserves the right not to enter into a contract with a prospective client, or to terminate an agreement with an existing client, if the proposed limitation or restriction is likely, in Thornburg’s opinion, to impair its ability to provide services to a client or is otherwise administratively or practically not feasible. The investment strategies that Thornburg makes available to Institutional Separate Accounts are shown below. A brief description of each investment strategy’s investment objective(s), along with the investment strategies used to achieve the objective and the material risks associated with such investment strategies, is provided in response to Item 8, *Methods of Analysis, Investment Strategies and Risk of Loss*, below. Additional details about

Institutional Separate Accounts and each investment strategy may be obtained at no charge by contacting Thornburg at 1-800-533-9337 or www.thornburg.com.

Institutional Investment Strategies

Equity:

- American Opportunities
- Emerging Markets Equity
- Equity Income Builder
- Focus Growth
- Global Opportunities
- International Equity
- International Equity ESG
- International Growth

Taxable Fixed Income:

- Core Plus Bond
- Limited Term Income
- Limited Term U.S. Government
- Multisector Opportunistic
- Strategic Income
- Ultra Short Income

Municipal Fixed Income:

- Intermediate Term Municipal
- Limited Term Municipal
- Municipal Total Return
- Short Duration Municipal
- Strategic Municipal Income

Multi-Asset:

- Investment Income Builder
- Multi-Asset

Real Estate:

- Core+
- Opportunistic

The minimum account size for an Institutional Separate Account is \$50 million.

Thornburg reserves the right in its sole discretion to waive account minimums and to create customized investment strategies for clients.

Private Client Separate Accounts

Thornburg manages Private Client Separate Accounts consistent with the client's selected investment strategy(ies). Clients may limit or restrict Thornburg's management of the account. However,

Thornburg reserves the right not to enter into a contract with a prospective client, or to terminate an agreement with an existing client, if the proposed limitation or restriction is likely in Thornburg's opinion to impair its ability to provide services to a client or is otherwise administratively or practically not feasible. The investment strategies that Thornburg offers to Private Client Separate Account clients are shown below. A brief description of each investment strategy's investment objective(s), along with the strategies used to achieve the objective and the material risks associated with such investment strategies, is provided in response to Item 8, *Methods of Analysis, Investment Strategies and Risk of Loss*, below. Additional details about Private Client Separate Accounts and each investment strategy may be obtained at no charge by contacting Thornburg at 1-800-533-9337 or www.thornburg.com.

Private Client Investment Strategies

Equity:

- American Opportunities
- Emerging Markets ADR
- Emerging Markets ADR Select
- Equity Income Builder
- International ADR
- International Equity ESG ADR
- International Growth ADR

Fixed Income:

- Core Plus Bond
- Intermediate Income
- Intermediate Term Municipal
- Limited Term Income
- Limited Term Municipal
- Limited Term U.S. Government
- Municipal Total Return
- Strategic Income
- Short Duration Municipal

The minimum account size for a Private Client Equity Separate Account ranges from \$50,000 to \$500,000. The minimum account size for a Private Client Fixed Income Separate Account ranges from \$250,000 to \$25 million, depending on the investment strategy selected.

Thornburg reserves the right in its sole discretion to waive account minimums and to create customized investment strategies for clients.

Wrap Programs

Thornburg acts as an investment manager in a number of Wrap Programs sponsored by unaffiliated firms (sponsors). In a typical Wrap Program arrangement, the client enters into an investment advisory agreement with the sponsor, and the sponsor enters into a sub-advisory agreement with Thornburg. The sponsor is responsible for determining that Thornburg's portfolio management services are suitable for a particular client. The sponsor also remains responsible for monitoring and

evaluating Thornburg's performance on behalf of the client, for executing brokerage transactions within the client's account, and for providing custodial services for the client's assets.

Thornburg typically has exclusive investment discretion over the purchase and sale of securities and other investments within the client's account, consistent with the client's investment strategy and the capabilities of the client's custodian. The investment strategies that Thornburg makes available to Wrap Program clients vary from one Wrap Program to another; currently, not all of Thornburg's investment strategies are available in every Wrap Program.

Each Wrap Program sponsor imposes a minimum account size to open and maintain an account. Thornburg's Wrap Program account minimums typically range from \$50,000 to \$500,000 for equity accounts and from \$250,000 to \$25 million for fixed income accounts. Thornburg reserves the right in its sole discretion to waive an account minimum.

For a complete list of the Wrap Programs in which Thornburg participates, see Thornburg's Form ADV, Part I, available on the SEC's web site, www.adviserinfo.sec.gov, or contact our Chief Compliance Officer, at 1-800-533-9337 or send an email to compliance@thornburg.com.

Unified Managed Account ("UMA") Programs

Thornburg offers model portfolios for a fee to UMA Program sponsors. Those UMA Program sponsors use Thornburg's model portfolios as one input in developing their investment recommendations and managing their clients' accounts. Thornburg constructs a model portfolio that seeks to resemble the Thornburg investment strategy the sponsor selected. Thornburg's recommendations to UMA Programs at times will differ from recommendations made to other client accounts. Thornburg provides the UMA Program sponsor with Thornburg's recommendations as to the securities and other property to be purchased, sold and held in the model portfolio, as well as the percentage of the model portfolio that would be invested in each security or other property. Thornburg provides this information to the UMA Program sponsor in accordance with procedures described in "Trade Rotation" under Item 12, *Brokerage Practices*, below.

UMA Program sponsors typically have sole discretion over their clients' accounts. Each UMA Program sponsor provides individualized investment advice and portfolio management services to its clients and may or may not decide to implement all of Thornburg's recommendations as to the securities and other property to be held within an account.

Thornburg provides model portfolios to the following UMA Program sponsors:

- Folio Dynamix (through Envestnet)
- Morgan Stanley Smith Barney LLC
- LPL
- Envestnet
- Mount Yale
- Verdence Capital Advisors, LLC
- F/M Acceleration (through Vestmark)
- NewEdge (through Vestmark)
- Oppenheimer Asset Management
- Dynasty Wealth Management (through Vestmark)
- SMartX Advisory Solutions
- Edward D. Jones & Co., L.P.

Other Pooled Investment Vehicles

Thornburg is the investment adviser to several pooled investment vehicles with shares or units of participation that are not registered with the SEC. These pooled investment vehicles are limited to certain eligible participants, which depending on the vehicle may include: “accredited investors,” within the meaning under Regulation D of the Securities Act of 1933; “qualified purchasers,” within the meaning of Section 2(a)(51) of the 1940 Act; pension, profit-sharing and governmental plans; and certain non-U.S. participants.

Minimum investment commitments may be established for investors in a pooled investment vehicle. The managing member of each pooled investment vehicle may, in its sole discretion, permit investments below the minimum amounts set forth in the Organizational Documents of each such pooled investment vehicle.

ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

As described in Item 7, *Types of Clients*, above, Thornburg offers its clients a range of equity and fixed income investment strategies. Different clients are eligible to select some or all of these investment strategies. The following is a brief description of each investment strategy’s investment objective(s), the general investment strategies that are typically used in managing assets within that investment strategy, and the material risks associated with an investment in the investment strategy. There is no assurance that a particular investment strategy will meet its investment objectives. Additionally, the investment strategies and techniques that Thornburg uses within a given investment strategy will vary over time depending on various factors.

Summaries of investment objectives, principal investment strategies and material risks provided below are necessarily limited and are presented for general information purposes in accordance with regulatory requirements. Consequently, these summaries are in all instances qualified and superseded by the descriptions of objectives, strategies and risks, portfolio reports, and other communications that are provided to each client in connection with the creation and maintenance of the client’s own account with Thornburg.

Additional details about each investment strategy may be obtained at no charge by contacting Thornburg at 1-800-533-9337 or www.thornburg.com. Information about the investment objectives, strategies and risks of each Thornburg Mutual Fund, Thornburg ETF, and TBLD is publicly available in each fund’s prospectuses and statements of additional information, which may be obtained free of charge by contacting Thornburg at 1-800-533-9337 or www.thornburg.com, or on the EDGAR database on the SEC’s website at www.sec.gov.

Information about the investment objectives, strategies and risks of the Other Pooled Investment Vehicles is described in their respective offering documents.

Investing in securities involves the risk of loss of money, and clients investing their money with Thornburg should be prepared to bear that loss. None of the pooled investment vehicles or other funds for which Thornburg provides portfolio management services is a deposit in any bank, nor are those pooled investment vehicles or funds insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

In addition to the Material Risks listed below for each strategy, investing involves various operational and general risks.

Cybersecurity Risk. Cybersecurity risks include both intentional and unintentional events at Thornburg or one of its third-party counterparties or service providers, that may result in a loss or corruption of data, result in the unauthorized release or other misuse of confidential information, and generally compromise Thornburg's ability to conduct its business. A cybersecurity breach may also result in a third-party obtaining unauthorized access to Thornburg clients' information, including social security numbers, home addresses, account numbers, account balances, and account holdings. Thornburg has established business continuity plans and risk management systems designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including that certain risks may not have been identified, in large part because different or unknown threats may emerge in the future. As such, there is no guarantee that such efforts will succeed, especially because Thornburg does not directly control the cybersecurity systems of issuers, trading counterparties, or third-party service providers. There is also a risk that cybersecurity breaches may not be detected.

Economic Sanctions Risk. Foreign countries, companies, or individuals may become subject to economic sanctions or other government restrictions, which can negatively impact the value or liquidity of an account's investments. In addition, sanctions and similar measures can result in downgrades in credit ratings of the sanctioned country or companies located in or economically exposed to the sanctioned country or company, devaluation of the sanctioned country's currency, and increased market volatility and disruption in the sanctioned country and throughout the world. We may be prohibited from investing in securities issued by companies subject to such restrictions, and sanctions or other similar measures can significantly delay or prevent the settlement of securities transactions.

