

Thornburg Investment Income Builder Fund

Portfolio Manager Commentary
30 September 2022



This Portfolio Manager Commentary on Thornburg Investment Income Builder is published amidst the ongoing developments associated with the global coronavirus pandemic, the Russian invasion of Ukraine, and the highest reported inflation figures in the U.S. in more than 40 years. These ingredients led both the S&P 500 and the Bloomberg U.S. Aggregate Bond Indexes to report their worst first nine months of the year returns in decades, -23.88% and -14.61%, respectively.

Thornburg Investment Income Builder paid an ordinary quarterly dividend of 30.5¢ per I share in the quarter ending September 30, 2022. This compares to an ordinary dividend of 32.9¢ per I share for Q3 2021. Your fund paid \$1.24 per I share for the trailing four quarters, +7% versus the prior year comparable period.

The dividends per share were lower for A and C shares, to account for varying class-specific expenses.

Though we see a solid income backdrop for Thornburg Investment Income Builder in calendar 2022, we do not expect some of the 2021 tailwinds to repeat in calendar 2022. There were several drivers of your fund's higher dividend income in calendar 2021 over the preceding year.

- Approximately 75% of Income Builder's equity investments increased their dividends in calendar 2021. For now, we expect a significant majority of your fund's equity investments to pay higher dividends in their home currencies in 2022, possibly a similar percentage to last year.
- Foreign currencies were considerably stronger vs the \$U.S. when we received a significant portion of our dividends from the fund's non-U.S. equity investments in the first half of calendar 2021. For now, a stronger \$US is a double digit percentage headwind to dividends received in foreign currencies vis-à-vis this time in 2021.

Although incoming economic data from around the world indicate a slowing global economy, we are optimistic about the future return potential of Investment Income Builder's assets.

Portfolio Managers

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Supported by the entire Thornburg investment team

Average Annual Returns (% , as of 30 Sep 2022)

	QTR	YTD	1-YR	3-YR	5-YR	10-YR	ITD
A Shares TIBAX (Incep: 24 Dec 2002)							
With Sales Charge	-12.85	-22.01	-15.77	-0.69	1.53	4.36	7.55
Without Sales Charge	-8.73	-18.33	-11.81	0.84	2.46	4.84	7.80
I Shares* TIBIX (Incep: 3 Nov 2003)	-8.69	-18.18	-11.61	1.07	2.72	5.15	8.15
Investment Income Builder Blended Index	-5.78	-22.73	-18.22	2.85	4.14	6.45	6.78

ITD = Inception to Date

Periods less than one year are not annualized.

*Prior to inception of class I shares, performance is calculated from actual returns of the class A shares adjusted for the lower Institutional expenses.

The Blended index is composed of 25% Bloomberg U.S. Aggregate Bond Index and 75% MSCI World Index.

30-day SEC Yield as of 30 Sep 2022 – A shares: 3.50%; I shares: 3.93%

Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate so shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than quoted. For performance current to the most recent month end, visit thornburg.com or call 877-215-1330. The maximum sales charge for the Fund's A shares is 4.50%. There is no up-front sales charge for class I shares. The total annual fund operating expenses are as follows: A shares, 1.18%; I shares, 0.94%. For more detailed information on fund expenses and waivers/reimbursements please see the fund's prospectus.

This communication is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus.

THORNBURG INVESTMENT INCOME BUILDER FUND

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- Interest income was higher in 2021 due to strong receipts from asset-backed securities and interest on tax rebate challenges against several foreign governments. These challenges succeeded in reclaiming prior year taxes that were improperly withheld and interest on these amounts. It required court decisions and regulatory wrangling to resolve these claims. We do not expect a repeat of the interest earnings on tax rebates in 2022, though interest income from your fund's bond portfolio is rising.

- Special non-recurring dividends from several of our equity holdings relating to sales or spinoffs of subsidiaries, most notably Tesco and Daimler during 2021. Also, strong profits gave rise to enhanced distributions from other investments late in calendar 2021. We do have candidates for special dividend payments this year in your portfolio, but we have not matched the 2021 level of these payments so far in 2022.

