

# 2019 ANNUAL REPORT

December 31, 2019

BRIDGEWAY LARGE CAP GROWTH FUND

BRIDGEWAY LARGE CAP VALUE FUND

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary, such as a broker-dealer or bank. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund or your financial intermediary electronically by going to [www.americanbeaconfunds.com](http://www.americanbeaconfunds.com) and clicking on "Quick Links" and then "Register for E-Delivery."

You may elect to receive all future reports in paper free of charge. You can inform the Fund that you wish to continue receiving paper copies of your shareholder reports by calling 1-800-658-5811, option 1, or you may directly inform your financial intermediary of your wish. A notice that will be mailed to you each time a report is posted will also include instructions for informing the Fund that you wish to continue receiving paper copies of your shareholder reports. Your election to receive reports in paper will apply to all funds held with the American Beacon Funds Complex or your financial intermediary, as applicable paper will apply to all funds held with the American Beacon Funds Complex or your financial intermediary, as applicable.

## *About American Beacon Advisors*

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Since 1986, American Beacon Advisors, Inc. has offered a variety of products and investment advisory services to numerous institutional and retail clients, including a variety of mutual funds, corporate cash management, and separate account management.

Our clients include defined benefit plans, defined contribution plans, foundations, endowments, corporations, financial planners, and other institutional investors. With American Beacon Advisors, you can put the experience of a multi-billion dollar asset management firm to work for your company.

### **BRIDGEWAY LARGE CAP GROWTH FUND**

**Growth stocks** typically are more volatile than value stocks; however, value stocks have a lower expected growth rate in earnings and sales. Investing in **foreign securities** may involve heightened risk due to currency fluctuations and economic and political risks. While the Fund is managed pursuant to a tax management strategy, the Fund's investments could create **capital gains**. The use of **futures contracts** for cash management may subject the Fund to losing more money than invested. Please see the prospectus for a complete discussion of the Fund's risks. There can be no assurances that the investment objectives of this Fund will be met.

### **BRIDGEWAY LARGE CAP VALUE FUND**

Investing in **value stocks** may limit downside risk over time; however, the Fund may produce more modest gains than riskier stock funds as a trade-off for this potentially lower risk. Investing in **foreign securities** may involve heightened risk due to currency fluctuations and economic and political risks. While the Fund is managed pursuant to a tax management strategy, the Fund's investments could create **capital gains**. The use of **futures contracts** for cash management may subject the Fund to losing more money than invested. Please see the prospectus for a complete discussion of the Fund's risks. There can be no assurances that the investment objectives of this Fund will be met.

Any opinions herein, including forecasts, reflect our judgment as of the end of the reporting period and are subject to change. Each advisor's strategies and each Fund's portfolio composition will change depending on economic and market conditions. This report is not a complete analysis of market conditions, and, therefore, should not be relied upon as investment advice. Although economic and market information has been compiled from reliable sources, American Beacon Advisors, Inc. makes no representation as to the completeness or accuracy of the statements contained herein.

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## President's Message

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Dear Shareholders,

In recent months, you've likely seen and heard news reports about disruptive headwinds in the global economy - *including the U.S. trade war with China and its toll on the global economy, slowing global growth, the Federal Reserve's series of rate cuts, Brexit, disruptions in the Middle East and protests in Hong Kong* - and watched a flood of reaction in the world's markets.

As Peter L. Bernstein said in his treatise on risk, *Against the Gods: The Remarkable Story of Risk*, published by John Wiley & Sons, Inc. in September 1998, "Volatility is a proxy for uncertainty and must be accommodated in measuring investment risk."

During times of economic uncertainty and market volatility, fear of loss can be a powerful emotion - one that drives many investors to making short-term decisions subject to a variety of potential error-leading biases. Unfortunately, some short-term investment decisions may create more volatility rather than mitigate it.

Instead of dwelling on the markets' short-term reaction to waves of negative global news, we encourage investors to focus on the horizon instead. Long-term investing isn't about identifying and anticipating the next big market move, it is about identifying the right investment products for riding out those moves. As a long-term investor, you should keep in mind the three Ds: direction, discipline and diversification.

- ▶ **Direction:** Achieving your long-term financial goals requires an individualized plan of action. You may want your plan to provide some measure of protection against periods of geopolitical turmoil, economic uncertainty, market volatility and job insecurity. Your plan should be reviewed annually and be adjusted in the event your long-range needs change.
- ▶ **Discipline:** Long-term, systematic participation in an investment portfolio requires your resolution to stay the course. Spending time in the market - rather than trying to time the market - may place you in a better position to reach your long-term financial goals.
- ▶ **Diversification:** By investing in different investment styles and asset classes, you may be able to help mitigate financial risks across your investment portfolio. By allocating your investment portfolio according to your risk-tolerance level, you may be better positioned to weather storms and achieve your long-term financial goals.

Since 1986, American Beacon has endeavored to provide investors with a disciplined approach to realizing long-term financial goals. As a manager of managers, we strive to provide investment products that may enable investors to participate during market upswings while potentially insulating against market downswings.

Many of the sub-advisors to our mutual funds pursue upside capture and/or downside protection using proprietary strategies. The investment teams behind our mutual funds seek to produce consistent, long-term results rather than focus only on short-term movements in the markets. In managing our investment products, we emphasize identifying opportunities that offer the potential for long-term rewards.

Our management approach is more than a concept; it's the cornerstone of our culture. And we strive to apply it at every turn as we seek to provide a well-diversified line of investment solutions to help our shareholders seek long-term rewards while mitigating volatility and risk.

Thank you for your continued interest in American Beacon. For additional information about our investment products or to access your account information, please visit our website at [www.americanbeaconfunds.com](http://www.americanbeaconfunds.com).

Best Regards,



Gene L. Needles, Jr.  
President  
American Beacon Funds

# Domestic Equity Market Overview

December 31, 2019 (Unaudited)

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The domestic equity market was strong for the 12-month period under review despite uncertainty surrounding tariff, political and economic headlines. The 31.5% return of the S&P 500 Index (the “Index”) was its highest annual return since 2013; the Index recorded 35 all-time highs during the year. Large-capitalization stocks outpaced small, and Growth stocks outperformed Value stocks across market caps. The Russell 2000 Growth Index outperformed the Russell 2000 Value Index by 6.1 percentage points, while the Russell 1000 Growth Index outperformed the Russell 1000 Value Index by 9.9 percentage points.

In the first quarter of 2019, the Index returned 13.7%, as aforementioned investor fears eased allowing equity markets to recoup nearly all declines from the fourth quarter of the 2018 market drawdown. This strong reversal was particularly driven by an increasingly optimistic outlook on U.S.-China trade talks, better-than-expected domestic GDP growth of 3.1%, healthy wage growth of 3.4%, and the Federal Reserve (the “Fed”) shifting to a more accommodative and “patient” stance.

Negative trade news flow between the U.S. and trading partners China and Mexico inundated investors during the second quarter of 2019 and drove market volatility. Optimism around U.S.-China trade relations quickly flipped negative with an announcement by the U.S. of a third round of tariffs. Additionally, the U.S. threatened a 5% tariff against Mexico. The tariff headlines, coupled with lower 2019 profit growth estimates for the Index, led to poor equity returns in May. However, Mexico’s ratification of the new United States-Mexico-Canada Agreement, which replaces the 25-year-old North American Free Trade Agreement, as well as supportive macro data, such as a continued low unemployment rate of 3.6%, pushed the market higher for another consecutive quarter.

Trade-war rhetoric moved markets again in the third quarter of 2019. A fourth round of tariffs was announced and implemented, and the U.S. Department of the Treasury also designated China as a currency manipulator. Conversely, U.S. retail sales grew at a much better pace compared to the end of 2018 (4.4% year-over-year in August 2019 versus 1.5% in December 2018). Monetary conditions were again eased after the Fed cut its target rate twice during the third quarter of 2019, citing uncertainties in the global economic outlook.

A strong Index return of 9.1% in the fourth quarter of 2019 pushed the Index return for the 12-month period to 31.5%. Despite a slower U.S. economic growth rate of 2.1%, unemployment again achieved another 50-year low at 3.5%. In addition, domestic retail sales continued to grow at an increasing rate of 5.8% year-over-year in December, providing evidence the U.S. consumer remained healthy. October tariffs on China were canceled and, by the end of the year, Phase One of the U.S.-China trade deal was all but signed, causing business clarity and improved CEO confidence.

As the year ended, equity markets moved solidly higher in 2019, supported mainly by expanded price-to-earnings multiples as a result of controlled inflation trends and a variety of economic metrics that served as a “no recession now” signal.