Financial Market Fluctuations. Over time, the business, economic, political, regulatory, and technology environment may undergo substantial changes. Various sectors of the U.S. and global financial markets and the broader current financial environment have been, and continue to be, characterized by uncertainty, volatility and instability. The financial services industry generally and investment activities are affected by general economic and market conditions, including interest rates, availability of credit, lack of price transparency, inflation rates, economic uncertainty, changes in tax and other applicable laws and regulations, trade barriers, national and international and environmental and socioeconomic circumstances. There can be no assurance that such economic and market conditions will be favorable in respect of both the investment and disposition activities of a client. General fluctuations in the market prices of securities and economic conditions generally may reduce the availability of attractive investment opportunities and may affect the value of investments. Instability in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) may also increase the risks inherent in investments and could have a negative impact on the performance and/or valuation of such investments. Investment performance can be affected by deterioration in the capital markets and by market events. To the extent that such market events occur, they may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Such an

economic downturn could adversely affect the financial resources of certain issuers and result in the inability of such borrowers to make principal and interest payments on outstanding debt when due. In the event of such default, an investment may suffer a partial or total loss of capital invested in such issuers, which could, in turn have an adverse effect on a client's investment returns. The duration and ultimate effect of current market conditions and whether such conditions may worsen cannot be predicted.

Force Majeure Risk. Investments may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, epidemic, pandemic or any other serious public health concern, war, terrorism and labor strikes). Some force majeure events may adversely affect the ability of a party (including an investment or a counterparty) to perform its obligations until it is able to remedy the force majeure event. In addition, the cost of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which a client may invest specifically. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more issuers or its assets, could result in a loss to certain investments. Any of the foregoing may therefore adversely affect the performance of a client's investments.

Market Disruption, Health Crises, Terrorism and Geopolitical Risk. Investments are subject to the risk that war, terrorism, global health crises or similar pandemics, other related geopolitical events, extreme weather and climate-related events and other events affecting the financial markets may lead to increased short-term market volatility and have adverse long-term effects on world economies and markets generally, as well as adverse effects on issuers of securities and the value of investments. War, terrorism and related geopolitical events, as well as global health crises and similar pandemics, extreme weather and climate-related events and other events affecting the financial markets have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. Those events as well as other changes in world economic, political and health conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of investments. At such times, an investment's exposure to a number of other risks described elsewhere in this section can increase.

Risks of Artificial Intelligence ("AI"). Thornburg's ability to use, manage and aggregate data, including data related to the use of AI tools, may be limited by the effectiveness of its policies, systems and practices that govern how data is acquired, validated, used, stored, protected, processed and shared. Failure to manage data effectively and to aggregate data in an accurate and timely manner may limit Thornburg's ability to manage current and emerging risks, as well as to manage changing business needs and to adapt to the use of new tools, including AI. While Thornburg may under certain circumstances restrict certain uses of third-party and open source AI tools, its employees and consultants and a client's investments will under certain circumstances use these tools, which may pose additional risks relating to the protection of Thornburg's and such investments' proprietary data, including the potential exposure of Thornburg's or such investments' confidential information to

unauthorized recipients and the misuse of Thornburg's or third-party intellectual property, which could adversely affect Thornburg, a client or a client's investments. Use of AI tools may result in allegations or claims against Thornburg or an investment related to violation of third-party intellectual property rights, unauthorized access to or use of proprietary information and failure to comply with open-source software requirements. There can also be no assurance that the usage of AI will enhance any issuer's products or services or be beneficial to any issuer's businesses. Additionally, AI tools may produce inaccurate, misleading or incomplete responses that could lead to errors in Thornburg's and its employees' and consultants' decision-making, portfolio management or other business activities, which could have a negative impact on Thornburg or on the performance of a client's investments. AI tools could also be used against Thornburg, or an investment in criminal or negligent ways. As the use and availability of AI tools has grown, the U.S. Congress and a number of U.S. federal agencies have been examining the AI tools and their use in a variety of industries, including financial services. The legislatures and administrative agencies of a variety of U.S. states and foreign jurisdictions have also proposed, and in a number of cases adopted, rules and regulations addressing the use of AI. Ongoing and future regulatory actions with respect to AI generally or AI's use in any industry in particular may alter, perhaps to a materially adverse extent, the ability of Thornburg or an issuer to utilize AI in the manner it has to-date, and may have an adverse impact on the ability of Thornburg or an issuer to continue to operate as intended.

Trade Policy. Trade conflicts between the U.S. and certain foreign countries have intensified in recent periods. The U.S. government has altered its approach to international trade policy, indicating its intent to renegotiate, or potentially terminate, certain existing bilateral or multilateral trade agreements and treaties with foreign countries and imposing, or threatening to impose, tariffs on certain foreign goods. Some foreign governments, including the Chinese government, have instituted, or threatened to institute, retaliatory tariffs on certain U.S. goods. The continuation or further intensification of such conflicts may lead to the introduction of additional barriers to trade, an increase in the cost of certain goods, a decrease in trade volume, supply chain disruptions, shifts in consumer sentiment and/or a general decrease in corporate profits and securities prices in both public and private markets, any of which could have an adverse impact on the performance of investments and returns to investors.

Consideration of Environmental, Social and Governance (“ESG”) Characteristics. When evaluating a potential investment opportunity, Thornburg may consider the issuer's significant ESG characteristics, however, only for International Equity ESG, and International Equity ESG ADR does Thornburg consider the issuer's ESG characteristics as a principal investment strategy. Thornburg defines a significant ESG characteristic as one which may materially affect an issuer's risk and return profile and, accordingly, the issuer's long-term investment performance. In this way, Thornburg's consideration of ESG characteristics is no different than its consideration of more traditional financial metrics or other factors which may affect the risks and returns of a client's investments. The specific ESG characteristics which Thornburg determines to be significant will vary over time and among different issuers, financial sectors, and industries. Accordingly, whether and the extent to which Thornburg considers ESG characteristics will differ for each issuer. For many investments or issuers, ESG characteristics may not be significant.

There are no universally agreed upon objective standards for assessing ESG characteristics, and they can vary over different periods and evolve over time. While Thornburg makes its own judgements about the ESG characteristics of each investment, and whether they are significant, Thornburg's approach may be informed by third party data, research tools, frameworks, and standards, which may not fully reflect or take into account applicable ESG characteristics. In addition, many ESG characteristics are subjective and can be difficult to analyze. ESG characteristics may also be difficult to apply consistently across regions, countries, industries, or sectors. Given the absence of generally accepted criteria, investors and others may disagree as what constitutes a significant ESG characteristic or may otherwise assign a greater or lesser emphasis than Thornburg to a particular ESG characteristic. Thornburg may invest in an issuer that exhibits negative ESG characteristics.

Equity Investment Strategies – Objectives, Principal Investment Strategies and Material Risks

Note: The narrative discussion of each equity investment strategy includes a list of the material risks that are associated with an investment in that investment strategy. A description of each of the named risks is included at the end of this Item 8, following the narrative discussion of all the strategies.

American Opportunities

Investment Objective(s): The strategy seeks long-term capital appreciation by investing in equity and debt securities of all types. The secondary, non-fundamental goal of the Fund is to seek some current income.

Principal Investment Strategies: The strategy typically invests in a limited number of common stocks selected on the basis of fundamental research. A flexible mandate allows the strategy to pursue long-term performance using a broad approach to investing style and market capitalization; however, the strategy is diversified to include basic value stocks but also includes stocks of companies with consistent earning characteristics and emerging franchises when these issues are believed to be attractively priced. The strategy also may invest in debt securities of any type.

Material Risks: Equity Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Real Estate Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

Emerging Markets Equity

Investment Objective(s): The strategy seeks long-term capital appreciation by investing primarily in securities of issuers that are economically tied to developing countries.

Principal Investment Strategies: The strategy invests primarily in equity securities of developing country issuers and issuers that are, in Thornburg's opinion, tied economically to one or more developing countries. The strategy may invest in companies of any size. The strategy also may invest in debt securities of any type.

Material Risks: Developing Country Risk; Equity Risk; Foreign Currency Risk; Foreign Investment Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

Emerging Markets ADR

Investment Objective(s): The strategy seeks long-term capital appreciation by investing in American Depositary Receipts (“ADRs”) or other dollar-denominated securities that are economically tied to developing country issuers.

Principal Investment Strategies: The strategy primarily invests in ADRs, other dollar-denominated securities that are economically tied to developing country issuers, and a completion fund that invests primarily in securities of issuers that are economically tied to developing countries. The completion fund, which is a series of the Mutual Fund Trust, provides access to developing country issuers that are difficult to access through direct investment or ADRs. The strategy may invest in companies of any size.

Material Risks: Completion Fund Redemption Risk; Developing Country Risk; Equity Risk; Foreign Currency Risk; Foreign Investment Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

Emerging Markets ADR Select

Investment Objective(s): The strategy seeks long-term capital appreciation by investing in American Depositary Receipts (“ADRs”) or other dollar-denominated securities that are economically tied to developing country issuers.

Principal Investment Strategies: The strategy primarily invests in ADRs or dollar-denominated securities that are, in Thornburg’s opinion, tied economically to one or more developing countries. The strategy may invest in companies of any size.

Material Risks: Developing Country Risk; Equity Risk; Foreign Currency Risk; Foreign Investment Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

Equity Income Builder

Investment Objective(s): The strategy seeks income and capital appreciation via a portfolio of issuers that have the ability and willingness to pay dividends.

Principal Investment Strategies: The strategy uses equity from issuers around the world to invest for income and capital appreciation. A key consideration in the security selection is the ability and willingness of the entity to pay dividends to investors. The strategy attempts to maintain a flexible approach by investing across sectors, geographies, and capital structures. The strategy may invest in companies of any size.

Material Risks: Equity Risk; Foreign Currency Risk; Foreign Investment Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Real Estate Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

Focus Growth

Investment Objective(s): The strategy seeks long-term growth of capital by investing in equity securities selected for their growth potential.

Principal Investment Strategies: The strategy typically invests in a selection of growth stocks that management believes will have growing revenues and earnings. The strategy can invest in companies of any size, from large, well-established firms to small, emerging growth franchises. The strategy also may invest in debt securities of any type.