The net asset value of Investment Income Builder's I shares decreased by \$2.16 per share (\$21.52 to \$19.36) during the September quarter and by \$3.77 per share (\$23.13 to \$19.36) for the year ending September 30, 2022. In brief, bonds repriced lower as interest rates increased, and most equities repriced lower on fears about the impact of higher interest rates on future economic growth and corporate profits.

Investment Income Builder's I share total return of -8.69% for the September quarter trailed its blended benchmark (75% MSCI World Index and 25% Bloomberg U.S. Aggregate Bond Index), which returned -5.78% for the quarter. For the 12 months ending September 30, 2022, Investment Income Builder's I share return of -11.61% exceeded the blended benchmark return of -18.22%. Performance comparisons of Investment Income Builder to its blended benchmark over various periods are shown on the previous page.

The quarter ending September 30, 2022, was the 79th full calendar quarter since the inception of Thornburg Investment Income Builder in December 2002. In 57 of these quarters, the fund delivered a

Table 1 | Investment Income Builder Fund—Top 25 Equity Holdings

(As of 30 Sep 2022. Together, these 25 firms comprised 58% of the fund's total assets. Cash & approximately 200 interest-bearing debt and hybrid securities comprised around 20% of fund assets, and 33 other common equities comprised a total of approximately 21% of fund assets.)

Name of Company	2021 Year Price Change	YTD 2022 Price Change at 30 Sep 2022	Dividend Yield at 30 Sep 2022 Price
TotalEnergies SE	17.7%	-7.0%	5.59%
Produces, refines, transports, and markets oil and natural gas products globally			
Orange S.A.	-9.9%	-15.5%	7.57%
Multi-national telecommunications network operator, home market is France Telecom			
CME Group, Inc.	25.5%	-22.5%	4.04%
Operates exchanges that trade futures contracts & options on rates, F/X, equities, commodities			
Broadcom, Inc.	52.0%	-22.4%	3.69%
Develops and markets digital and analogue semiconductors			
Pfizer, Inc.	60.4%	-25.9%	3.65%
Global health care company develops and sells medicines, vaccines, biologic therapies.			
BNP Paribas	31.3%	-38.3%	8.42%
Multinational commercial & capital markets bank. Most operations centered in Europe			
Vodafone Group plc	-8.0%	-25.9%	7.54%
Multi-national telecommunications company			
Taiwan Semiconductor Manufacturing Co. Ltd.	17.8%	-40.2%	2.61%
Leading semiconductor chip foundry in the world, fabricating chips used in many digital devices			
NN Group N.V.	34.0%	-28.0%	6.40%
Netherlands based life and casualty insurer, with market leading positions in Netherlands			
Glencore plc	59.6%	4.5%	6.44%
Diversified miner & commodities trader			
Regions Financial Corp.	35.2%	7.1%	3.99%
U.S. regional banking group, mostly operating in Southeastern U.S. states			
Samsung Electronics Co. Ltd.	-11.6%	-43.8%	2.72%
Manufactures consumer & industrial electronic products; leading semiconductor producer			
Assicurazioni Generali SpA	20.3%	-34.9%	7.63%
Italy-based multinational life & property/casualty insurers			
QUALCOMM, Inc.	20.0%	-38.2%	2.66%
Develops and delivers key components for digital wireless communications products			
Tesco plc	-1.9%	-41.3%	5.27%
UK based food retailer (paid 22% special dividend in 2021)			

Table continued on following page.

positive total return. The fund has delivered positive total returns in 15 of its 19 calendar years of existence. Importantly, Thornburg Investment Income Builder has delivered an average annualized total return of more than 8.15% since its inception 19.75 years ago, split between quarterly income distributions and share price appreciation.

Listed in *Table 1* in descending order are the 25 largest equity holdings in the fund at quarter end, along with their nine-month-2022 and 2021 calendar year share price changes in \$US. Also noted are dividend yields at closing September 30, 2022, stock prices. Together, these 25 firms comprised approximately 58% of the fund's total assets. Cash and more than 200 interest-bearing debt and hybrid securities comprised around 20% of fund assets, and 33 other common equities comprised a total of approximately 21% of fund assets. Individual position sizes of the 25 equities listed range from 4.5% of fund assets (Total Energies) to approximately 1.4% for those shown near the bottom of the list.