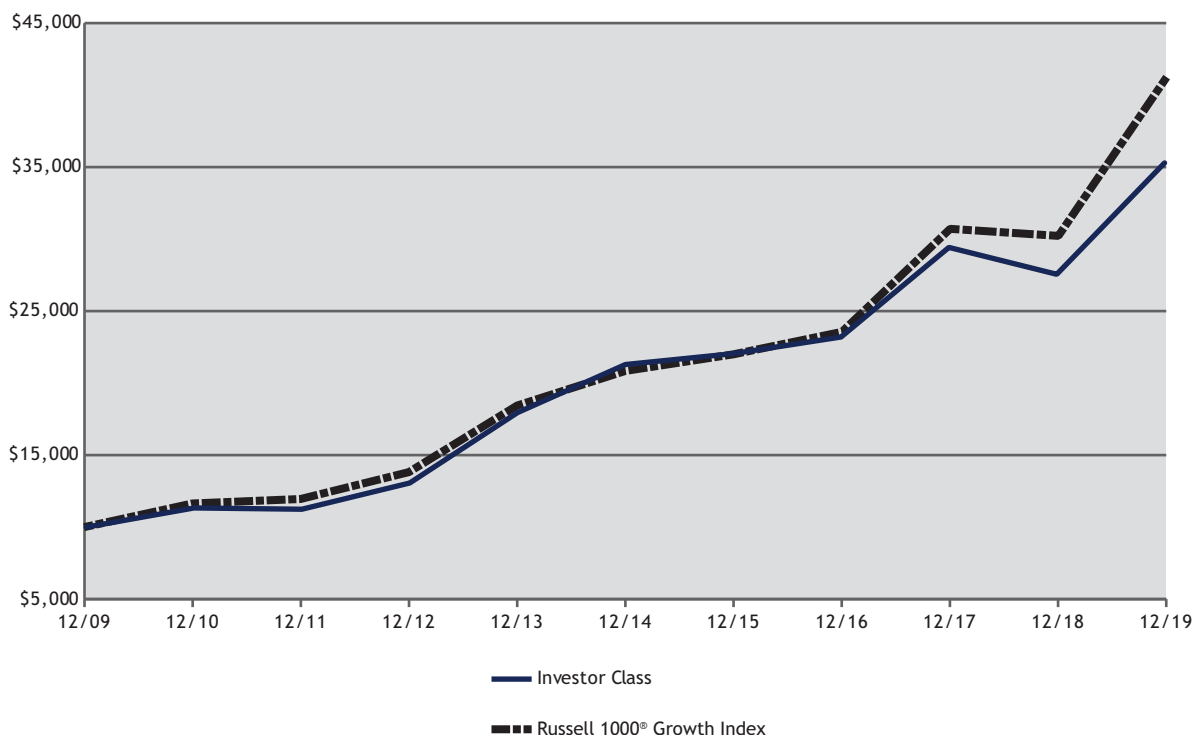
# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Performance Overview

December 31, 2019 (Unaudited)

The Investor Class of the American Beacon Bridgeway Large Cap Growth Fund (the “Fund”) returned 29.70% for the twelve months ended December 31, 2019, compared to the Russell 1000<sup>®</sup> Growth Index (the “Index”) return of 36.39% for the same period.

Comparison of Change in Value of a \$10,000 Investment for the period from 12/31/2009 through 12/31/2019



### Total Returns for the Period Ended December 31, 2019

	Ticker	1 Year	3 Years	5 Years	10 Years	Value of \$10,000 12/31/2009- 12/31/2019
Institutional Class (1,8)	BRLGX	30.18%	15.90%	11.24%	13.75%	\$36,262
Y Class (1,2,8)	BLYYX	30.11%	15.81%	11.17%	13.71%	\$36,153
Investor Class (1,3,8)	BLYPX	29.70%	15.47%	10.91%	13.58%	\$35,729
A without Sales Charge (1,4,8)	BLYAX	29.74%	15.49%	10.93%	13.59%	\$35,769
A with Sales Charge (1,4,8)	BLYAX	22.29%	13.23%	9.63%	12.92%	\$33,719
C without Sales Charge (1,5,8)	BLYCX	28.75%	14.63%	10.28%	13.26%	\$34,720
C with Sales Charge (1,5,8)	BLYCX	27.75%	14.63%	10.28%	13.26%	\$34,720
R6 Class (1,6,8)	BLYRX	30.30%	15.93%	11.26%	13.76%	\$36,294
Russell 1000 <sup>®</sup> Growth Index (7)		36.39%	20.49%	14.63%	15.22%	\$41,234

- Performance shown is historical and is not indicative of future returns. Investment returns and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Performance shown is calculated based on the published end-of-day net asset values as of date indicated, and current performance may be lower or higher than the performance data quoted. To obtain performance as of the most recent month end, please visit [www.americanbeaconfunds.com](http://www.americanbeaconfunds.com) or call 1-800-967-9009. Fund performance in the table above does not reflect the deduction of taxes a shareholder would pay on distributions or the redemption of shares. Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only; and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights. A portion of fees charged to the Institutional Class of the Fund has been waived since Fund inception. Performance prior to waiving fees was lower than actual returns shown since inception. Please note that the recent performance of the securities market has helped produce short-term returns that are not typical and may not continue in the future.

# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Performance Overview

December 31, 2019 (Unaudited)

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- Fund performance for the five-year and ten-year periods represent the returns achieved by the Institutional Class from 12/31/09 up to 2/5/16, the inception date of the Y Class, and the returns of the Y Class since its inception. Expenses of the Y Class are higher than those of the Institutional Class. As a result, total returns shown may be higher than they would have been had the Y Class been in existence since 12/31/09. A portion of the fees charged to the Y Class has been waived since Fund inception. Performance prior to waiving fees was lower than actual returns shown since inception.*
- Fund performance for the five-year and ten-year periods represent the returns achieved by the Institutional Class from 12/31/09 up to 2/5/16, the inception date of the Investor Class, and the returns of the Investor Class since its inception. Expenses of the Investor Class are higher than those of the Institutional Class. Therefore, total returns shown may be higher than they would have been had the Investor Class been in existence since 12/31/09. A portion of the fees charged to the Investor Class of the Fund has been waived since Fund inception. Performance prior to waiving fees was higher than actual returns shown since inception.*
- Fund performance for the five-year and ten-year periods represent the returns achieved by the Institutional Class from 12/31/09 through 2/5/16, the inception date of the A Class, and the returns of the A Class since its inception. Expenses of the A Class are higher than those of the Institutional Class. As a result, total returns shown may be higher than they would have been had the A Class been in existence since 12/31/09. A portion of the fees charged to the A Class of the Fund has been waived since Fund inception. Performance prior to waiving fees was lower than actual returns shown since inception. A Class shares have a maximum sales charge of 5.75%.*
- Fund performance for the five-year and ten-year periods represent the returns achieved by the Institutional Class from 12/31/09 through 2/5/16, the inception date of the C Class, and the returns of the C Class since its inception. Expenses of the C Class are higher than those of the Institutional Class. As a result, total returns shown may be higher than they would have been had the C Class been in existence since 12/31/09. A portion of fees charged to the C Class of the Fund was waived from Fund inception through 2017, partially recovered in 2018, and waived in 2019. Performance prior to waiving fees was lower than actual returns shown through 2017 and for 2019. The maximum contingent deferred sales charge for the C Class is 1.00% for shares redeemed within one year of the date of purchase.*
- Fund performance for the three-year, five-year and ten-year periods represent the returns achieved by the Institutional Class from 12/31/09 through 4/30/18, the inception date of the R6 Class and the returns of the R6 Class since its inception. Expenses of the R6 Class are lower than the Institutional Class. As a result, total returns shown may be lower than they would have been had the R6 Class been in existence since 12/31/09. A portion of fees charged to the R6 Class of the Fund has been waived since Fund inception. Performance prior to waiving fees was lower than actual returns shown since inception.*
- The Russell 1000<sup>®</sup> Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 Growth Index and Russell 1000 Index are registered trademarks of Frank Russell Company. Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell<sup>®</sup> is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or Russell ratings or underlying data, and no party may rely on any Russell Indexes and/or Russell ratings and/or underlying data contained in this communication. No further distribution of Russell Data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication. One cannot directly invest in an index.*
- The Total Annual Fund Operating Expense ratios set forth in the most recent Fund prospectus for the Institutional, Y, Investor, A, C and R6 Class shares were 0.93%, 0.97%, 1.20%, 1.25%, 1.95% and 4.15%, respectively. The expense ratios above may vary from the expense ratios presented in other sections of this report that are based on expenses incurred during the period covered by this report.*

The Fund trailed the Index for the period due to stock selection and sector allocation.

Most of the Fund's underperformance related to security selection was attributed to holdings in the Information Technology and Health Care sectors. Within Information Technology, underweighting Apple, Inc. and Microsoft Corp. (up 89.95% and 37.43%, respectively) hurt performance. In the Health Care sector, the Fund owned ABIOMED, Inc. (down 47.63%) and Centene Corp. (down 15.18%) detracting from relative performance. This performance was modestly offset by positions in the Consumer Discretionary sector. Within this sector, Lululemon Athletica, Inc. (up 91.23%) and Best Buy Co., Inc. (up 70.29%) contributed most to the Fund's relative performance.

From a sector allocation perspective, the Fund's overweight in Health Care detracted from relative performance, while an underweight to the Information Technology sector, the highest-returning sector in the Index, also hampered relative performance for the period. Offsetting some of this performance was an underweight allocation to the Energy sector, which was the worst performing sector for the period.

The sub-advisor continues to invest in a broadly diversified portfolio of companies they believe have attractive valuations and above-average earnings growth potential. This approach should allow the Fund to benefit over the longer term.

# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Performance Overview

December 31, 2019 (Unaudited)

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### Top Ten Holdings (% Net Assets)

Amazon.com, Inc.	3.4
Apple, Inc.	3.2
Micron Technology, Inc.	2.8
UnitedHealth Group, Inc.	2.4
Walt Disney Co.	2.4
O'Reilly Automotive, Inc.	2.3
VeriSign, Inc.	2.2
Advanced Micro Devices, Inc.	2.1
Starbucks Corp.	2.0
Merck & Co., Inc.	1.9

Total Fund Holdings 80

### Sector Allocation (% Equities)

Information Technology	34.7
Consumer Discretionary	17.9
Health Care	14.8
Industrials	8.7
Communication Services	7.6
Financials	6.2
Real Estate	4.6
Consumer Staples	3.6
Materials	1.9



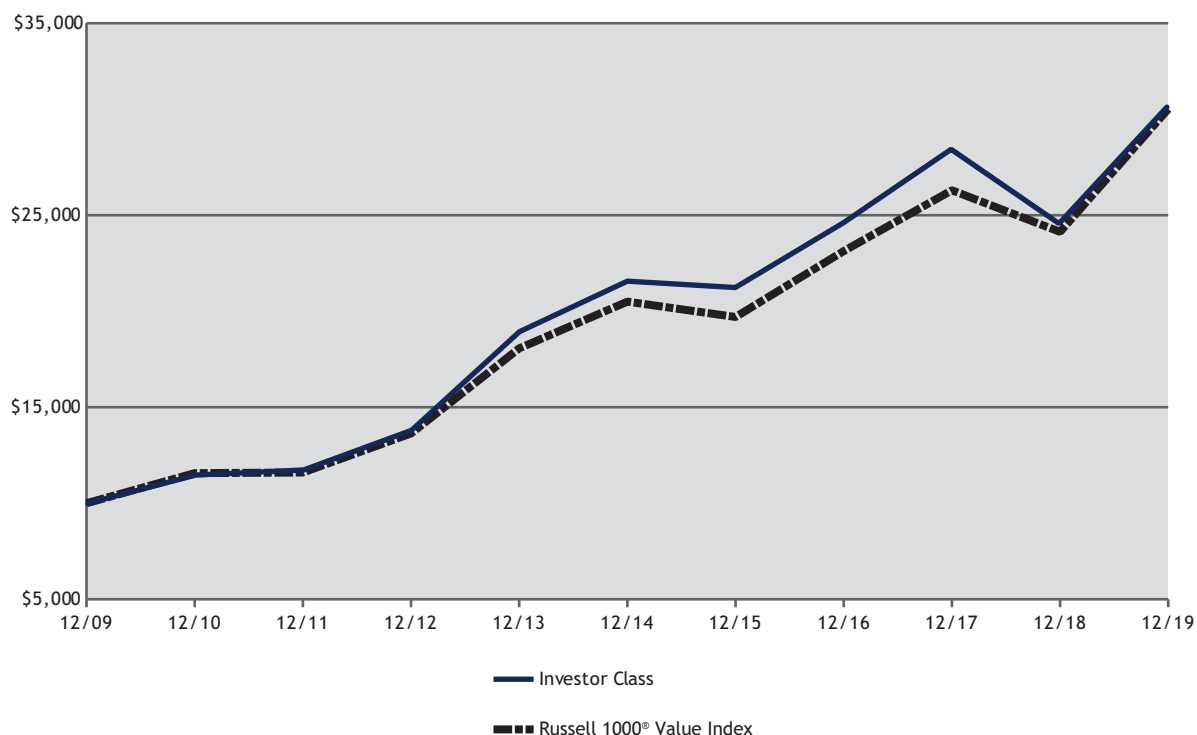
# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Performance Overview

December 31, 2019 (Unaudited)

The Investor Class of the American Beacon Bridgeway Large Cap Value Fund (the “Fund”) returned 24.68% for the twelve months ended December 31, 2019. The Fund underperformed the Russell 1000<sup>®</sup> Value Index (the “Index”) return of 26.54% for the same period.

Comparison of Change in Value of a \$10,000 Investment for the period from 12/31/2009 through 12/31/2019



### Total Returns for the Period Ended December 31, 2019

		1 Year	3 Years	5 Years	10 Years	Value of \$10,000 12/31/2009- 12/31/2019
Institutional Class (1,8)	BRLVX	25.11%	7.93%	7.61%	12.12%	\$31,406
Y Class (1,2,8)	BWLYX	25.06%	7.87%	7.56%	12.07%	\$31,248
Investor Class (1,3,8)	BWLIX	24.68%	7.58%	7.27%	11.84%	\$30,614
A without Sales Charge (1,4,8)	BWLAX	24.70%	7.55%	7.24%	11.77%	\$30,438
A with Sales Charge (1,4,8)	BWLAX	17.51%	5.44%	5.98%	11.12%	\$28,697
C without Sales Charge (1,5,8)	BWLCX	23.79%	6.77%	6.45%	11.14%	\$28,757
C with Sales Charge (1,5,8)	BWLCX	22.79%	6.77%	6.45%	11.14%	\$28,757
R6 Class (1,6,8)	BWLRX	25.17%	7.94%	7.62%	12.13%	\$31,414
Russell 1000 <sup>®</sup> Value Index (7)		26.54%	9.68%	8.29%	11.80%	\$30,505

- Performance shown is historical and is not indicative of future returns. Investment returns and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Performance shown is calculated based on the published end-of-day net asset values as of date indicated, and current performance may be lower or higher than the performance data quoted. To obtain performance as of the most recent month end, please visit [www.americanbeaconfunds.com](http://www.americanbeaconfunds.com) or call 1-800-967-9009. Fund performance in the table above does not reflect the deduction of taxes a shareholder would pay on distributions or the redemption of shares. Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total returns based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights. A portion of the fees charged to the Institutional Class was waived from 2008 through 2013, partially recovered in 2014, and fully recovered in 2015. Performance prior to waiving fees was lower than the actual returns shown for 2008 through 2013. Please note that the recent performance of the securities market has helped produce short-term returns that are not typical and may not continue in the future.

# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Performance Overview

December 31, 2019 (Unaudited)

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- Fund performance for the ten-year period represents the returns achieved by the Institutional Class from 12/31/09 up to 2/3/12, the inception date of the Y Class, and the returns of the Y Class since its inception. Expenses of the Y Class are higher than those of the Institutional Class. As a result, total returns shown may be higher than they would have been had the Y Class been in existence since 12/31/09. A portion of the fees charged to the Y Class was waived in 2012, partially recovered in 2013 and fully recovered in 2014. Performance prior to waiving fees was lower than the actual returns shown for 2012.*
- Fund performance for the ten-year period represents the returns achieved by the Institutional Class from 12/31/09 up to 2/3/12, the inception date of the Investor Class, and the returns of the Investor Class since its inception. Expenses of the Investor Class are higher than those of the Institutional Class. Therefore, total returns shown may be higher than they would have been had the Investor Class been in existence since 12/31/09. A portion of the fees charged to the Investor Class was waived in 2012 and fully recovered in 2013. Performance prior to waiving fees was lower than the actual returns shown for 2012.*
- Fund performance for the ten-year period represents the returns achieved by the Institutional Class from 12/31/09 through 2/3/12, the inception date of the A Class, and the returns of the A Class since its inception. Expenses of the A Class are higher than those of the Institutional Class. As a result, total returns shown may be higher than they would have been had the A Class been in existence since 12/31/09. A portion of the fees charged to the A Class was waived in 2012 and 2013 and fully recovered in 2014. Performance prior to waiving fees was lower than the actual returns shown for 2012 and 2013. A Class shares have a maximum sales charge of 5.75%.*
- Fund performance for the ten-year period represents the returns achieved by the Institutional Class from 12/31/09 through 2/3/12, the inception date of the C Class, and the returns of the C Class since its inception. Expenses of the C Class are higher than those of the Institutional Class. As a result, total returns shown may be higher than they would have been had the C Class been in existence since 12/31/09. A portion of the fees charged to the C Class was waived in 2012 and 2013 and fully recovered in 2014. Performance prior to waiving fees was lower than the actual returns shown for 2012 and 2013. The maximum contingent deferred sales charge for the C Class is 1.00% for shares redeemed within one year of the date of purchase.*
- Fund performance for the three-year, five-year and ten-year periods represent the returns achieved by the Institutional Class from 12/31/09 through 4/28/17, the inception date of the R6 Class, and the returns of the R6 Class since its inception. Expenses of the R6 Class are lower than the Institutional Class. As a result, total returns shown may be lower than they would have been had the R6 Class been in existence since 12/31/09. A portion of the fees charged to the R6 Class of the Fund was waived in 2017 and 2019. Performance prior to waiving fees was lower than actual returns shown for 2017 and 2019.*
- The Russell 1000<sup>®</sup> Value Index is an unmanaged index of those stocks in the Russell 1000 Index with lower price-to-book ratios and lower forecasted growth values. The Russell 1000 Index measures the performance of the 1,000 largest U.S. companies based on total market capitalization. Russell 1000 Value Index and Russell 1000 Index are registered trademarks of the Frank Russell Company. Frank Russell Company (“Russell”) is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell<sup>™</sup> is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or Russell ratings or underlying data, and no party may rely on any Russell Indexes and/or Russell ratings and/or underlying data contained in this communication. No further distribution of Russell Data is permitted without Russell’s express written consent. Russell does not promote, sponsor or endorse the content of this communication. One cannot directly invest in an index.*
- The Total Annual Fund Operating Expense ratios set forth in the most recent Fund prospectus for the Institutional, Y, Investor, A, C and R6 Class shares were 0.72%, 0.79%, 1.05%, 1.07%, 1.79% and 0.70%, respectively. The expense ratios above may vary from the expense ratios presented in other sections of this report that are based on expenses incurred during the period covered by this report.*

The Fund trailed the Index as stock selection detracted value relative to the Index while positive sector allocation added to relative performance.

From a stock selection perspective, the positions in the Consumer Discretionary and Industrials sectors detracted the most relative value. Within the Consumer Discretionary sector, the Fund’s positions in Macy’s, Inc. and Kohl’s Corp. (down 38.24% and 19.23%, respectively) hampered performance. Companies in the Industrials sector detracting from relative performance included American Airlines Group, Inc. (down 9.49%) and Johnson Controls International (down 4.46%). This was somewhat offset by stock selection in the Energy sector including Anadarko Petroleum Corp. (up 67.38%) and Marathon Oil Corp. (up 36.11%).

The Fund’s underweight allocation to the Energy sector, the worst performing sector for the Index, added to relative performance. The Fund’s overweight position to the Financials and Information Technology sectors, both high-performing sectors for the Index, also positively affected returns for the period. Somewhat offsetting this performance was a slight overweight to Materials and a modest underweight to the Real Estate sector.

The sub-advisor continues to invest in a broadly diversified portfolio of companies they believe have attractive valuations and above-average earnings growth potential. This approach should allow the Fund to benefit over the longer term.

# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Performance Overview

December 31, 2019 (Unaudited)

<b>Top Ten Holdings (% Net Assets)</b>	
Pfizer, Inc.	1.7
Bank of America Corp.	1.6
Walt Disney Co.	1.6
Citigroup, Inc.	1.5
Regions Financial Corp.	1.5
Biogen, Inc.	1.4
ConocoPhillips	1.4
Micron Technology, Inc.	1.4
Procter & Gamble Co.	1.4
Western Digital Corp.	1.4

Total Fund Holdings 98

<b>Sector Allocation (% Equities)</b>	
Financials	26.5
Industrials	11.8
Health Care	10.8
Consumer Discretionary	8.9
Communication Services	8.3
Consumer Staples	8.3
Information Technology	7.7
Energy	6.7
Real Estate	4.7
Materials	4.6
Utilities	1.7

### Fund Expense Example

As a shareholder of a Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments and redemption fees, if applicable, and (2) ongoing costs, including management fees, distribution (12b-1) fees, sub-transfer agent fees, and other Fund expenses. The Examples are intended to help you understand the ongoing cost (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds. The Examples are based on an investment of \$1,000 invested at the beginning of the period in each Class and held for the entire period from July 1, 2019 through December 31, 2019.

### Actual Expenses

The “Actual” lines of the tables provide information about actual account values and actual expenses. You may use the information on this page, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = \$8.60), then multiply the result by the “Expenses Paid During Period” to estimate the expenses you paid on your account during this period. Shareholders of the Investor and Institutional Classes that invest in the Fund through an IRA or Roth IRA may be subject to a custodial IRA fee of \$15 that is typically deducted each December. If your account was subject to a custodial IRA fee during the period, your costs would have been \$15 higher.

### Hypothetical Example for Comparison Purposes

The “Hypothetical” lines of the tables provide information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed 5% per year rate of return before expenses (not the Fund’s actual return). You may compare the ongoing costs of investing in the Funds with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. Shareholders of the Investor and Institutional Classes that invest in the Funds through an IRA or Roth IRA may be subject to a custodial IRA fee of \$15 that is typically deducted each December. If your account was subject to a custodial IRA fee during the period, your costs would have been \$15 higher.

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs charged by the Funds, such as sales charges (loads) or redemption fees, as applicable. Similarly, the expense examples for other funds do not reflect any transaction costs charged by those funds, such as sales charges (loads), redemption fees or exchange fees. Therefore, the “Hypothetical” lines of the tables are useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. If you were subject to any transaction costs during the period, your costs would have been higher.

# American Beacon Funds<sup>SM</sup>

## Expense Examples

December 31, 2019 (Unaudited)

### American Beacon Bridgeway Large Cap Growth Fund

	Beginning Account Value 7/1/2019	Ending Account Value 12/31/2019	Expenses Paid During Period 7/1/2019-12/31/2019*
<b>Institutional Class</b>			
Actual	\$1,000.00	\$1,074.00	\$4.23
Hypothetical**	\$1,000.00	\$1,021.12	\$4.13
<b>Y Class</b>			
Actual	\$1,000.00	\$1,073.30	\$4.76
Hypothetical**	\$1,000.00	\$1,020.62	\$4.63
<b>Investor Class</b>			
Actual	\$1,000.00	\$1,071.90	\$6.21
Hypothetical**	\$1,000.00	\$1,019.21	\$6.06
<b>A Class</b>			
Actual	\$1,000.00	\$1,071.70	\$6.32
Hypothetical**	\$1,000.00	\$1,019.11	\$6.16
<b>C Class</b>			
Actual	\$1,000.00	\$1,067.90	\$10.22
Hypothetical**	\$1,000.00	\$1,015.33	\$9.96
<b>R6 Class</b>			
Actual	\$1,000.00	\$1,074.30	\$3.97
Hypothetical**	\$1,000.00	\$1,021.37	\$3.87

\* Expenses are equal to the Fund's annualized expense ratios for the six-month period of 0.81%, 0.91%, 1.19%, 1.21%, 1.96%, and 0.76% for the Institutional, Y, Investor, A, C, and R6 Classes, respectively, multiplied by the average account value over the period, multiplied by the number derived by dividing the number of days in the most recent fiscal half-year (184) by days in the year (365) to reflect the half-year period.

\*\* 5% return before expenses.

### American Beacon Bridgeway Large Cap Value Fund

	Beginning Account Value 7/1/2019	Ending Account Value 12/31/2019	Expenses Paid During Period 7/1/2019-12/31/2019*
<b>Institutional Class</b>			
Actual	\$1,000.00	\$1,079.60	\$3.83
Hypothetical**	\$1,000.00	\$1,021.53	\$3.72
<b>Y Class</b>			
Actual	\$1,000.00	\$1,079.60	\$4.19
Hypothetical**	\$1,000.00	\$1,021.17	\$4.08
<b>Investor Class</b>			
Actual	\$1,000.00	\$1,077.80	\$5.60
Hypothetical**	\$1,000.00	\$1,019.81	\$5.45
<b>A Class</b>			
Actual	\$1,000.00	\$1,077.70	\$5.76
Hypothetical**	\$1,000.00	\$1,019.66	\$5.60
<b>C Class</b>			
Actual	\$1,000.00	\$1,073.80	\$9.51
Hypothetical**	\$1,000.00	\$1,016.03	\$9.25
<b>R6 Class</b>			
Actual	\$1,000.00	\$1,079.70	\$3.62
Hypothetical**	\$1,000.00	\$1,021.73	\$3.52

\* Expenses are equal to the Fund's annualized expense ratios for the six-month period of 0.73%, 0.80%, 1.07%, 1.10%, 1.82%, and 0.69% for the Institutional, Y, Investor, A, C, and R6 Classes, respectively, multiplied by the average account value over the period, multiplied by the number derived by dividing the number of days in the most recent fiscal half-year (184) by days in the year (365) to reflect the half-year period.

\*\* 5% return before expenses.

# American Beacon Funds<sup>SM</sup>

## Report of Independent Registered Public Accounting Firm

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To the Shareholders and the Board of Trustees of American Beacon Bridgeway Large Cap Growth Fund and American Beacon Bridgeway Large Cap Value Fund

### *Opinion on the Financial Statements*

We have audited the accompanying statements of assets and liabilities of American Beacon Bridgeway Large Cap Growth Fund and American Beacon Bridgeway Large Cap Value Fund (collectively referred to as the “Funds”), (two of the funds constituting American Beacon Funds (the “Trust”)), including the schedules of investments, as of December 31, 2019, and the related statements of operations, changes in net assets, and the financial highlights for each of the periods indicated in the table below and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds at December 31, 2019, and the results of their operations, changes in net assets and financial highlights for each of the periods indicated in the table below, in conformity with U.S. generally accepted accounting principles. The financial highlights for the year ended June 30, 2015 of American Beacon Bridgeway Large Cap Growth Fund were audited by other auditors whose report dated August 27, 2015, expressed an opinion on those financial statements and financial highlights.

<u>Individual fund constituting the American Beacon Funds</u>	<u>Statement of operations</u>	<u>Statements of changes in net assets</u>	<u>Financial highlights</u>
American Beacon Bridgeway Large Cap Growth Fund	For the year ended December 31, 2019	For each of the two years in the period ended December 31, 2019	For each of the three years in the period ended December 31, 2019, the six months ended December 31, 2016, and the year ended June 30, 2016
American Beacon Bridgeway Large Cap Value Fund	For the year ended December 31, 2019	For each of the two years in the period ended December 31, 2019	For each of the five years in the period ended December 31, 2019

### *Basis for Opinion*

These financial statements are the responsibility of the Trust’s management. Our responsibility is to express an opinion on the Funds’ financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Trust in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust’s internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2019, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

*Ernst + Young LLP*

We have served as the auditor of one or more American Beacon investment companies since 1987.

Dallas, Texas  
February 28, 2020

# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Schedule of Investments

December 31, 2019

	Shares	Fair Value
<b>COMMON STOCKS - 99.27%</b>		
<b>Communication Services - 7.57%</b>		
<b>Entertainment - 3.32%</b>		
Roku, Inc. <sup>A,B</sup> .....	13,900	\$ 1,861,210
Walt Disney Co. ....	32,100	4,642,623
		<b>6,503,833</b>
<b>Interactive Media &amp; Services - 1.74%</b>		
Match Group, Inc. <sup>A,B</sup> .....	26,900	2,208,759
TripAdvisor, Inc. ....	39,500	1,200,010
		<b>3,408,769</b>
<b>Media - 1.43%</b>		
Sirius XM Holdings, Inc. <sup>A</sup> .....	392,200	2,804,230
<b>Wireless Telecommunication Services - 1.08%</b>		
T-Mobile US, Inc. <sup>B</sup> .....	27,100	2,125,182
		<b>14,842,014</b>
<b>Total Communication Services</b>		
<b>Consumer Discretionary - 17.76%</b>		
<b>Hotels, Restaurants &amp; Leisure - 2.79%</b>		
Starbucks Corp. ....	44,100	3,877,272
Yum! Brands, Inc. ....	15,800	1,591,534
		<b>5,468,806</b>
<b>Internet &amp; Direct Marketing Retail - 4.45%</b>		
Amazon.com, Inc. <sup>B</sup> .....	3,600	6,652,224
eBay, Inc. ....	27,200	982,192
Wayfair, Inc., Class A <sup>A,B</sup> .....	12,000	1,084,440
		<b>8,718,856</b>
<b>Multiline Retail - 2.26%</b>		
Dollar General Corp. ....	14,500	2,261,710
Target Corp. ....	16,900	2,166,749
		<b>4,428,459</b>
<b>Specialty Retail - 6.75%</b>		
AutoZone, Inc. <sup>B</sup> .....	1,700	2,025,227
Best Buy Co., Inc. ....	35,600	3,125,680
Burlington Stores, Inc. <sup>B</sup> .....	6,400	1,459,392
O'Reilly Automotive, Inc. <sup>B</sup> .....	10,100	4,426,426
TJX Cos., Inc. ....	36,000	2,198,160
		<b>13,234,885</b>
<b>Textiles, Apparel &amp; Luxury Goods - 1.51%</b>		
Lululemon Athletica, Inc. <sup>B</sup> .....	12,800	2,965,376
		<b>34,816,382</b>
<b>Total Consumer Discretionary</b>		
<b>Consumer Staples - 3.55%</b>		
<b>Beverages - 1.33%</b>		
Monster Beverage Corp. <sup>B</sup> .....	41,100	2,611,905
<b>Food Products - 1.11%</b>		
Hershey Co. ....	14,800	2,175,304
<b>Household Products - 1.11%</b>		
Procter & Gamble Co. ....	17,400	2,173,260
		<b>6,960,469</b>
<b>Total Consumer Staples</b>		