Material Risks: Credit Risk; Developing Country Risk; Equity Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

Global Opportunities

Investment Objective(s): The strategy seeks long-term capital appreciation by investing in equity and debt securities of all types (primarily equity securities) from issuers around the world.

Principal Investment Strategies: The strategy considers investment in a variety of equity and debt securities from around the world. A flexible mandate allows the strategy to pursue long-term performance using a broad approach to geography, investing style and market capitalization. The strategy may invest in companies of any size.

Material Risks: Developing Country Risk; Equity Risk; Foreign Currency Risk; Foreign Investment Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Real Estate Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

International Equity

Investment Objective(s): The strategy seeks long-term capital appreciation. The strategy normally invests at least 80% of assets in issuers outside the United States. The secondary goal of the strategy is to seek current income.

Principal Investment Strategies: The strategy typically invests in a limited number of common stocks selected on a value basis using fundamental research. The strategy is diversified to include basic value stocks, but also includes stocks of companies with consistent earning characteristics and emerging franchises when these issues are believed to be value priced. The strategy may invest in companies of any size. The strategy also may invest in debt securities of any type.

Material Risks: Credit Risk; Developing Country Risk; Equity Risk; Foreign Currency Risk; Foreign Investment Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

International ADR

Investment Objective(s): Seeks long-term capital appreciation by investing in a concentrated yet diversified portfolio of American Depositary Receipts (“ADRs”) or other dollar-denominated securities of issuers that are economically tied to international markets.

Principal Investment Strategies: The strategy invests in ADRs or dollar-denominated securities that are economically tied to international markets and selected on a value basis using fundamental research. The strategy is diversified to include basic value stocks, but also includes stocks of companies with consistent earning characteristics and emerging franchises when these issues are believed to be value priced. The strategy may invest in companies of any size.

Material Risks: Credit Risk; Developing Country Risk; Equity Risk; Foreign Currency Risk; Foreign Investment Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

International Equity ESG

Investment Objective(s): The strategy seeks long-term capital appreciation. The strategy normally invests at least 80% of assets in issuers outside the United States.

Principal Investment Strategies: The strategy typically invests in a limited number of common stocks selected on a value basis using fundamental research. The portfolio is diversified to include basic value stocks, but also includes stocks of companies with consistent earnings characteristics and emerging franchises, when these issues are value priced. This strategy will invest in securities issued by companies that demonstrate one or more positive environmental, social and governance (“ESG”) characteristics identified as significant by Thornburg. The strategy may invest in companies of any size. The strategy also may invest in debt securities of any type.

Material Risks: Credit Risk; Developing Country Risk; Equity Risk; ESG Risk; Foreign Currency Risk; Foreign Investment Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

International Equity ESG ADR

Investment Objective(s): Seeks long-term capital appreciation by investing in a concentrated yet diversified portfolio of American Depositary Receipts (“ADRs”) or other dollar-denominated securities of issuers that are economically tied to international markets.

Principal Investment Strategies: The strategy invests in ADRs or dollar-denominated securities that are economically tied to international markets and selected on a value basis using fundamental research. The strategy is diversified to include basic value stocks, but also includes stocks of companies with consistent earning characteristics and emerging franchises when these issues are believed to be value priced. This strategy will invest in securities issued by companies that demonstrate one or more positive environmental, social and governance (“ESG”) characteristics identified as significant by Thornburg. The strategy may invest in companies of any size. The strategy also may invest in debt securities of any type.

Material Risks: Credit Risk, Developing Country Risk, Equity Risk, ESG Risk, Foreign Currency Risk, Foreign Investment Risk, Liquidity Risk, Management Risk, Market and Economic Risk, Real Estate Risk, Risks Affecting Specific Countries or Regions, Risks Affecting Specific Issuers, Small and Mid-Cap Company Risk.

International Growth

Investment Objective(s): The strategy seeks long-term growth of capital.

Principal Investment Strategies: The strategy typically invests in a selection of growth stocks that management believes will have growing revenues and earnings. The strategy can invest in companies of any size, from large, well-established firms to small, emerging growth franchises. The strategy also may invest in debt securities of any type.

Material Risks: Credit Risk; Developing Country Risk; Equity Risk; Foreign Currency Risk; Foreign Investment Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

International Growth ADR

Investment Objective(s): The strategy seeks long-term growth of capital by investing in American Depositary Receipts (“ADRs”) or other dollar-denominated securities of issuers that are selected for their growth potential.

Principal Investment Strategies: The strategy invests in ADRs or dollar-denominated securities that are economically tied to international markets. The strategy typically invests in a selection of growth stocks that management believes will have growing revenues and earnings. A flexible

mandate allows the strategy to pursue long-term performance using a broad approach to geography, investing style, and market capitalization. The strategy may invest in companies of any size, from large well-established firms to small, emerging growth franchises.

Material Risks: Credit Risk; Developing Country Risk; Equity Risk; Foreign Currency Risk; Foreign Investment Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

Fixed Income Investment Strategies – Objectives, Principal Investment Strategies and Material Risks

Note: The narrative discussion of each fixed income investment strategy includes a list of the material risks that may be associated with an investment in that investment strategy. A description of each of the named risks is included at the end of this Item 8, following the narrative discussion of all the strategies.

Core Plus Bond

Investment Objective(s): The strategy seeks to maximize total return, consistent with the long-term preservation of capital.

Principal Investment Strategies: The strategy seeks income and total return greater than core bonds, with a similar volatility as core. The strategy will invest primarily in investment-grade bonds and up to 25% in securities rated below investment grade. The strategy may also invest in a completion fund, a series of the Mutual Fund Trust, which can provide access to asset classes and securities where structural or regulatory hurdles prevent direct ownership. The strategy will generally seek to maintain a portfolio of investments with a dollar-weighted average duration that falls within two years of the dollar-weighted average duration of its benchmark index.

Material Risks: Completion Fund Redemption Risk, Credit Risk; Derivatives Risk; Developing Country Risk; Foreign Currency Risk; Foreign Investment Risk; High Yield Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Prepayment and Extension Risk; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk; Structured Products Risk.

Intermediate Income

Investment Objective(s): The strategy seeks to provide the highest level of income as is consistent, in the view of Thornburg, with preservation of principal. A secondary objective of the strategy is to reduce expected fluctuations in the portfolio's value compared to longer intermediate and long-term portfolios.

Principal Investment Strategies: The strategy is a laddered portfolio of investment grade obligations with an average maturity of less than ten years. Laddering involves building a portfolio of bonds with staggered maturities so that a portion of the portfolio matures each year; cash from maturing bonds is typically invested in bonds with longer maturities at the far end of the ladder. The portfolio is invested in securities rated at the time of investment in the four highest categories of ratings services such as S&P, Moody's, or Fitch, or in unrated securities judged by Thornburg to be comparable to securities rated in the four highest ratings categories. The strategy may also invest in a completion fund, a series of the Mutual Fund Trust, which can provide access to asset classes and securities where structural or regulatory hurdles prevent direct ownership.

Material Risks: Completion Fund Redemption Risk; Credit Risk; Foreign Investment Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Prepayment and Extension Risk; Risks Affecting Specific Issuers; Structured Products Risk.

Limited Term Income

Investment Objective(s): The strategy seeks to provide the highest level of income as is consistent, in the view of Thornburg, with preservation of principal. A secondary objective of the strategy is to reduce expected fluctuations in the portfolio's value compared to longer intermediate and long-term portfolios.

Principal Investment Strategies: The strategy is a laddered portfolio of short/intermediate investment grade obligations with an average maturity of less than five years. Laddering involves building a portfolio of bonds with staggered maturities so that a portion of the portfolio matures each year; cash from maturing bonds is typically invested in bonds with longer maturities at the far end of the ladder. The portfolio is invested in securities rated at the time of investment in the four highest categories of ratings services such as S&P, Moody's, or Fitch, or in unrated securities judged by Thornburg to be comparable to securities rated in the four highest ratings categories. The strategy may also invest in a completion fund, a series of the Mutual Fund Trust, which can provide access to asset classes and securities where structural or regulatory hurdles prevent direct ownership.

Material Risks: Completion Fund Redemption Risk; Credit Risk; Foreign Investment Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Prepayment and Extension Risk; Risks Affecting Specific Issuers; Structured Products Risk.

Limited Term U.S. Government

Investment Objective(s): The strategy seeks to provide the highest level of income as is consistent, in the view of Thornburg, with preservation of principal. A secondary objective of the strategy is to reduce expected fluctuations in the portfolio's value compared to longer intermediate and long-term portfolios.

Principal Investment Strategies: The strategy is a laddered portfolio of short/intermediate obligations issued by the U.S. Government, its agencies or instrumentalities that has an average maturity of less than five years. Laddering involves building a portfolio of bonds with staggered maturities so that a portion of the portfolio matures each year; cash from maturing bonds is typically invested in bonds with longer maturities at the far end of the ladder.

Material Risks: Credit Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Prepayment and Extension Risk; Structured Products Risk.

Multisector Opportunistic

Investment Objective(s): The strategy seeks to generate total return through a combination of income and long-term capital appreciation.

Principal Investment Strategies: The strategy invests in a broad range of income producing assets from throughout the world. The strategy expects, under normal market conditions, to invest a majority of its assets in debt obligations of any kind, of any quality, and of any maturity, however the relative proportions of the strategy's investments can be expected to vary over time.

Material Risks: Credit Risk; Derivatives Risk; Developing Country Risk; Equity Risk; Foreign Currency Risk; Foreign Investment Risk; High Yield Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Prepayment and Extension Risk; Real Estate Risk; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk; Structured Products Risk.

Strategic Income

Investment Objective(s): The strategy seeks to generate total return through a combination of income and long-term capital appreciation.

Principal Investment Strategies: The strategy invests in a broad range of income producing assets from throughout the world. The strategy expects, under normal market conditions, to invest a majority of its assets in debt obligations of any kind, of any quality, and of any maturity, however the relative proportions of the strategy's investments can be expected to vary over time. The strategy may also invest in a completion fund, a series of the Mutual Fund Trust, which can provide access to asset classes and securities where structural or regulatory hurdles prevent direct ownership.