On average, \$US appreciation averaging approximately 10% vis-à-vis foreign currencies is responsible for some of the dollar-based share price declines of your fund's foreign currency denominated holdings seen year to date. We hedged more than half of the foreign currency exposure with respect to these holdings. The reader will notice a significant number of telecommunications, communications infrastructure, financial, and health care firms among these top 25 holdings, as well as other providers of various ingredients important to modern life. We believe that the share price declines for most of these during the first nine months of 2022, combined with their attractive current dividend yields and records of dividend growth, indicate good value.

These are not trivial businesses. These firms occupy important positions in their respective markets, and they tend to be well capitalized. Most have made reasonable progress in growing their bases of paying customers and distributable cash flows.

We have maintained your portfolio's exposure to dividend-paying firms that we believe have resilient businesses with strong capital structures. Compare the sector allocations of the equities in the Income Builder portfolio at various dates from March 31, 2020, to September 30, 2022, along with the changes in sector weights over the trailing year.

Table 1 (continued)

Name of Company	2021 Year Price Change	YTD 2022 Price Change at 30 Sep 2022	Dividend Yield at 30 Sep 2022 Price
Enel SpA	-21.6%	-48.1%	9.00%
Generates, distributes, and sells electricity and gas in Southern Europe & Latam			
JPMorgan Chase & Co.	24.6%	-34.0%	3.82%
U.S. based global financial services conglomerate serving business & individuals			
Roche Holding	18.5%	-20.7%	2.88%
Global health care company develops and sells medicines and diagnostic tools			
Abbvie, Inc.	26.4%	-0.9%	4.20%
Develops and sells pharmaceutical products			
Deutsche Telekom AG	9.0%	-7.1%	3.70%
Multi-national telecommunications network operator, majority owner of T-Mobile USA			
Equitable Holdings, Inc.	28.1%	-6.5%	3.04%
U.S. life insurer and asset manager (controls Alliance-Bernstein)			
LyondellBasell Industries	0.6%	-18.4%	6.32%
Manufacturer of plastics, chemicals, and fuel products			
Home Depot	56.2%	-33.5%	2.75%
Building products and home improvement retailer			
AstraZeneca plc	16.7%	-5.8%	2.66%
Global health care company develops and sells medicines			
Merck & Co., Inc.	-1.7%	12.4%	3.20%
Global health care company develops and sells medicines, vaccines, biologic therapies.			

Top Ten Holdings (as of 31 Aug 2022)

Holding	Weight (%)
TotalEnergies SE	4.4
Orange S.A.	3.8
Broadcom, Inc.	3.2
Vodafone Group plc	3.1
CME Group, Inc.	3.1
Taiwan Semiconductor Manufacturing Co. Ltd.	3.1
BNP Paribas S.A.	2.9
Pfizer, Inc.	2.8
Samsung Electronics Co. Ltd.	2.6
Tesco plc	2.5

Table 2 | Investment Income Builder Fund Sector Weights

	Mar '20	Dec '20	Sep '21	Dec '21	Jun '22	Sep '22	Sep '21– Sep '22 +/- Weighting
Financials	20.4	23.8	26.9	25.3	27.0	27.2	0.3
Information Technology	11.7	20.3	16.7	17.9	14.3	14.3	-2.4
Health Care	14.1	11.2	12.0	13.1	13.8	12.5	0.5
Communication Services	19.8	18.9	15.9	14.6	12.1	10.8	-5.1
Energy	8.6	4.8	5.1	5.3	7.5	10.4	5.3
Materials	4.0	4.1	4.8	5.1	6.0	7.5	2.7
Utilities	5.2	3.8	4.8	5.9	7.3	5.7	0.9
Industrials	3.2	1.8	3.3	2.3	3.5	3.9	0.6
Consumer Discretionary	3.2	3.3	3.5	3.7	3.4	3.7	0.2
Consumer Staples	5.2	5.1	5.5	5.7	3.9	3.4	-2.1
Real Estate	4.1	2.5	1.2	0.8	0.6	0.6	-0.6

May not add up to 100% due to rounding.