See accompanying notes

# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Schedule of Investments

December 31, 2019

	Shares	Fair Value
<b>COMMON STOCKS - 99.27% (continued)</b>		
<b>Financials - 6.19%</b>		
<b>Capital Markets - 1.39%</b>		
Charles Schwab Corp. . . . .	33,300	\$ 1,583,748
Intercontinental Exchange, Inc. . . . .	12,300	1,138,365
		<b>2,722,113</b>
<b>Consumer Finance - 2.19%</b>		
Capital One Financial Corp. . . . .	9,500	977,645
Santander Consumer USA Holdings, Inc. . . . .	64,000	1,495,680
Synchrony Financial . . . . .	50,600	1,822,106
		<b>4,295,431</b>
<b>Diversified Financial Services - 0.55%</b>		
Berkshire Hathaway, Inc., Class B <sup>B</sup> . . . . .	4,800	<b>1,087,200</b>
<b>Insurance - 2.06%</b>		
Athene Holding Ltd., Class A <sup>B</sup> . . . . .	47,800	2,248,034
Progressive Corp. . . . .	24,600	1,780,794
		<b>4,028,828</b>
<b>Total Financials</b>		<b>12,133,572</b>
<b>Health Care - 14.72%</b>		
<b>Biotechnology - 3.42%</b>		
Amgen, Inc. . . . .	9,100	2,193,737
Biogen, Inc. <sup>B</sup> . . . . .	8,000	2,373,840
Exact Sciences Corp. <sup>A B</sup> . . . . .	23,200	2,145,536
		<b>6,713,113</b>
<b>Health Care Equipment &amp; Supplies - 4.04%</b>		
ABIOMED, Inc. <sup>B</sup> . . . . .	7,000	1,194,130
Edwards Lifesciences Corp. <sup>B</sup> . . . . .	10,800	2,519,532
Insulet Corp. <sup>B</sup> . . . . .	13,100	2,242,720
ResMed, Inc. . . . .	12,600	1,952,622
		<b>7,909,004</b>
<b>Health Care Providers &amp; Services - 4.40%</b>		
Anthem, Inc. . . . .	6,800	2,053,804
Cigna Corp. <sup>B</sup> . . . . .	9,400	1,922,206
UnitedHealth Group, Inc. . . . .	15,800	4,644,884
		<b>8,620,894</b>
<b>Pharmaceuticals - 2.86%</b>		
Merck & Co., Inc. . . . .	40,300	3,665,285
Zoetis, Inc. . . . .	14,700	1,945,545
		<b>5,610,830</b>
<b>Total Health Care</b>		<b>28,853,841</b>
<b>Industrials - 8.66%</b>		
<b>Aerospace &amp; Defense - 1.04%</b>		
HEICO Corp., Class A . . . . .	22,800	<b>2,041,284</b>
<b>Airlines - 3.98%</b>		
Alaska Air Group, Inc. . . . .	29,800	2,018,950
Delta Air Lines, Inc. . . . .	50,000	2,924,000
United Airlines Holdings, Inc. <sup>B</sup> . . . . .	32,500	2,862,925
		<b>7,805,875</b>

See accompanying notes



# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Schedule of Investments

December 31, 2019

	Shares	Fair Value
<b>COMMON STOCKS - 99.27% (continued)</b>		
<b>Industrials - 8.66% (continued)</b>		
<b>Commercial Services &amp; Supplies - 2.68%</b>		
Rollins, Inc. . . . .	49,600	\$ 1,644,736
Waste Management, Inc. . . . .	31,600	3,601,136
		<b>5,245,872</b>
<b>Trading Companies &amp; Distributors - 0.96%</b>		
United Rentals, Inc. <sup>B</sup> . . . . .	11,300	1,884,501
		<b>16,977,532</b>
<b>Total Industrials</b>		
<b>Information Technology - 34.42%</b>		
<b>Electronic Equipment, Instruments &amp; Components - 1.03%</b>		
CDW Corp. . . . .	14,100	2,014,044
<b>IT Services - 8.40%</b>		
Alliance Data Systems Corp. . . . .	6,900	774,180
Fidelity National Information Services, Inc. . . . .	17,600	2,447,984
Fiserv, Inc. <sup>B</sup> . . . . .	16,300	1,884,769
Genpact Ltd. . . . .	48,000	2,024,160
PayPal Holdings, Inc. <sup>B</sup> . . . . .	27,200	2,942,224
Square, Inc., Class A <sup>B</sup> . . . . .	33,500	2,095,760
VeriSign, Inc. <sup>B</sup> . . . . .	22,300	4,296,764
		<b>16,465,841</b>
<b>Semiconductors &amp; Semiconductor Equipment - 4.92%</b>		
Advanced Micro Devices, Inc. <sup>B</sup> . . . . .	90,500	4,150,330
Micron Technology, Inc. <sup>B</sup> . . . . .	102,100	5,490,938
		<b>9,641,268</b>
<b>Software - 14.37%</b>		
ANSYS, Inc. <sup>B</sup> . . . . .	7,700	1,982,057
Cadence Design Systems, Inc. <sup>B</sup> . . . . .	48,400	3,357,024
Coupa Software, Inc. <sup>A B</sup> . . . . .	12,800	1,872,000
DocuSign, Inc. <sup>B</sup> . . . . .	28,300	2,097,313
Fair Isaac Corp. <sup>B</sup> . . . . .	6,200	2,323,016
Intuit, Inc. . . . .	12,000	3,143,160
Paycom Software, Inc. <sup>B</sup> . . . . .	8,700	2,303,412
RingCentral, Inc., Class A <sup>B</sup> . . . . .	16,400	2,766,188
ServiceNow, Inc. <sup>B</sup> . . . . .	8,000	2,258,560
VMware, Inc., Class A <sup>A B</sup> . . . . .	9,500	1,442,005
Workday, Inc., Class A <sup>B</sup> . . . . .	15,700	2,581,865
Zendesk, Inc. <sup>B</sup> . . . . .	26,600	2,038,358
		<b>28,164,958</b>
<b>Technology Hardware, Storage &amp; Peripherals - 5.70%</b>		
Apple, Inc. . . . .	21,600	6,342,840
Dell Technologies, Inc., Class C <sup>B</sup> . . . . .	47,253	2,428,332
HP, Inc. . . . .	117,500	2,414,625
		<b>11,185,797</b>
		<b>67,471,908</b>
<b>Total Information Technology</b>		
<b>Materials - 1.88%</b>		
<b>Chemicals - 1.88%</b>		
CF Industries Holdings, Inc. . . . .	36,400	1,737,736
PPG Industries, Inc. . . . .	14,500	1,935,605
		<b>3,673,341</b>
		<b>3,673,341</b>
<b>Total Materials</b>		

See accompanying notes

# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Schedule of Investments

December 31, 2019

	Shares	Fair Value
<b>COMMON STOCKS - 99.27% (continued)</b>		
Real Estate - 4.52%		
Equity Real Estate Investment Trusts (REITs) - 4.52%		
Alexandria Real Estate Equities, Inc. . . . .	14,300	\$ 2,310,594
Crown Castle International Corp. . . . .	14,100	2,004,315
Equinix, Inc. . . . .	3,400	1,984,580
Equity LifeStyle Properties, Inc. . . . .	36,400	2,562,196
		<b>8,861,685</b>
<b>Total Real Estate</b>		<b>8,861,685</b>
<b>Total Common Stocks (Cost \$157,529,175)</b>		<b>194,590,744</b>
<b>SHORT-TERM INVESTMENTS - 1.38%</b>		
Investment Companies - 1.29%		
American Beacon U.S. Government Money Market Select Fund, Select Class, 1.52% <sup>C D</sup> . . . . .	2,526,142	2,526,142
		<b>Principal Amount</b>
U.S. Treasury Obligations - 0.09%		
U.S. Treasury Bill, 1.870%, Due 2/13/2020 <sup>E</sup> . . . . .	\$ 170,000	169,705
<b>Total Short-Term Investments (Cost \$2,695,771)</b>		<b>2,695,847</b>
	<b>Shares</b>	
<b>SECURITIES LENDING COLLATERAL - 1.10% (Cost \$2,165,786)</b>		
Investment Companies - 1.10%		
American Beacon U.S. Government Money Market Select Fund, Select Class, 1.52% <sup>C D</sup> . . . . .	2,165,786	2,165,786
<b>TOTAL INVESTMENTS - 101.75% (Cost \$162,390,732)</b>		<b>199,452,377</b>
<b>LIABILITIES, NET OF OTHER ASSETS - (1.75%)</b>		<b>(3,432,356)</b>
<b>TOTAL NET ASSETS - 100.00%</b>		<b>\$ 196,020,021</b>

Percentages are stated as a percent of net assets.

<sup>A</sup> All or a portion of this security is on loan, collateralized by either cash and/or U.S. Treasuries, at December 31, 2019 (Note 9).