Material Risks: Completion Fund Redemption Risk, Credit Risk; Derivatives Risk; Developing Country Risk; Equity Risk; Foreign Currency Risk; Foreign Investment Risk; High Yield Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Prepayment and Extension Risk; Real Estate Risk; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk; Structured Products Risk.

Ultra Short Income

Investment Objective(s): The strategy seeks current income, consistent with preservation of capital.

Principal Investment Strategies: The strategy may purchase debt obligations such as corporate debt, mortgage-backed securities, other asset-backed securities, municipal securities, and commercial paper and bankers' acceptances, including foreign securities of the same types. The strategy may also invest in a completion fund, a series of the Mutual Fund Trust, which can provide access to asset classes and securities where structural or regulatory hurdles prevent direct ownership. The strategy seeks to reduce changes in its portfolio value compared to longer duration fixed income portfolios by maintaining a portfolio with an effective duration target of six months.

Material Risks: Completion Fund Redemption Risk, Credit Risk; Derivatives Risk; Foreign Investment Risk; High Yield Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Prepayment and Extension Risk; Risks Affecting Specific Issuers; Structured Products Risk.

Municipal Fixed Income Investment Strategies – Objectives, Principal Investment Strategies and Material Risks

Note: The narrative discussion of each municipal fixed income investment strategy includes a list of the material risks that may be associated with an investment in that investment strategy. A description of each of the named risks is included at the end of this Item 8, following the narrative discussion of all the strategies.

Intermediate Term Municipal

Investment Objective(s): The strategy seeks to obtain as high a level of current income exempt from regular federal individual income tax as is consistent, in the view of Thornburg, with preservation of principal. A secondary objective of the strategy is to reduce expected fluctuations in the portfolio's value compared to long-term bond portfolios.

Principal Investment Strategies: The strategy is a laddered portfolio of municipal bonds with an average maturity of three to ten years. Laddering involves building a portfolio of bonds with

staggered maturities so that a portion of the portfolio matures each year; cash from maturing bonds is typically invested in bonds with longer maturities at the far end of the ladder. The portfolio is invested in municipal securities rated at the time of investment in the four highest categories of ratings services such as S&P, Moody's, or Fitch, or in unrated securities judged by Thornburg to be comparable to securities rated in the four highest ratings categories. A portion of the strategy's dividends could be subject to the federal Alternative Minimum Tax.

Material Risks: Credit Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk.

Limited Term Municipal

Investment Objective(s): The strategy seeks to obtain as high a level of current income exempt from regular federal individual income tax as is consistent, in the view of Thornburg, with preservation of principal. A secondary objective of the strategy is to reduce expected fluctuations in the portfolio's value compared to longer intermediate and long-term bond portfolios.

Principal Investment Strategies: The strategy is a laddered portfolio of municipal bonds with an average maturity of less than five years. Laddering involves building a portfolio of bonds with staggered maturities so that a portion of the portfolio matures each year; cash from maturing bonds is typically invested in bonds with longer maturities at the far end of the ladder. The portfolio is invested in municipal securities rated at the time of investment in the four highest categories of ratings services such as S&P, Moody's, or Fitch, or in unrated securities judged by Thornburg to be comparable to securities rated in the four highest ratings categories. A portion of the strategy's dividends could be subject to the federal Alternative Minimum Tax.

Material Risks: Credit Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk.

Municipal Total Return

Investment Objective(s): The strategy seeks to provide tax-exempt income and total return.

Principal Investment Strategies: The strategy is an actively managed portfolio that primarily invests in investment grade, intermediate municipal bonds, as well as a completion fund component, which provides access to securities across the credit and maturity spectrum that are difficult, or not feasible, to include in a separately managed account. In seeking to diversity Credit Risk, the strategy invests a portion of its assets in a completion fund which is a series of Thornburg Investment Trust.

Material Risks: Completion Fund Redemption Risk, Credit Risk; High Yield Risk, Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk.

Short Duration Municipal

Investment Objective(s): The strategy seeks current income through short-term, high-quality municipal bonds, with low-interest rate exposure.

Principal Investment Strategies: The strategy invests principally in a laddered maturity portfolio of municipal obligations issued by states and state agencies, local governments, and their agencies and by certain United States territories and possessions. The strategy's portfolio is "laddered" by investing in obligations of different maturities so that some obligations mature during each of the coming years. The strategy seeks to reduce changes in its portfolio value compared to longer duration fixed income portfolios by maintaining a portfolio of investments with a dollar-weighted average duration of normally no more than three years.

Material Risks: Credit Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk.

Strategic Municipal Income

Investment Objective(s): The strategy seeks to obtain a high level of current income exempt from regular federal individual income tax.

Principal Investment Strategies: The strategy invests in obligations and participations in obligations of any credit quality. The strategy may invest up to 50 percent of its portfolio in lower quality debt obligations rated at the time of purchase as below investment grade (sometimes called “junk” bonds or “high yield” bonds) or, if unrated, issued by obligors with comparable below investment-grade obligations outstanding or deemed by Thornburg to be comparable to obligors with outstanding below-investment grade obligations. The strategy may invest in municipal obligations of any maturity but seeks to maintain a portfolio of investments having a dollar-weighted average effective duration of normally one to ten years. The strategy will not necessarily maintain a ladder structure.

Material Risks: Credit Risk; High Yield Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk.

Multi-Asset Investment Strategies – Objectives, Principal Investment Strategies and Material Risks

Note: The narrative discussion of each multi-asset investment strategy includes a list of the material risks that may be associated with an investment in that investment strategy. A description of each of the named risks is included at the end of this Item 8, following the narrative discussion of all the strategies.

Investment Income Builder

Investment Objective(s): The strategy seeks to provide a level of current income that exceeds the average yield on U.S. stocks generally, and that will generally grow, subject to periodic fluctuations, over the years on a per share basis. The secondary objective of the strategy is long-term capital appreciation.

Principal Investment Strategies: The strategy typically invests in a broad range of income producing securities, primarily including stocks and bonds. The strategy will under normal conditions invest at least 80% of its assets in income producing securities, and at least 50% of its assets in common stocks. The strategy expects that equity investments in the strategy’s portfolio normally will be weighted in favor of companies that pay dividends or other current income. The strategy may invest in debt obligations of any kind, including corporate bonds and other obligations, mortgage- and other asset-backed securities and government obligations. The strategy may invest a significant portion of its assets in securities of issuers domiciled outside the United States, including developing countries.

Material Risks: Credit Risk; Developing Country Risk; Equity Risk; Foreign Currency Risk; Foreign Investment Risk; High Yield Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Prepayment and Extension Risk; Real Estate Risk; Risks Affecting Specific Countries or Regions; Risks Affecting Specific Issuers; Small and Mid-Cap Company Risk.

Multi-Asset

Investment Objective(s): The strategy seeks to grow real wealth over time.

Principal Investment Strategies: “Real Wealth” for this purpose is a mix of capital appreciation and current income that is intended to exceed the rate of inflation. Under normal conditions the strategy’s investments are expected to emphasize long positions in equity securities and fixed income obligations, though the strategy may also invest a significant amount of its assets in short positions in equity securities and fixed income obligations, in commodities-related investments, in derivative instruments, in currencies, and in cash or cash equivalents. There are no specific percentage limitations on the amount of the strategy’s portfolio that may be invested in a particular asset class, and the proportions of the strategy’s assets that are invested in the respective asset classes are expected to vary over time and from time to time depending upon Thornburg’s perceptions of which types of investments represent better values and opportunities to achieve the strategy’s investment goal.

Material Risks: Credit Risk; Derivatives Risk; Commodities-Related Investment Risk; Developing Country Risk; Equity Risk; Foreign Currency Risk; Foreign Investment Risk; High Yield Risk; Inflation Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Prepayment and Extension Risk; Risks Affecting Specific Issuers; Short Sale Risk; Small and Mid-Cap Company Risk; Structured Products Risk.

Real Estate Investment Strategies – Objectives, Principal Investment Strategies and Material Risks

Note: The narrative discussion of each real estate investment strategy includes a list of the material risks that may be associated with an investment in that investment strategy. A description of each of the named risks is included at the end of this Item 8, following the narrative discussion of all the strategies.

Core+

Investment Objective(s): The strategy seeks to generate attractive total returns primarily by acquiring and developing multifamily properties with potential to produce consistent, durable future cash flow.

Principal Investment Strategies: The strategy invests primarily in a portfolio of high-quality multifamily properties in select markets poised to outperform due to durable, long-term, and accelerating trends such as population and job growth. The strategy is managed in cooperation with an established real estate operator and developer.

Material Risks: Credit Risk; Inflation Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Real Estate Risk.

Opportunistic

Investment Objective(s): The strategy seeks to maximize total returns by investing in development and value-add real estate opportunities alongside reputable joint venture partners across geographies and property types.

Principal Investment Strategies: The strategy invests in properties or securities linked to properties that require significant operating expertise, such as development projects that feature construction and lease-up risk. The strategy focuses on high-conviction investments across real estate asset classes and markets. Thornburg partners with experienced operators and developers that provide local market expertise and strong track records.

Material Risks: Credit Risk; Inflation Risk; Interest Rate Risk; Liquidity Risk; Management Risk; Market and Economic Risk; Real Estate Risk.

Descriptions of Material Risks

Commodities-Related Investment Risk – Investments that expose an account to the commodities market, such as commodity-linked derivatives instruments or exchange traded funds or other investment vehicles that invest in commodities, may subject an account to greater volatility than investments in other securities. The value of a commodity-related investment may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, risks affecting derivatives when used to obtain commodities exposure, or factors affecting a particular industry or commodity.

Completion Fund Redemption Risk – If a significant percentage of a completion fund’s shares is owned or controlled by a single shareholder, the completion fund is subject to the risk that a redemption by that shareholder of all or a large portion of its shares may require the completion fund to sell securities at less than desired prices, and the completion fund’s remaining shareholders may also incur additional transaction costs or adverse tax consequences from such trading activity.