All eleven sectors of global equity markets delivered negative return in Q3'2022, ranging from -1.6% for the energy sector to approximately -14% for the communications sector. The MSCI World Index comprises 75%, and the entire equity portion, of the Thornburg Investment Income Builder's global performance benchmark.

In the Income Builder portfolio, eight equity investments contributed positive returns to overall portfolio performance during Q3'2022 with only one of these (Électricité de France) contributing more than +0.25% to overall fund performance. (Other positive equity contributors to quarterly performance included Petrobras, Regions Financial, Glencore, Shell, Home Depot, and Equitable Holdings).

Nineteen of the fund's equity investments made negative contributions to portfolio performance of below -0.25% during Q3'2022. These detractors from fund performance included telecommunications firms Orange, Vodafone and Deutsche Telekom; semiconductor firms Broadcom, Taiwan Semiconductor, Samsung Electronics and Qualcomm; pharmaceuticals firms Pfizer and Astra-Zeneca; insurers Generali and NN Group, mortgage REIT Chimera Investment, multi-national electric utilities ENEL and Endesa; exchange operator CME Group, integrated energy firm Total Energies, and UK grocer Tesco. Three of the four semiconductor firms in your fund's portfolio have little or no net debt and hold strong competitive positions in their respective segments.

Investment Income Builder's bond holdings delivered negative returns during the September quarter. Three months of interest payments could not overcome relatively sharp price declines in bond values due to higher interest rates. Ten-year U.S. Treasury bond yields rose from 3.01% on June 30 to 3.79% on September 30. Corporate and asset-backed bond prices declined in the September quarter as yield spreads to government bonds widened. The Bloomberg U.S. Corporate High Yield Index rose from 8.80% on June 30, 2022 to 9.68% on September 30 (yield to lower of call price or maturity). On September 30, 2022, the \$61 trillion Bloomberg Global Aggregate Bond Index showed an average maturity of 8.62 years and a yield of 3.70%, the latter +0.73% during the September quarter. Developed world bond yields outside the U.S. lag domestic bond yields by a significant margin, a circumstance that has supported the U.S. dollar.

Readers of this commentary who are long-time shareholders of Thornburg Investment Income Builder will recall that the interest-bearing debt portion of the fund's portfolio has varied over time, ranging from less than 9% in 2015 to 45% on June 30, 2009. We tend to allocate more portfolio assets to interest-bearing debt when debt yields are more attractive. Twenty percent of portfolio assets were invested in interest-bearing debt and near cash assets on September 30, 2022, up from 15% one year earlier. The remaining 80% were invested in equities as previously described.

The outlook for financial asset returns remains cloudy, but less so than nine months earlier. The "real" yield on the 10-year U.S. Treasury note (market yield on 10-year UST of 3.79% minus core Consumer Price Index of 6.30%) is near a multi-decade low

at -2.51%, using the August 2022 core Consumer Price Index. This negative real yield level differs materially from levels typically experienced over the investment lifetimes of most readers of this note. The trailing 30-year average “real yield” on 10-year U.S. Treasury notes was +1.60%, so the current difference vs historical average is significant. In 2022 bond yields have increased in favor of saver investors at the expense of borrowers for the first time in many years, equity valuations have cheapened, and inflation now appears to be headed lower.

Incoming economic data from around the world indicate a slowing global economy, possibly leading to a recession. That noted, we are optimistic about the future return potential of Thornburg Investment Income Builder’s assets. Why?

Equity and bond prices have already delivered significant declines in anticipation of central bank policy rate increases and some degree of economic recession. Virtually all the businesses in your portfolio retain their market positions providing important products and services that generate cash flows to pay attractive dividends. We believe they are valued very attractively in relation to their own histories and relative to other assets. At some point investors will anticipate lower interest rates and a strengthening global economy. The weighted average price/earnings ratio for Thornburg Investment Income Builder’s equity portfolio tabulated using Bloomberg reported results was approximately 8.0x as of June 30, significantly below the 14.5x price/earnings ratio of the MSCI World Index. Income Builder’s 6.29% weighted average equity portfolio dividend yield significantly exceeds the 2.48% dividend yield of the MSCI World Index. We believe your Income Builder portfolio incorporates significant intrinsic value.