<sup>B</sup> Non-income producing security.

<sup>C</sup> The Fund is affiliated by having the same investment advisor.

<sup>D</sup> 7-day yield.

<sup>E</sup> This security or a piece thereof is held as segregated collateral.

### Long Futures Contracts Open on December 31, 2019:

#### Equity Futures Contracts

Description	Number of Contracts	Expiration Date	Notional Amount	Contract Value	Unrealized Appreciation (Depreciation)
S&P 500 E-Mini Index Futures . . . . .	16	March 2020	\$ 2,537,723	\$ 2,584,880	\$ 47,157
			<u>\$ 2,537,723</u>	<u>\$ 2,584,880</u>	<u>\$ 47,157</u>

#### Index Abbreviations:

S&P 500 Standard & Poor's U.S. Equity Large-Cap Index.

See accompanying notes

# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Schedule of Investments

December 31, 2019

The Fund's investments are summarized by level based on the inputs used to determine their values. As of December 31, 2019, the investments were classified as described below:

<u>Bridgeway Large Cap Growth Fund</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
Common Stocks . . . . .	\$ 194,590,744	\$ -	\$ -	\$ 194,590,744
Short-Term Investments . . . . .	2,526,142	169,705	-	2,695,847
Securities Lending Collateral . . . . .	2,165,786	-	-	2,165,786
Total Investments in Securities - Assets	<u>\$ 199,282,672</u>	<u>\$ 169,705</u>	<u>\$ -</u>	<u>\$ 199,452,377</u>
<b>Financial Derivative Instruments - Assets</b>				
Futures Contracts . . . . .	\$ 47,157	\$ -	\$ -	\$ 47,157
Total Financial Derivative Instruments - Assets . . . . .	<u>\$ 47,157</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,157</u>

U.S. GAAP requires transfers between all levels to/from level 3 be disclosed. During the year ended December 31, 2019, there were no transfers into or out of Level 3.

See accompanying notes

# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Schedule of Investments

December 31, 2019

	Shares	Fair Value
<b>COMMON STOCKS - 99.14%</b>		
<b>Communication Services - 8.24%</b>		
<b>Diversified Telecommunication Services - 2.35%</b>		
AT&T, Inc. . . . .	923,500	\$ 36,090,380
CenturyLink, Inc. . . . .	3,662,400	48,380,304
		<b>84,470,684</b>
<b>Entertainment - 1.61%</b>		
Walt Disney Co. . . . .	400,000	<b>57,852,000</b>
<b>Media - 4.28%</b>		
Charter Communications, Inc., Class A <sup>A</sup> . . . . .	65,800	31,918,264
Comcast Corp., Class A . . . . .	845,800	38,035,626
Discovery, Inc., Class A <sup>A B</sup> . . . . .	1,349,800	44,192,452
DISH Network Corp., Class A <sup>A</sup> . . . . .	1,121,300	39,772,511
		<b>153,918,853</b>
<b>Total Communication Services</b>		<b>296,241,537</b>
<b>Consumer Discretionary - 8.85%</b>		
<b>Auto Components - 1.16%</b>		
Lear Corp. . . . .	304,700	<b>41,804,840</b>
<b>Automobiles - 1.83%</b>		
Ford Motor Co. . . . .	2,833,140	26,348,202
General Motors Co. . . . .	1,077,280	39,428,448
		<b>65,776,650</b>
<b>Hotels, Restaurants &amp; Leisure - 2.13%</b>		
McDonald's Corp. . . . .	207,900	41,083,119
Yum! Brands, Inc. . . . .	349,831	35,238,477
		<b>76,321,596</b>
<b>Household Durables - 1.10%</b>		
PulteGroup, Inc. . . . .	1,019,300	<b>39,548,840</b>
<b>Internet &amp; Direct Marketing Retail - 0.45%</b>		
eBay, Inc. . . . .	448,400	<b>16,191,724</b>
<b>Multiline Retail - 1.65%</b>		
Kohl's Corp. . . . .	695,200	35,420,440
Macy's, Inc. <sup>B</sup> . . . . .	1,400,400	23,806,800
		<b>59,227,240</b>
<b>Specialty Retail - 0.53%</b>		
AutoZone, Inc. <sup>A</sup> . . . . .	16,000	<b>19,060,960</b>
<b>Total Consumer Discretionary</b>		<b>317,931,850</b>
<b>Consumer Staples - 8.23%</b>		
<b>Beverages - 1.04%</b>		
Brown-Forman Corp., Class B . . . . .	554,300	<b>37,470,680</b>
<b>Food &amp; Staples Retailing - 1.92%</b>		
Kroger Co. . . . .	1,148,000	33,280,520
Walgreens Boots Alliance, Inc. . . . .	607,700	35,829,992
		<b>69,110,512</b>
<b>Food Products - 3.47%</b>		
Campbell Soup Co. . . . .	750,700	37,099,594
Hershey Co. . . . .	275,100	40,434,198
Hormel Foods Corp. <sup>B</sup> . . . . .	1,043,500	47,072,285
		<b>124,606,077</b>

See accompanying notes

# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Schedule of Investments

December 31, 2019

	Shares	Fair Value
<b>COMMON STOCKS - 99.14% (continued)</b>		
<b>Consumer Staples - 8.23% (continued)</b>		
<b>Household Products - 1.80%</b>		
Clorox Co. . . . .	86,200	\$ 13,235,148
Procter & Gamble Co. . . . .	413,000	51,583,700
		<b>64,818,848</b>
<b>Total Consumer Staples</b>		<b>296,006,117</b>
<b>Energy - 6.64%</b>		
<b>Oil, Gas &amp; Consumable Fuels - 6.64%</b>		
ConocoPhillips . . . . .	789,700	51,354,191
Devon Energy Corp. . . . .	1,224,400	31,797,668
HollyFrontier Corp. . . . .	729,700	37,003,087
Marathon Oil Corp. . . . .	2,672,600	36,293,908
Marathon Petroleum Corp. . . . .	529,500	31,902,375
Phillips 66 . . . . .	450,100	50,145,641
		<b>238,496,870</b>
<b>Total Energy</b>		<b>238,496,870</b>
<b>Financials - 26.24%</b>		
<b>Banks - 9.68%</b>		
Bank of America Corp. . . . .	1,633,300	57,524,826
Citigroup, Inc. . . . .	684,400	54,676,716
Fifth Third Bancorp . . . . .	1,285,300	39,510,122
Huntington Bancshares, Inc. . . . .	2,398,800	36,173,904
KeyCorp . . . . .	1,117,500	22,618,200
Regions Financial Corp. . . . .	3,150,900	54,069,444
US Bancorp . . . . .	673,900	39,955,531
Wells Fargo & Co. . . . .	805,600	43,341,280
		<b>347,870,023</b>
<b>Capital Markets - 3.98%</b>		
Ameriprise Financial, Inc. . . . .	228,700	38,096,846
Franklin Resources, Inc. . . . .	1,340,800	34,833,984
Intercontinental Exchange, Inc. . . . .	300,000	27,765,000
Morgan Stanley . . . . .	830,600	42,460,272
		<b>143,156,102</b>
<b>Consumer Finance - 4.33%</b>		
Ally Financial, Inc. . . . .	1,144,100	34,963,696
Capital One Financial Corp. . . . .	401,400	41,308,074
Discover Financial Services . . . . .	492,936	41,810,832
Synchrony Financial . . . . .	1,042,200	37,529,622
		<b>155,612,224</b>
<b>Diversified Financial Services - 1.21%</b>		
Voya Financial, Inc. . . . .	714,200	43,551,916
		<b>43,551,916</b>
<b>Insurance - 7.04%</b>		
Aflac, Inc. . . . .	580,200	30,692,580
Allstate Corp. . . . .	352,800	39,672,360
American Financial Group, Inc. . . . .	258,800	28,377,420
Cincinnati Financial Corp. . . . .	199,300	20,956,395
MetLife, Inc. . . . .	545,300	27,793,941
Principal Financial Group, Inc. . . . .	593,800	32,659,000
Prudential Financial, Inc. . . . .	410,200	38,452,148
Reinsurance Group of America, Inc. . . . .	211,200	34,438,272
		<b>253,042,116</b>
<b>Total Financials</b>		<b>943,232,381</b>