Credit Risk – If debt obligations held by an account are downgraded by ratings agencies or go into default, or if management action, legislation or other government action reduces the ability of issuers to pay principal and interest when due, the value of those obligations may decline and the account’s value may be reduced. Because the ability of an issuer of a lower-rated or unrated obligation to pay principal and interest when due is typically less certain than for an issuer of a higher-rated obligation, lower-rated and unrated obligations are generally more vulnerable than higher-rated obligations to default, to ratings downgrades, and to liquidity risk. Debt obligations backed by so-called “subprime” mortgages may also be subject to a greater risk of default or downgrade. Debt obligations issued by the U.S. government or its agencies, instrumentalities and government sponsored enterprises are also subject to credit risk. Securities backed by the full faith and credit of the U.S. government, such as U.S. Treasury obligations, are commonly regarded as having small exposure to credit risk. Obligations of certain U.S. agencies, instrumentalities and enterprises (sometimes referred to as “agency obligations”) are not direct obligations of the U.S. government, may not be backed by the full faith and credit of the U.S. government, and may have a greater exposure to credit risk.

Derivatives Risk – Investments in futures, interest rate swaps, and credit default swaps involve the risks associated with the securities or other assets underlying those derivatives, including the risk of changes in the value of the underlying assets between the date that an account enters into the derivatives transaction and the date that an account closes out that transaction. An account’s investments in futures, interest rate swaps, and credit default swaps also involves the risk that the other party to the transaction will be unable or unwilling to perform its obligations to the account, that an account will be unable to sell or close its positions in such derivatives or will be delayed in doing so, and that an account will have difficulty valuing such derivatives

Developing Country Risk – The risks which may affect investments in foreign issuers (see “Foreign Investment Risk,” below) may be more pronounced for investments in developing countries because the economies of those countries are usually less diversified, communications, transportation and economic infrastructures are less developed, and developing countries ordinarily have less established legal, political, business and social frameworks. At times the prices of debt obligations of a developing country issuer may be extremely volatile. An issuer domiciled in a developed country

may be similarly affected by these developing country risks to the extent that the issuer conducts its business in developing countries.

Equity Risk – The value of an account’s equity investments may fluctuate significantly over time in response to factors affecting individual issuers, particular industries, or the market as a whole. Additionally, common stock ranks below preferred stock and debt securities in claims for dividends and for assets of a company in a liquidation or bankruptcy.

ESG Risk (Environmental, Social, and Governance screening) – An investment strategy that invests in an ESG focused portfolio, such as International Equity ESG, and International Equity ESG ADR, may be subject to increased risk because values-based strategies add an additional level of tracking error risk due to the investing constraints; such a style of investing introduces risk to the management of a portfolio.

Foreign Currency Risk – Fluctuations in currency exchange rates can adversely affect the value of an account’s foreign investments. Such fluctuations may occur for a number of reasons, including market and economic conditions, or a government’s decision to devalue its currency or impose currency controls.

Foreign Investment Risk – Investments in securities of foreign issuers may involve risks including adverse fluctuations in currency exchange rates, political instability, confiscations, taxes or restrictions on currency exchange, difficulty in selling foreign investments, and reduced legal protection. In addition, some foreign government debt obligations may be subject to default, delays in payment, adverse legislation or government action, or could be downgraded by ratings agencies.

High Yield Risk – Debt obligations that are rated below investment grade and unrated obligations of similar credit quality (commonly referred to as “junk” or “high yield” bonds) may have a substantial risk of loss. These obligations are generally considered to be speculative with respect to the issuer’s ability to pay interest and principal when due. These obligations may be subject to greater price volatility than investment grade obligations, and their prices may decline significantly in periods of general economic difficulty or in response to adverse publicity, changes in investor perceptions or other factors. These obligations may also be subject to greater liquidity risk.

Inflation Risk – An investment strategy that seeks to generate capital appreciation and current income that exceeds the rate of inflation over a variety of different market environments, may not be able to do so at all times. If at any time the rate of inflation exceeds Thornburg’s expectations, or if for other reasons an account’s portfolio is unsuccessful in producing a mix of capital appreciation and current income that exceeds the rate of inflation, an account may not achieve its goal.

Interest Rate Risk – When interest rates increase, the value of an account’s investments in debt obligations may decline and an account’s share value may be reduced. This effect is typically more pronounced for intermediate and longer-term obligations. This effect is also typically more pronounced for mortgage- and other asset-backed securities, the value of which may fluctuate more significantly in response to interest rate changes. When interest rates decrease, an account’s dividends may decline.

Liquidity Risk – Due to a lack of demand in the marketplace or other factors, an account may not be able to sell some or all of the investments promptly or may only be able to sell investments at less

than desired prices. The market for lower-rated and unrated debt obligations (including particularly “junk” or “high yield” bonds) and debt obligations backed by so-called “subprime” mortgages may be less liquid than the market for other obligations, making it difficult for an account to value its investment in a lower-rated or unrated obligation or to sell the investment in a timely manner or at an acceptable price.

Management Risk – Thornburg client accounts are actively managed portfolios, and the value of the accounts may be reduced if Thornburg pursues unsuccessful investments or fails to correctly identify risks affecting the broad economy or specific issuers in which the accounts invest.

Market and Economic Risk – The value of an account’s investments may decline and its value may be reduced due to changes in general economic and market conditions. The value of a security may change in response to developments affecting entire economies, markets or industries, including changes in interest rates, political and legal developments, and general market volatility. These risks may be more pronounced for strategies with investments in developing countries, zero coupon bonds, and lower-rated and unrated debt obligations (including particularly “junk” or “high yield” bonds), the value of which may fluctuate more significantly in response to poor economic growth or other changes in market conditions, political, economic and legal developments.

Prepayment and Extension Risk – When market interest rates decline, certain debt obligations held by an account may be repaid more quickly than anticipated, requiring the account to reinvest the proceeds of those repayments in obligations which bear a lower interest rate. Conversely, when market interest rates increase, certain debt obligations held by an account may be repaid more slowly than anticipated, causing assets of the account to remain invested in relatively lower yielding obligations. These risks may be more pronounced for an account’s investments in mortgage-backed and asset-backed securities.

Real Estate Risk – Investments in real estate investment trusts (“REITs”) are subject to risks affecting real estate investments generally (including market conditions, competition, property obsolescence, changes in interest rates and casualty to real estate), as well as risks specifically affecting REITs (the quality and skill of REIT management and the internal expenses of the REIT).

Risks Affecting Specific Countries or Regions – If a significant portion of an account’s assets is invested in issuers that are economically exposed to one country or region, an account’s share value may be more susceptible to the conditions and developments in that country or region, and potentially more volatile than the share value of a more geographically diversified account. A specific country or region could also be adversely affected by conditions or developments arising in other countries. For example, the U.S. government could take actions to prohibit or restrict individuals or companies within the U.S. from purchasing or holding the shares of issuers in another country, which may limit an account’s ability to invest in that country or cause an account to have to sell investments in that country at less than desired prices. The nature and degree of the risks affecting a given country or region, and the extent of an account’s exposure to any such country or region, is expected to vary over time.

Risks Affecting Specific Issuers – The value of an equity security or debt obligation may decline in response to developments affecting the specific issuer of the security or obligation, even if the overall industry or economy is unaffected. These developments may include a variety of factors, including but not limited to management issues or other corporate disruption, political factors

adversely affecting governmental issuers, a decline in revenues or profitability, an increase in costs, or an adverse effect on the issuer's competitive position.

Short Sale Risk – A short sale involves the sale of a borrowed security, in anticipation of purchasing that same security at a lower price in the future in order to close the short position. If the value of the borrowed security increases between the date the account enters into the short sale and the date that the account buys that security to cover its short position, the account will experience a loss.

Small and Mid-Cap Company Risk – Investments in small-capitalization companies and mid-capitalization companies may involve additional risks, which may be relatively higher with smaller companies. These additional risks may result from limited product lines, earlier stages of development and lack of well-established businesses, more limited access to markets and financial resources, greater vulnerability to competition and market risks and fluctuations, lack of management depth, increased volatility in share price, and possible difficulties in valuing or selling these investments. Relative to the stocks of large capitalization companies, the stocks of small- and mid-capitalization companies may be thinly traded and sales may result in higher transaction costs. Also, small- and mid-capitalization companies may perform poorly during times of economic stress.

Structured Products Risk – Investments in securities that are backed by, or represent interests in, an underlying pool of securities or other assets, including investments in mortgage- and asset-backed securities and in collateralized mortgage obligations and collateralized debt obligations, involve the risks associated with the underlying assets (e.g., the risk of default by mortgagors whose mortgages are included in a mortgage-backed security or collateralized mortgage obligation), and may also involve different or greater risks, including the risk that distributions from the underlying assets will be inadequate to make interest or other payments to an account, the risk that the issuer of the securities will fail to administer the underlying assets properly or become insolvent, and the risk that the securities will be less liquid than other account investments.

ITEM 9 DISCIPLINARY INFORMATION

Not applicable. Thornburg is not aware of any legal or disciplinary events that would be material to a client's or prospective client's evaluation of Thornburg or the integrity of Thornburg's management.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Broker-Dealer

Thornburg is the sole member and managing member of Thornburg Securities LLC ("TSL"), a securities broker-dealer registered with the Financial Industry Regulatory Authority and the Securities and Exchange Commission. The primary function of TSL is to serve as distributor of the securities of the Thornburg Mutual Funds. TSL does not execute securities transactions for any customers, including for the accounts of Thornburg's clients.

NFA Exemption

Thornburg has filed a notice of eligibility with the National Futures Association ("NFA") claiming an exemption from registration as a commodity pool operator ("CPO") pursuant to Rule 4.5 under the

Commodity Exchange Act, as amended. To qualify for and maintain this exemption, the Firm limits trading in commodity interests so that (i) the aggregate initial margin and premiums required to establish commodity interest positions do not exceed 5% of the liquidation value of the fund's portfolio, after taking into account unrealized profits and losses on any such positions, or (ii) the aggregate net notional value of commodity interest positions does not exceed 100% of the liquidation value of the fund's portfolio. Thornburg is not registered as a CPO or commodity trading adviser ("CTA") with the Commodity Futures Trading Commission ("CFTC"), and is not a member of the NFA in those capacities. Clients and prospective investors should be aware that the protections afforded to clients of a registered CPO or CTA are not available with respect to Thornburg's management of the commodity interest portion of fund assets.