Important Information

Unless otherwise noted, the source of all data, charts, tables and graphs is Thornburg Investment Management, Inc., as of 30 September 2022.

Prior to inception of class I shares, performance is calculated from actual returns of the class A shares adjusted for the lower Institutional expenses.

Investments carry risks, including possible loss of principal. Additional risks may be associated with investments outside the United States, especially in emerging markets, including currency fluctuations, illiquidity, volatility, and political and economic risks. Investments in small- and mid-capitalization companies may increase the risk of greater price fluctuations. Portfolios investing in bonds have the same interest rate, inflation, and credit risks that are associated with the underlying bonds. The value of bonds will fluctuate relative to changes in interest rates, decreasing when interest rates rise. Investments in the Fund are not FDIC insured, nor are they bank deposits or guaranteed by a bank or any other entity.

The views expressed are subject to change and do not necessarily reflect the views of Thornburg Investment Management, Inc. This information should not be relied upon as a recommendation or investment advice and is not intended to predict the performance of any investment or market.

There is no guarantee that the Fund will meet its investment objectives.

Any securities, sectors, or countries mentioned are for illustration purposes only. Holdings are subject to change. Under no circumstances does the information contained within represent a recommendation to buy or sell any security.

Neither the payment of, or increase in, dividends is guaranteed.

Important Information (continued)

Asset-backed Security (ABS) - A security whose value and income payments are derived from and collateralized (or "backed") by a specified pool of underlying assets. The pool of assets is typically a group of small and illiquid assets that are unable to be sold individually. Pooling the assets into financial instruments allows them to be sold to general investors, a process called securitization, and allows the risk of investing in the underlying assets to be diversified because each security will represent a fraction of the total value of the diverse pool of underlying assets.

Consumer Price Index (CPI) - Index that measures prices of a fixed basket of goods bought by a typical consumer, including food, transportation, shelter, utilities, clothing, medical care, entertainment and other items. The CPI, published by the Bureau of Labor Statistics in the Department of Labor, is based at 100 in 1982 and is released monthly. It is widely used as a cost-of-living benchmark to adjust Social Security payments and other payment schedules, union contracts and tax brackets. Also known as the cost-of-living index.

Dividend Yield - A ratio that shows how much a company pays out in dividends each year relative to its share price.

Price/Cash Flow - The measure of the market's expectations regarding a firm's future financial health. It is calculated by dividing price per share by cash flow per share.

P/E - Price/Earnings ratio (P/E ratio) is a valuation ratio of a company's current share price compared to its per-share earnings. P/E equals a company's market value per share divided by earnings per share. Forecasted P/E is not intended to be a forecast of the fund's future performance.

Real Yield - Yield from an investment adjusted for the effects of inflation.

REITs - Securities that sell like a stock on the major exchanges and invest in real estate directly, either through properties or mortgages. REITs receive special tax considerations and typically offer investors high yields as well as a highly liquid method of investing in real estate.

SEC Yield - A yield computed in accordance with SEC standards measuring the net investment income per share over a specified 30-day period expressed as a percentage of the maximum offering price of the Fund's shares at the end of the period.

Yield Spread - The difference between yields on differing debt instruments, calculated by deducting the yield of one instrument from another.

UST = United States Treasury

The Blended index is composed of 25% Bloomberg U.S. Aggregate Bond Index and 75% MSCI World Index.

The Bloomberg US Corporate High Yield Total Return Index Value Unhedged USD measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below. The index excludes emerging market debt.

The Bloomberg Global Aggregate Index is a flagship measure of global investment grade debt from twenty-four local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

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The S&P 500 Total Return Index is an unmanaged broad measure of the U.S. stock market.

The MSCI World Index is an unmanaged market-weighted index that consists of securities traded in 23 of the world's most developed countries. Securities are listed on exchanges in the U.S., Europe, Canada, Australia, New Zealand, and the Far East. The index is calculated with net dividends reinvested in U.S. dollars.

The performance of any index is not indicative of the performance of any particular investment. Unless otherwise noted, index returns reflect the reinvestment of income dividends and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. Investors may not make direct investments into any index.

This communication is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus. Investors should consider the Fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the Fund.