See accompanying notes

# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Schedule of Investments

December 31, 2019

	Shares	Fair Value
<b>COMMON STOCKS - 99.14% (continued)</b>		
<b>Health Care - 10.73%</b>		
<b>Biotechnology - 2.83%</b>		
Amgen, Inc. . . . .	207,800	\$ 50,094,346
Biogen, Inc. <sup>A</sup> . . . . .	174,200	51,690,366
		<b>101,784,712</b>
<b>Health Care Equipment &amp; Supplies - 0.65%</b>		
Medtronic PLC . . . . .	206,200	<b>23,393,390</b>
<b>Health Care Providers &amp; Services - 2.01%</b>		
Anthem, Inc. . . . .	131,200	39,626,336
HCA Healthcare, Inc. . . . .	220,900	32,651,229
		<b>72,277,565</b>
<b>Pharmaceuticals - 5.24%</b>		
Jazz Pharmaceuticals PLC <sup>A</sup> . . . . .	260,100	38,827,728
Merck & Co., Inc. . . . .	556,800	50,640,960
Mylan N.V. <sup>A</sup> . . . . .	1,967,000	39,536,700
Pfizer, Inc. . . . .	1,515,000	59,357,700
		<b>188,363,088</b>
		<b>385,818,755</b>
<b>Total Health Care</b>		
<b>Industrials - 11.74%</b>		
<b>Aerospace &amp; Defense - 0.97%</b>		
L3Harris Technologies, Inc. . . . .	175,700	<b>34,765,759</b>
<b>Airlines - 2.32%</b>		
American Airlines Group, Inc. <sup>B</sup> . . . . .	811,852	23,283,915
Delta Air Lines, Inc. . . . .	446,900	26,134,712
United Airlines Holdings, Inc. <sup>A</sup> . . . . .	383,800	33,808,942
		<b>83,227,569</b>
<b>Building Products - 0.66%</b>		
Johnson Controls International PLC . . . . .	585,600	<b>23,839,776</b>
<b>Commercial Services &amp; Supplies - 2.50%</b>		
Republic Services, Inc. . . . .	540,900	48,480,867
Waste Management, Inc. . . . .	362,300	41,287,708
		<b>89,768,575</b>
<b>Electrical Equipment - 1.05%</b>		
AMETEK, Inc. . . . .	378,500	<b>37,751,590</b>
<b>Machinery - 1.06%</b>		
Fortive Corp. . . . .	500,200	<b>38,210,278</b>
<b>Professional Services - 1.12%</b>		
IHS Markit Ltd. <sup>A</sup> . . . . .	535,700	<b>40,364,995</b>
<b>Road &amp; Rail - 1.32%</b>		
Norfolk Southern Corp. . . . .	244,800	<b>47,523,024</b>
<b>Trading Companies &amp; Distributors - 0.74%</b>		
Fastenal Co. . . . .	717,000	<b>26,493,150</b>
		<b>421,944,716</b>
<b>Total Industrials</b>		
<b>Information Technology - 7.65%</b>		
<b>Communications Equipment - 0.37%</b>		
Cisco Systems, Inc. . . . .	277,900	<b>13,328,084</b>

See accompanying notes

# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Schedule of Investments

December 31, 2019

	Shares	Fair Value
<b>COMMON STOCKS - 99.14% (continued)</b>		
<b>Information Technology - 7.65% (continued)</b>		
<b>Electronic Equipment, Instruments &amp; Components - 0.98%</b>		
Corning, Inc. ....	1,206,000	\$ 35,106,660
<b>IT Services - 1.81%</b>		
Amdocs Ltd. ....	397,200	28,673,868
DXC Technology Co. ....	349,300	13,130,187
Fidelity National Information Services, Inc. ....	167,900	23,353,211
		<b>65,157,266</b>
<b>Semiconductors &amp; Semiconductor Equipment - 1.81%</b>		
Micron Technology, Inc. <sup>A</sup> ....	944,200	50,779,076
QUALCOMM, Inc. ....	163,500	14,425,605
		<b>65,204,681</b>
<b>Software - 0.40%</b>		
Oracle Corp. ....	269,500	14,278,110
<b>Technology Hardware, Storage &amp; Peripherals - 2.28%</b>		
Hewlett Packard Enterprise Co. ....	1,924,900	30,528,914
Western Digital Corp. ....	807,000	51,220,290
		<b>81,749,204</b>
		<b>Total Information Technology</b>
		<b>274,824,005</b>
<b>Materials - 4.52%</b>		
<b>Chemicals - 3.16%</b>		
Air Products & Chemicals, Inc. ....	200,900	47,209,491
CF Industries Holdings, Inc. ....	200,141	9,554,731
LyondellBasell Industries N.V., Class A ....	449,400	42,459,312
PPG Industries, Inc. ....	109,100	14,563,759
		<b>113,787,293</b>
<b>Metals &amp; Mining - 1.36%</b>		
Freeport-McMoRan, Inc. ....	3,721,200	48,822,144
		<b>Total Materials</b>
		<b>162,609,437</b>
<b>Real Estate - 4.63%</b>		
<b>Equity Real Estate Investment Trusts (REITs) - 4.63%</b>		
Alexandria Real Estate Equities, Inc. ....	281,800	45,533,244
Host Hotels & Resorts, Inc. ....	1,937,700	35,944,335
Realty Income Corp. ....	614,800	45,267,724
Sun Communities, Inc. ....	263,900	39,611,390
		<b>166,356,693</b>
		<b>Total Real Estate</b>
		<b>166,356,693</b>
<b>Utilities - 1.67%</b>		
<b>Electric Utilities - 1.00%</b>		
Southern Co. ....	565,700	36,035,090
<b>Independent Power &amp; Renewable Electricity Producers - 0.67%</b>		
AES Corp. ....	1,211,400	24,106,860
		<b>Total Utilities</b>
		<b>60,141,950</b>
		<b>Total Common Stocks (Cost \$3,096,316,506)</b>
		<b>3,563,604,311</b>

See accompanying notes

# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Schedule of Investments

December 31, 2019

	Shares	Fair Value
<b>SHORT-TERM INVESTMENTS - 1.14%</b>		
<b>Investment Companies - 1.08%</b>		
American Beacon U.S. Government Money Market Select Fund, Select Class, 1.52% <sup>C D</sup> . . . . .	38,744,589	\$ 38,744,589
	<b>Principal Amount</b>	
<b>U.S. Treasury Obligations - 0.06%</b>		
U.S. Treasury Bill, 1.870%, Due 2/13/2020 <sup>E</sup> . . . . .	\$ 2,200,000	2,196,182
<b>Total Short-Term Investments (Cost \$40,939,780)</b>		<b>40,940,771</b>
<b>TOTAL INVESTMENTS - 100.28% (Cost \$3,137,256,286)</b>		<b>3,604,545,082</b>
<b>LIABILITIES, NET OF OTHER ASSETS - (0.28%)</b>		<b>(9,976,311)</b>
<b>TOTAL NET ASSETS - 100.00%</b>		<b>\$ 3,594,568,771</b>

Percentages are stated as a percent of net assets.

<sup>A</sup> Non-income producing security.

<sup>B</sup> All or a portion of this security is on loan, collateralized by either cash and/or U.S. Treasuries, at December 31, 2019 (Note 9).

<sup>C</sup> The Fund is affiliated by having the same investment advisor.

<sup>D</sup> 7-day yield.

<sup>E</sup> This security or a piece thereof is held as segregated collateral.

PLC - Public Limited Company.

### Long Futures Contracts Open on December 31, 2019:

#### Equity Futures Contracts

Description	Number of Contracts	Expiration Date	Notional Amount	Contract Value	Unrealized Appreciation (Depreciation)
S&P 500 E-Mini Index Futures . . . . .	257	March 2020	\$ 41,474,763	\$ 41,519,635	\$ 44,872
			<u>\$ 41,474,763</u>	<u>\$ 41,519,635</u>	<u>\$ 44,872</u>

#### Index Abbreviations:

S&P 500 Standard & Poor's U.S. Equity Large-Cap Index.

The Fund's investments are summarized by level based on the inputs used to determine their values. As of December 31, 2019, the investments were classified as described below:

Bridgeway Large Cap Value Fund	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Common Stocks . . . . .	\$ 3,563,604,311	\$ -	\$ -	\$ 3,563,604,311
Short-Term Investments . . . . .	38,744,589	2,196,182	-	40,940,771
Total Investments in Securities - Assets . . . . .	<u>\$ 3,602,348,900</u>	<u>\$ 2,196,182</u>	<u>\$ -</u>	<u>\$ 3,604,545,082</u>
<b>Financial Derivative Instruments - Assets</b>				
Futures Contracts . . . . .	\$ 44,872	\$ -	\$ -	\$ 44,872
Total Financial Derivative Instruments - Assets . . . . .	<u>\$ 44,872</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,872</u>

U.S. GAAP requires transfers between all levels to/from level 3 be disclosed. During the year ended December 31, 2019, there were no transfers into or out of Level 3.

See accompanying notes



# American Beacon Funds<sup>SM</sup>

## Statements of Assets and Liabilities

December 31, 2019

	Bridgeway Large Cap Growth Fund	Bridgeway Large Cap Value Fund
<b>Assets:</b>		
Investments in unaffiliated securities, at fair value <sup>†</sup>	\$ 194,760,449	\$ 3,565,800,493
Investments in affiliated securities, at fair value <sup>‡</sup>	4,691,928	38,744,589
Dividends and interest receivable	103,075	5,887,231
Deposits with broker for futures contracts	-	56,334
Receivable for investments sold	700,900	8,252,084
Receivable for fund shares sold	148,399	3,664,378
Receivable for expense reimbursement (Note 2)	118,627	6,542
Receivable for variation margin on open futures contracts (Note 5)	47,219	45,403
Prepaid expenses	63,520	130,836
<b>Total assets</b>	<b>200,634,117</b>	<b>3,622,587,890</b>
<b>Liabilities:</b>		
Payable for investments purchased	1,906,558	-
Payable for fund shares redeemed	305,069	25,338,894
Cash due to broker for futures contracts	41,033	-
Management and sub-advisory fees payable (Note 2)	57,927	2,014,781
Service fees payable (Note 2)	31,814	238,943
Transfer agent fees payable (Note 2)	9,241	184,286
Payable upon return of securities loaned (Note 9)	2,165,786	-
Custody and fund accounting fees payable	6,764	65,616
Professional fees payable	45,259	69,669
Payable for prospectus and shareholder reports	6,379	94,196
Other liabilities	38,266	12,734
<b>Total liabilities</b>	<b>4,614,096</b>	<b>28,019,119</b>
<b>Net assets</b>	<b>\$ 196,020,021</b>	<b>\$ 3,594,568,771</b>
<b>Analysis of net assets:</b>		
Paid-in-capital	\$ 149,697,621	\$ 3,028,886,735
Total distributable earnings (deficits) <sup>A</sup>	46,322,400	565,682,036
<b>Net assets</b>	<b>\$ 196,020,021</b>	<b>\$ 3,594,568,771</b>
<b>Shares outstanding at no par value (unlimited shares authorized):</b>		
Institutional Class	3,982,963	44,419,289
Y Class	68,535	53,799,030
Investor Class	2,445,136	21,730,914
A Class	68,763	2,178,050
C Class	38,097	2,263,235
R6 Class	3,597	8,391,825
<b>Net assets:</b>		
Institutional Class	\$ 118,831,764	\$ 1,205,569,140
Y Class	\$ 2,036,785	\$ 1,455,648,440
Investor Class	\$ 71,928,098	\$ 587,724,123
A Class	\$ 2,029,102	\$ 58,637,332
C Class	\$ 1,086,848	\$ 59,409,216
R6 Class	\$ 107,424	\$ 227,580,520
<b>Net asset value, offering and redemption price per share:</b>		
Institutional Class	\$ 29.84	\$ 27.14
Y Class	\$ 29.72	\$ 27.06
Investor Class	\$ 29.42	\$ 27.05
A Class	\$ 29.51	\$ 26.92
A Class (offering price)	\$ 31.31	\$ 28.56
C Class	\$ 28.53	\$ 26.25
R6 Class	\$ 29.86	\$ 27.12
† Cost of investments in unaffiliated securities	\$ 157,698,804	\$ 3,098,511,697
‡ Cost of investments in affiliated securities	\$ 4,691,928	\$ 38,744,589
§ Fair value of securities on loan	\$ 12,747,271	\$ 102,365,471

<sup>A</sup> The Fund's investments in affiliated securities did not have unrealized appreciation (depreciation) at year end.