Thornburg Bow River Advisers LLC

Thornburg is a principal and owns 50% of the voting interest of Thornburg Bow River Advisers LLC, an SEC registered investment adviser with an investment management platform focused primarily on investing in high-yielding fixed and floating rate debt and debt-like investments as well as debt-related warrants and equity co-investments.

Hong Kong and UK Affiliates

Thornburg owns all the ownership interests of Thornburg Investment Management (Asia) Limited, a limited company organized under the laws of Hong Kong ("**TIM (Asia)**") and Thornburg Investment Management (UK) Limited, a limited company organized under the laws of England and Wales ("**TIM (UK)**"). TIM (Asia) and TIM (UK) were created to perform certain marketing, operations and distribution functions for Thornburg and the Thornburg-advised Undertakings for Collective Investment in Transferable Securities (UCITS).

ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING

Code of Ethics

Thornburg has adopted a Code of Business Conduct and Ethics (the "**Code of Ethics**") in accordance with rules issued by the SEC under the Advisers Act. The Code of Ethics was adopted with the objective of promoting compliance with applicable laws and regulations and in a manner consistent with our fiduciary status. The Code of Ethics, among other things:

- defines conflicts of interest;
- restricts certain political contributions;
- prohibits the illegal use of non-public material information about an issuer of securities;
- restricts the receipt and giving of gifts and entertainment; and
- restricts other activities Thornburg views as inconsistent with its obligations to its clients.

Thornburg's Code of Ethics is available on its website at www.thornburg.com under "Corporate Policies" or Thornburg will also provide a copy of the Code of Ethics upon request by calling our Chief Compliance Officer, at 1-800-533-9337 or by sending a written request to Thornburg Investment Management, Inc., Attn: Chief Compliance Officer, 2300 N. Ridgetop Road, Santa Fe, NM 87506 or to compliance@thornburg.com.

Personal Trading

Thornburg has also adopted a personal securities transactions policy (the “Personal Securities Policy”) to address potential conflicts that may arise from the personal investment activities of its employees, officers, and members of its board of directors. The Personal Securities Policy has various features, including requirements that certain “access persons” (i.e., persons who may have access to client investment information):

- initially (upon hire) and annually thereafter disclose/report all beneficially held:
 - o brokerage accounts; and
 - o “reportable securities,” as defined in the Personal Securities Policy.
- quarterly disclose/report all transactions in “reportable securities”;
- pre-clear any personal transaction in a “reportable security,” including any purchase or sale of a “private placement” or an “initial public offering”; and
- refrain from purchasing or selling securities on Thornburg’s “restricted list” (securities that Thornburg restricts because the firm may possess potentially material, non-public information about the security).

Participation or Interest in Client Transactions **Cross-Trading and Principal Transactions**

Thornburg has established policies and procedures to address potential conflicts of interest that could arise when Thornburg causes one account to sell securities to another account (a “cross-trade”), when Thornburg trades on a principal basis with a client’s account (a “principal trade”), or from the personal investment activities of Thornburg or its employees, officers, or members of its board of directors. Conflicts may arise when Thornburg effects cross-trades or principal trades with or between client accounts because Thornburg could favor itself or one client over another. Conflicts also may arise when a person associated with Thornburg trades ahead of a large transaction in the same security made for client accounts, which causes the market value of the security to increase or decrease and permits the associated person to profit from the price movement.

Thornburg has adopted a principal and cross-trading policy to address potential conflicts that might arise from such trades. Among other things, the policy prohibits Thornburg from effecting a principal or cross-trade if one of the clients is an ERISA client and permits Thornburg to effect principal or cross-trades between non-ERISA client accounts subject to certain restrictions, including the requirements that:

- all provisions of rule 17a-7 are complied with for certain clients subject to registration under the 1940 Act;
- each trade is effected at the independently determined current market price of the security;
- the transaction is consistent with the investment restrictions and guidelines of each participating client;
- Thornburg receives no compensation for effecting the trade; and
- the trade is disclosed to the client(s), or in the case of certain trades, including principal trades, consented to in writing by the client.

The policy similarly permits Thornburg to effect cross-trades when one or both clients is a Thornburg Mutual Fund subject to restrictions, including that the trade is effected at the “current market price” determined in accordance with SEC rules and guidance, and no brokerage commission is charged on the trade.

Additionally, we execute orders on opposite sides of the market in a manner designed to provide adequate liquidity and market exposure to both orders (“**Opposite Direction Trades**”) that we do not consider to be cross-trades or principal trades. Opposite Direction Trades will typically be placed with different broker-dealers, which avoids implications of a cross, agency, or principal trade but Opposite Direction Trades may also be placed with the same broker-dealer particularly where that broker-dealer is one of a limited number of broker-dealers who hold or deal in those securities, or placed via electronic trading methods, which may result in the same broker-dealer for both trades.

Other Conflicts of Interest

Thornburg makes investment decisions and recommendations for client accounts based on investment considerations, including consistency with each client’s investment objectives, policies, and restrictions. In doing so, Thornburg may take investment positions or actions for one or more clients that differ from, or are inconsistent with, positions or actions taken for other clients, including clients with similar or differing investment objectives, mandates, or guidelines.

These differing positions or actions may adversely affect, or in some cases benefit, certain clients (including clients that are Thornburg affiliates), in which Thornburg has an interest, or clients that pay higher or performance-based fees. For example, Thornburg may purchase or sell a security for one client account while simultaneously pursuing the same, a different, or potentially opposite investment strategy for another client account. In addition, different Thornburg investment teams may invest client accounts in different parts of an issuer’s capital structure, which may result in actions taken on behalf of one client that are inconsistent with the interests of another client in connection with corporate events such as proxy voting matters or distressed security situations. Thornburg also may establish a short position in a security for one client account while holding a long position in the same security for another client account. Short sales may negatively affect the value of the underlying security.

To the extent permitted by applicable law and client guidelines, Thornburg may invest client accounts in securities issued by companies with which Thornburg or its affiliates have material business relationships, including companies that distribute Thornburg products, provide services to Thornburg, or are or are related to Thornburg clients. From time to time, Thornburg personnel may also buy or sell securities that Thornburg has recommended to, or purchased or sold on behalf of, clients. In addition, Thornburg may recommend or transact in securities, including Thornburg-sponsored investment products, in which Thornburg or its personnel have a financial interest. Thornburg also maintains brokerage and trading relationships with broker-dealers that are clients, affiliates of clients, or otherwise have business relationships with Thornburg or its affiliates. All such activities are subject to Thornburg’s Code of Ethics and related policies, as well as applicable provisions of the Investment Advisers Act of 1940, the Investment Company Act of 1940, and other applicable laws and regulations.

As a fiduciary, Thornburg is committed to acting in the best interests of its clients. However, Thornburg's ability to place or recommend certain transactions may be limited by applicable regulatory requirements and internal policies designed to comply with those requirements.

Thornburg may engage third-party vendors to facilitate connectivity with broker-dealers through which client trades are executed. Thornburg may receive payments from, or credits against amounts otherwise owed to, certain vendors, which are based on amounts paid to such vendors by broker-dealers. These payments or credits are not dependent on Thornburg's trading activity for any particular client account. Thornburg's selection of broker-dealers is based on considerations of best execution and is not influenced by these arrangements.

ITEM 12 BROKERAGE PRACTICES

Selection of Broker-Dealers to Execute Transactions in Client Accounts

Thornburg generally has the discretionary authority to select broker-dealers to execute investment purchase and sale transactions for client accounts. Clients may seek to limit Thornburg's authority to select broker-dealers, or to direct Thornburg to use a particular broker-dealer, but in any such instance Thornburg may determine not to accept a client's engagement or to terminate an existing advisory agreement. See "Directed Brokerage in Wrap Program Accounts"; "Other Client Directed Brokerage"; and "Additional Aspects of Directed Brokerage—Clients Subject to ERISA," below.

Thornburg maintains a list of approved equity broker-dealers. Thornburg reevaluates broker-dealers on the list to confirm that they continue to provide satisfactory trade execution services, and Thornburg may add or remove broker-dealers to or from its list. Certain broker-dealers or their affiliates that provide trade execution services may also act as an "authorized participant," an entity that is authorized by the ETF distributor to create and redeem shares of the ETF, and/or provide market making services for the ETF Trust.

Thornburg seeks to obtain the best available price and most favorable execution in placing orders for the execution of transactions for client accounts. "Best available price and most favorable execution" means, for this purpose, "best execution," or the execution of a particular transaction at the price and commission that provides the most favorable total cost or proceeds reasonably obtainable under the circumstances. Thornburg pursues this objective by placing orders in accordance with its best execution policies, except as clients may otherwise direct. Thornburg selects broker-dealers based upon a variety of factors, which include:

- commission rates;
- execution capability;
- responsiveness;
- willingness to commit capital;
- creditworthiness and financial stability;
- clearance and settlement capability; and
- provision of research and other brokerage services to Thornburg.

Transactions may not always be executed at the lowest available price or commission; no assurance can be given that best execution will be achieved for each client transaction.

Research and Other Benefits Paid for Using Client Commissions (“Soft Dollars”)

Thornburg generally has the authority to cause a client account to pay a broker-dealer a commission higher than the commission another broker-dealer might have charged for executing the same transaction (a practice commonly referred to as “paying up”), in recognition of the value of the brokerage and research products and services the broker-dealer provides to Thornburg. The broker-dealer may provide these products or services directly or may purchase them from a third party for Thornburg. Thornburg is in effect paying for the brokerage and research products and services with client commissions - so-called “soft dollars.” When Thornburg uses client commissions to pay for research or other products and services, it receives a benefit because it does not have to produce or pay for the research, products, or services.

Thornburg has an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on its clients’ interest in receiving most favorable execution. Thornburg uses soft dollar benefits to service all of its clients’ accounts, and a particular account may not benefit from services Thornburg purchased with soft dollars generated from transactions for that account. Thornburg does not attempt to track or allocate the benefits of research or brokerage services it receives proportionately to the soft dollar credits the accounts generate.

Types of research and brokerage services Thornburg received in the previous calendar year included, but were not limited to:

- information and analyses relative to the economy, industries or specific companies;
- technical and quantitative information about the markets;
- research reports on companies, industries, and securities;
- access to securities and industry analysts and corporate executives;
- financial publications;
- proxy analysis;
- trade industry seminars;
- access to computer databases;
- order routing and quotation services; and
- other brokerage and research services.

Thornburg seeks to address any potential conflict of interest by adopting policies and procedures for best execution and the use of client commissions to obtain research and brokerage services. When selecting broker-dealers that provide research or brokerage services to Thornburg, it is Thornburg’s policy to determine, among other matters, that:

- the research or brokerage service is an eligible service defined in Section 28(e) of the Securities Exchange Act of 1934;
- the service provides lawful and appropriate assistance to Thornburg in the performance of its investment management decisions; and
- the commissions paid (as broadly defined by the SEC to include a markup, markdown, commission equivalent or other fee in certain circumstances) for client transactions are reasonable in relation to the value of the research or brokerage provided.

In making these determinations, Thornburg does not attempt to assign a specific dollar value to the research or brokerage services provided and may evaluate the reasonableness of commissions in terms of the particular transaction or in view of Thornburg's overall service to clients. When Thornburg determines that it has received research or brokerage services that fulfill these requirements, but that are combined with non-research or brokerage services, Thornburg determines the portion that it believes represents non-qualifying products or services and pays for the non-qualifying portion from its own resources.

Thornburg also participates in so-called "commission sharing arrangements" under which Thornburg receives credits from a broker-dealer that executes transactions for client accounts. Thornburg uses these credits to purchase research services from the broker-dealer, or other broker-dealers or financial services firms that provide research. Thornburg does not use these credits to purchase services that are not in its view fully eligible under applicable regulatory interpretations. Thornburg believes these arrangements facilitate best execution of client transactions and are useful in its investment decision-making process by improving access to a wider variety of research resources.

Thornburg's Best Execution Committee and other personnel evaluate Thornburg's use of client commissions to purchase research and brokerage services. The Best Execution Committee provides a quarterly forum to review equity and fixed income trading activities on behalf of client accounts. Equity and fixed income trading are also monitored by Abel Noser and those reports are reviewed by the Committee. Relevant topics discussed include broker commissions, new approved brokers and suspension of brokers, trade analysis, allocation of new issues, best execution and the use of commissions for research. The Committee has representation from trading, portfolio management, operations and compliance.

Directed Brokerage in Wrap Programs

Sponsors of wrap programs typically charge a fee that covers the costs of executing equity transactions when the sponsor executes the transaction. Trades not executed by the program sponsor are referred to as "step-out" trades and the client will pay a separate commission or fee for that trade. A Wrap Program client should confer with the program's sponsor and refer to the Wrap Program's Form ADV brochure for additional information about step-out trades.

Thornburg "steps-out" some trades on both non-U.S. exchanges and U.S. exchanges. Thornburg believes that when it "steps-out" trades, it can obtain better execution by aggregating these "step-out" trades in different Wrap Programs and placing a single trade directly with one broker-dealer. Because Thornburg will trade away from program sponsors for some trades, Wrap Program clients will pay trading costs that are in addition to the fee they pay to their program sponsor. The additional costs include the executing broker-dealer's trade commission and, for "step-out" trades on non-U.S. exchanges, the costs to buy or sell foreign currency to settle the transaction, the American Depositary Receipts ("ADR") conversion fee, and other ADR-related costs. These additional trading costs are reflected in the "net price" clients pay for or receive from the transaction and are not shown in a trade confirmation or account statements. Some sponsors provide information about step-out trades on their websites.

Other Client Directed Brokerage

Thornburg may accept a client's written direction to use a particular broker-dealer as part of the advisory agreement between the client and Thornburg. A client may direct Thornburg to use a particular broker-dealer for a variety of reasons, including:

- the client's relationship with the broker-dealer;
- the client's own evaluation of the broker-dealer and the quality of its trade execution;
- discounts or other benefits the client receives from the broker-dealer; and
- the existence of a commission recapture program under which the client receives the benefit of rebates or other benefits separately negotiated between the client and the broker-dealer.

Thornburg does not evaluate the client's determination to direct the use of a particular broker-dealer.

When Thornburg is directed to use a particular broker-dealer, it is not able to negotiate commission levels or obtain discounts that otherwise may be available to Thornburg, and the client may not receive the same quality of execution that Thornburg may otherwise be able to obtain. Moreover, when a client directs Thornburg to use a particular broker-dealer, Thornburg may not be able to aggregate the client's securities transactions with those of other clients, and therefore may not be able to obtain the potential efficiencies available from trade aggregation, unless the directed broker-dealer accepts "step-out" transactions (see discussion of "step-out" transactions in "Directed Brokerage in Wrap Programs," above). When Thornburg is able to use "step-outs" the client receives the potential benefit of the price Thornburg obtained on the transaction, but the client also may pay an additional fee or commission to the client's own broker-dealer.

Additional Aspects of Directed Brokerage – Clients Subject to ERISA

ERISA client accounts that direct Thornburg to use a particular broker-dealer will retain sole responsibility for the determination of whether the directed brokerage arrangement is reasonable in relation to the benefits received by the plan.

Trade Rotation

Thornburg uses a trade rotation system that is designed to ensure that all accounts that buy or sell a particular security on a single day are treated fairly.

Variances in the trade rotation may arise due to various factors, including but not limited to, a client's cash availability or need, the liquidity of the security being traded, or trading opportunities such as initial public offerings, which are not available to certain types of accounts, including Wrap Program accounts, Private Client Separate Accounts, UMA Program accounts, other accounts deemed to be managed similarly to such accounts, and accounts that are smaller in size or that have certain restrictions.

Allocation and Aggregation

Thornburg seeks to allocate transactions fairly and equitably among clients. Because it is not always possible to execute a purchase or sale in one transaction, a series of transactions may be executed at different prices over a period of time. In some instances, there may not be enough securities to meet

client demand, such as securities in an initial public offering. Thornburg may aggregate multiple contemporaneous client orders to obtain more favorable pricing and execution. If an aggregated order is effected in multiple trades and at different prices, clients will receive the average weighted price of all such transactions.

Equity. When Thornburg cannot buy or sell enough equity securities to meet client demand, it allocates the securities among participating client accounts *pro rata*. When a new transaction order is placed with Thornburg's trade desk while there is already a working order for the same security, the working order will be closed, and a new transaction will be opened to include the new order in the allocation. There are exceptions to this practice, including when the new order is not material to the allocation for the existing order. If completed trades for the day for a particular security are not material, trades may be allocated at the discretion of the Portfolio Manager or trader. In unusual or unforeseen circumstances (*e.g.*, account cash requirements), allocations may be different than the procedures outlined above.

Thornburg allocates securities purchased in initial public offerings (“**IPOs**”) on a *pro rata* basis to participating client accounts based upon the percentage indicated by the portfolio manager of each strategy that Thornburg believes is appropriate for the IPO shares. Participation in IPOs is typically limited to:

- Institutional Separate Accounts, Thornburg Mutual Funds, Other Pooled Investment Vehicles, and other accounts that are deemed to be managed similar to such accounts;
- clients whose investment guidelines do not restrict investment in IPOs; and
- “qualified institutional buyers,” if the IPO is on a foreign exchange.

Wrap Program accounts, Private Client Separate Accounts, UMA Program accounts, other accounts deemed to be managed similarly to such accounts, and accounts that are smaller in size or that have certain restrictions typically will not participate in IPOs. Also, if “restricted persons,” as defined in FINRA Rule 5130, in aggregate hold greater than 10% of the interests in a Thornburg- managed pooled investment vehicle, that pooled investment vehicle will receive a reduced IPO allocation based on its “nonrestricted person” assets.

When Thornburg cannot buy enough IPO shares to meet client demand, it allocates the shares among participating client accounts *pro rata*. Also, a Portfolio Manager may decide not to include an allocation of IPO shares in an investment strategy if the Portfolio Manager determines that the strategy's allocation is too small to warrant a position. In such instances, the shares will be allocated to accounts in the other participating investment strategies on a *pro rata* basis in accordance with the original allocation.

Fixed Income. Thornburg may aggregate fixed income trades for clients. Thornburg determines whether aggregation is appropriate and allocates the securities among participating accounts to seek to maintain consistent concentrations across similar accounts in order to achieve, as nearly as possible, portfolio characteristic parity among such accounts in the same strategy. Accounts furthest from achieving a portfolio characteristic parity typically receive priority in allocations.

Accounts for Persons Associated with Thornburg

Thornburg may, either directly through a separate account or indirectly through a pooled investment vehicle, manage proprietary accounts of Thornburg or its related persons, including employees. Thornburg treats these accounts in the same manner as accounts of non-related persons and will not favor one type of account over the other. Thornburg periodically reviews its treatment of proprietary accounts to ensure that it does not favor them over non-proprietary accounts.

ITEM 13 REVIEW OF ACCOUNTS

Reviews

Members of the Compliance Department, Investment Operations Department, and/or the Portfolio Management team conduct periodic reviews of each account for adherence to investment strategy and to confirm that account performance is consistent with any model portfolio or client guidelines. Reviews are also conducted no less often than quarterly on an indirect basis by monitoring each investment strategy model. Reviewers typically include the Chief Compliance Officer (or designee), the Director of Investment Operations (or designee), Portfolio Managers, Associate Portfolio Managers and Traders. The frequency, interval and scope of these reviews for each account are dependent upon a number of factors, including but not limited to:

- contributions or withdrawals of cash from an account;
- change in the investment restrictions, investment objectives or, for institutional accounts, the investment policy;
- client requests such as tax-loss harvesting;
- questions regarding performance or structure; and
- requirements that could be imposed by court order or by regulator (*e.g.*, SEC, Department of Labor, etc.).

The Compliance Department also uses an automated order management system to perform a daily review of client accounts to ensure portfolio level compliance (*e.g.*, industry/sector weights, adherence to investment guidelines, etc.). In addition, the Portfolio Managers and research analysts at Thornburg monitor markets, world and economic events, and securities held in accounts managed by Thornburg. This function provides each client account or portfolio with an indirect and recurring portfolio review. Clients should contact Thornburg if any changes occur in their financial situations that may affect Thornburg's management of their account.

Regular Reports

Institutional Separate Accounts. Thornburg offers to provide each account with a quarterly portfolio report. The details may include:

- cash balances;
- type, name and amount of each security;
- portfolio weighting of each security;
- account performance (based upon Thornburg's independent valuations – separate from the client's custodian);
- current market value of the portfolio; and

- transactions during the report period.

These materials are provided in addition to the confirmations of transactions and custodial reports the client receives from its custodian.

Wrap Program and Private Client Separate Accounts. Thornburg generally does not provide reports to Wrap Program or Private Client Separate Account clients. Wrap Program clients should expect to receive reports from the sponsor of their program. Private Client Separate Account clients should expect to receive reports from their financial intermediary.

Thornburg Mutual Funds, Thornburg ETFs, TBLD, and TGI. Thornburg provides reports to the Trustees of the Thornburg Mutual Funds, the Thornburg ETFs, and TBLD, and the Directors of TGI, at least four times in each calendar year. Reports to shareholders are issued in accordance with the prospectuses of each fund.

Other Pooled Investment Vehicles. The custodian or fund administrator delivers to each investor periodic reports.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

As described above in Item 12 under *Research and Other Benefits Paid for Using Client Commissions*, Thornburg typically receives research and brokerage services from broker-dealers who execute trades for client accounts.

Thornburg pays fees to financial intermediaries, advisers, planners and individuals who refer clients to Thornburg, in accordance with applicable law. Thornburg makes payments to certain financial intermediaries for distribution and related marketing support, investor or shareholder servicing, entertainment, training and educational activities, and/or the purchase of products or services from such intermediaries. Thornburg and/or its affiliates also make payments for these purposes in connection with Thornburg mutual funds. The products or services purchased may include analytical software and data.

In addition, from time to time, Thornburg may pay for meals, entertainment, and educational meetings with institutional client consultants that may recommend Thornburg's services to their clients. Thornburg pays compensation ("revenue sharing") to broker-dealers and other persons who sell shares of the Thornburg Mutual Funds, as described in the Funds' prospectuses and statements of additional information. Thornburg Securities LLC ("TSL"), the Funds' underwriter, reimburses Thornburg for some of this compensation, and the Funds also pay TSL, or to such other persons as TSL may direct, pursuant to plans and agreements adopted by the Funds pursuant to Rule 12b-1 under the 1940 Act.

Thornburg actively seeks to educate consultants, broker-dealers, and other financial intermediaries (collectively, "**Consultants**") about its advisory services. Thornburg sponsors educational events where its representatives meet with Consultants and in some instances their clients. Thornburg pays some of the costs of these events from its own resources. Clients should confer with their Consultant about the payments they receive from Thornburg.

Thornburg makes charitable contributions to organizations associated or affiliated with clients, intermediaries or Consultants, and provides entertainment and gives gifts to intermediaries, Consultants or others in the process of soliciting new business and providing services to existing clients, in compliance with its Code of Ethics and regulatory limits

ITEM 15 CUSTODY

Thornburg does not maintain physical custody of client funds or securities. Because of certain arrangements, Thornburg may be considered to have “custody” of client accounts under Rule 206(4)-2 of the Advisers Act solely due to Thornburg’s ability to deduct fees directly from client accounts pursuant to written authorization provided by the client. In those instances, the account custodian will send clients quarterly statements showing account balances and transactions. Clients should review these statements carefully, contact us if they do not receive them at least quarterly, and promptly report any discrepancies between custodian statements and any reports we provide.

Thornburg may also be deemed to have “custody” because of its role as the managing member of pooled investment vehicles. Thornburg compliance with the Custody Rule with respect to pooled investment vehicles by subjecting each vehicle to an annual audit and providing each investor in the fund with audited financial statements that comply with U.S. generally accepted accounting practices (“GAAP Audits”) within 120 days following the Fund’s fiscal year end.

Thornburg takes reasonable steps to avoid receiving unintentional custody of client assets such as checks from third parties to clients.

ITEM 16 INVESTMENT DISCRETION

Thornburg provides discretionary investment portfolio management services to its clients other than UMA sponsors. This means that Thornburg has the authority to purchase or sell securities for a client’s account and determine the amount of the securities to purchase or sell, without obtaining the client’s consent to the transactions. Thornburg may purchase or sell investments in a client’s account whenever Thornburg believes it is prudent to do so and without regard to the length of time the investments have been held. Transactions may result in taxable gains or losses in a client’s account and may result in the payment of commissions and other transaction costs. In particular, Thornburg’s “stepped-out” trades for Wrap Programs and certain other accounts where a sponsor imposes fixed or minimum transaction fees, will cause clients to pay additional costs.

Clients may limit or restrict Thornburg’s management of their accounts. However, Thornburg reserves the right not to enter into a contract with a prospective client, or to terminate an agreement with an existing client, if the proposed limitation or restriction is likely, in Thornburg’s opinion, to impair its ability to provide services to a client or is otherwise administratively or practically not feasible. Examples of limitations and restrictions that Thornburg has accepted in the past (but may not accept in the future) include directions not to invest in a certain type of company or industry. Clients must deliver all such requests to Thornburg in writing and requests will not be effective or implemented until Thornburg accepts them in writing.

When Thornburg buys or sells foreign securities, it must pay or accept the local currency and then convert the local currency, as well as the income and dividends, to the base currency of the account. Thornburg, the client’s custodian, or a third-party facility will perform these currency conversions.

The client's consent is typically required before Thornburg will use a third party for foreign currency transactions. While Thornburg will monitor the reasonableness of a third party's foreign currency transactions, it is the client's decision to use the custodian or a third party for foreign currency transactions. Additionally, Thornburg assumes no responsibility for a third party or custodian's execution or oversight of foreign currency transactions.

ITEM 17 VOTING CLIENT SECURITIES

Thornburg accepts authority to vote proxies on behalf of its clients in most, but not all client accounts. When Thornburg has the authority (which will be set forth in the client's agreement with Thornburg), Thornburg will follow its written proxy voting policies and procedures ("**Proxy Policy**"). The Proxy Policy states that proxies are an asset of the account and are to be voted to enhance the value of the security or to reduce the potential for a decline in the value of a security. The Proxy Policy authorizes Thornburg to delegate certain functions to service providers. Thornburg currently contracts with a third-party service provider to provide guidance on specific votes, recommend votes, and vote proxies on behalf of Thornburg.

Thornburg will not be able to vote proxies when the proxy materials are delivered late or without enough advance notice for Thornburg to evaluate the issues and cast the votes. Thornburg does not control the setting of record dates, shareholder meeting dates, or the timing or manner of distribution of proxy materials and ballots relating to shareholder votes. In addition, administrative matters beyond Thornburg's control may at times prevent Thornburg from voting proxies in certain non-U.S. markets.

Conflicts can arise between Thornburg's interest and the interest of clients. For example, Thornburg may have an investment management agreement with a company whose shares are held by client accounts, and a conflict arises if Thornburg is to vote proxies on those shares. When Thornburg believes that a proxy vote involves an actual conflict of interest, and the vote relates to the election of a director in an uncontested election or ratification of selection of independent accountants, Thornburg votes in accordance with the recommendation of its proxy voting service. If no recommendation is available, or if the proxy vote involves other matters, the Portfolio Manager informs the client of the conflict and refers the matter to the client for a decision.

Thornburg may decline to vote in a number of situations, including when an issue is not relevant to the Proxy Policy's voting objective or where Thornburg believes it is not possible to ascertain what effect a vote may have on the value of an investment (*e.g.*, social issues) or where costs are prohibitive (*e.g.*, foreign issuers). For example, proxy voting in certain countries requires "share blocking." During the share blocking period, shares that will be voted at a meeting may not be sold until the meeting has taken place and the shares are returned to the client's custodian bank. Thornburg may choose not to vote in a share blocking market if Thornburg believes that the benefit of being able to sell the shares during the blocking period outweighs the benefit of voting. In addition, certain non-U.S. markets require that Thornburg deliver a power of attorney authorizing a local agent to carry out Thornburg's voting instructions or comply with other administrative requirements. While Thornburg may seek to provide the required power of attorney and otherwise comply with imposed requirements, Thornburg may at times be unable to do so in a timely manner, which may prevent it from voting client shares.

You may request a complete copy of Thornburg's Proxy Policy by calling our Chief Compliance Officer, at 1-800-533-9337 or by sending a written request to Thornburg Investment Management, Attn: Chief Compliance Officer, 2300 N. Ridgetop Road, Santa Fe, NM 87506 or to compliance@thornburg.com.

Class Action Suits and Other Legal Proceedings

Unless otherwise arranged pursuant to an agreement with a client, Thornburg is not obligated to, and typically does not, file claims or make decisions on a client's behalf in legal proceedings (including bankruptcies and class actions) relating to securities held or formerly held in a client's account. If Thornburg receives a class action notification or proof-of-claim form, it will forward such materials if the client has instructed it to do so. The client should (i) ensure that its custodian is capable of filing, and has the proper authorization to file, proofs of claim on the client's behalf and (ii) determine whether and how to file a request for exclusion from a particular class action settlement.

ITEM 18 FINANCIAL INFORMATION

Not applicable. Thornburg does not require or solicit prepayment of any fees from clients. Thornburg knows of no financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients and has never been the subject of a bankruptcy petition.