See accompanying notes

# American Beacon Funds<sup>SM</sup>

## Statements of Operations

For the year ended December 31, 2019

	Bridgeway Large Cap Growth Fund	Bridgeway Large Cap Value Fund
<b>Investment income:</b>		
Dividend income from unaffiliated securities	\$ 2,062,317	\$ 98,302,203
Dividend income from affiliated securities (Note 8)	87,729	1,094,199
Interest income	1,638	28,632
Income derived from securities lending (Note 9)	20,484	234,382
<b>Total investment income</b>	<b>2,172,168</b>	<b>99,659,416</b>
<b>Expenses:</b>		
Management and sub-advisory fees (Note 2)	1,435,684	26,785,139
Transfer agent fees:		
Institutional Class (Note 2)	71,767	433,676
Y Class (Note 2)	2,625	1,493,218
Investor Class	7,415	31,852
A Class	-	6,440
C Class	10	8,432
R6 Class	-	6,364
Custody and fund accounting fees	45,718	391,314
Professional fees	26,085	284,697
Registration fees and expenses	99,761	189,080
Service fees (Note 2):		
Investor Class	244,935	3,036,695
A Class	1,691	95,946
C Class	841	68,638
Distribution fees (Note 2):		
A Class	4,799	177,230
C Class	10,266	695,741
Prospectus and shareholder report expenses	22,266	296,640
Trustee fees (Note 2)	15,569	317,625
Other expenses	31,677	365,780
<b>Total expenses</b>	<b>2,021,109</b>	<b>34,684,507</b>
Net fees waived and expenses (reimbursed) (Note 2)	(112,290)	(4,871)
<b>Net expenses</b>	<b>1,908,819</b>	<b>34,679,636</b>
<b>Net investment income</b>	<b>263,349</b>	<b>64,979,780</b>
<b>Realized and unrealized gain (loss) from investments:</b>		
Net realized gain (loss) from:		
Investments in unaffiliated securities <sup>A</sup>	27,135,499	204,631,006
Futures contracts	1,255,967	10,006,004
Change in net unrealized appreciation (depreciation) of:		
Investments in unaffiliated securities <sup>B</sup>	27,940,614	626,516,359
Futures contracts	(2,484)	(954,898)
<b>Net gain from investments</b>	<b>56,329,596</b>	<b>840,198,471</b>
<b>Net increase in net assets resulting from operations</b>	<b>\$ 56,592,945</b>	<b>\$ 905,178,251</b>

<sup>A</sup> The Fund did not recognize net realized gains (losses) from the sale of investments in affiliated securities.

<sup>B</sup> The Fund's investments in affiliated securities did not have a change in unrealized appreciation (depreciation) at year end.

See accompanying notes

# American Beacon Funds<sup>SM</sup>

## Statements of Changes in Net Assets

	Bridgeway Large Cap Growth Fund		Bridgeway Large Cap Value Fund	
	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018
<b>Increase (decrease) in net assets:</b>				
<b>Operations:</b>				
Net investment income . . . . .	\$ 263,349	\$ 705,556	\$ 64,979,780	\$ 74,081,875
Net realized gain from investments in unaffiliated securities and futures contracts . . . . .	28,391,466	15,861,210	214,637,010	169,733,284
Change in net unrealized appreciation (depreciation) of investments in unaffiliated securities and futures contracts . . . . .	27,938,130	(29,789,870)	625,561,461	(926,602,905)
<b>Net increase (decrease) in net assets resulting from operations . . . . .</b>	<b>56,592,945</b>	<b>(13,223,104)</b>	<b>905,178,251</b>	<b>(682,787,746)</b>
<b>Distributions to shareholders:</b>				
Total retained earnings:				
Institutional Class . . . . .	(11,270,063)	(15,182,919)	(49,898,828)	(126,509,744)
Y Class . . . . .	(199,045)	(222,964)	(58,703,209)	(134,207,073)
Investor Class . . . . .	(6,878,930)	(6,341,212)	(22,164,868)	(75,566,771)
A Class . . . . .	(197,898)	(162,842)	(2,157,671)	(6,632,802)
C Class . . . . .	(110,609)	(64,536)	(1,806,442)	(6,082,752)
R6 Class . . . . .	(11,081)	(8,892)	(9,322,560)	(12,669,411)
<b>Net distributions to shareholders . . . . .</b>	<b>(18,667,626)</b>	<b>(21,983,365)</b>	<b>(144,053,578)</b>	<b>(361,668,553)</b>
<b>Capital share transactions (Note 11):</b>				
Proceeds from sales of shares . . . . .	12,698,919	51,470,483	977,847,418	1,693,099,714
Reinvestment of dividends and distributions . . . . .	18,255,572	21,667,625	141,054,545	346,742,403
Cost of shares redeemed . . . . .	(94,788,665)	(72,750,374)	(2,419,288,681)	(1,634,032,413)
<b>Net increase (decrease) in net assets from capital share transactions . . . . .</b>	<b>(63,834,174)</b>	<b>387,734</b>	<b>(1,300,386,718)</b>	<b>405,809,704</b>
<b>Net (decrease) in net assets . . . . .</b>	<b>(25,908,855)</b>	<b>(34,818,735)</b>	<b>(539,262,045)</b>	<b>(638,646,595)</b>
<b>Net assets:</b>				
Beginning of period . . . . .	221,928,876	256,747,611	4,133,830,816	4,772,477,411
<b>End of period . . . . .</b>	<b>\$ 196,020,021</b>	<b>\$ 221,928,876</b>	<b>\$ 3,594,568,771</b>	<b>\$ 4,133,830,816</b>

See accompanying notes

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

December 31, 2019

### 1. Organization and Significant Accounting Policies

American Beacon Funds (the “Trust”) is organized as a Massachusetts business trust. The Funds, each a series within the Trust, are registered under the Investment Company Act of 1940, as amended (the “Act”), as diversified, open-end management investment companies. As of December 31, 2019, the Trust consists of thirty-two active series, two of which are presented in this filing: American Beacon Bridgeway Large Cap Growth Fund and American Beacon Bridgeway Large Cap Value Fund (collectively, the “Funds” and each individually a “Fund”). The remaining thirty active series are reported in separate filings.

American Beacon Advisors, Inc. (the “Manager”) is a Delaware corporation and a wholly-owned subsidiary of Resolute Investment Managers, Inc. (“RIM”) organized in 1986 to provide business management, advisory, administrative, and asset management consulting services to the Trust and other investors. The Manager is registered as an investment advisor under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). RIM is, in turn, a wholly-owned subsidiary of Resolute Acquisition, Inc., which is a wholly-owned subsidiary of Resolute Topco, Inc., a wholly-owned subsidiary of Resolute Investment Holdings, LLC (“RIH”). RIH is owned primarily by Kelso Investment Associates VIII, L.P., KEP VI, LLC and Estancia Capital Partners L.P., investment funds affiliated with Kelso & Company, L.P. (“Kelso”) or Estancia Capital Management, LLC (“Estancia”), which are private equity firms.

#### *Recently Adopted Accounting Pronouncements*

In March 2017, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2017-08, *Premium Amortization of Purchased Callable Debt Securities*. The amendments in the ASU shorten the premium amortization period on a purchased callable debt security from the security’s contractual life to the earliest call date. It is anticipated that this change will enhance disclosures by reducing losses recognized when a security is called on an earlier date. This ASU is effective for fiscal years beginning after December 15, 2018, and has been adopted accordingly with no material impact on the financial statements and other disclosures.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (“Topic 820”)*. The amendments in the ASU impact disclosure requirements for fair value measurement. It is anticipated that this change will enhance the effectiveness of disclosures in the notes to the financial statements. This ASU is effective for fiscal years beginning after December 15, 2019. Early adoption is permitted and can include the entire standard or certain provisions that exclude or amend disclosures. For the year ended December 31, 2019, the Funds have chosen to adopt the standard. The adoption of this ASU guidance did not have a material impact on the financial statements and other disclosures.

#### *Class Disclosure*

Each Fund has multiple classes of shares designed to meet the needs of different groups of investors; however, not all of the Funds offer all classes. The following table sets forth the differences amongst the classes:

<u>Class</u>	<u>Eligible Investors</u>	<u>Minimum Initial Investments</u>
Institutional	Large institutional investors - sold directly or through intermediary channels.	\$250,000
Y Class	Large institutional retirement plan investors - sold directly or through intermediary channels.	\$100,000
Investor	All investors using intermediary organizations, such as broker-dealers or retirement plan sponsors.	\$ 2,500
A Class	All investors who invest through intermediary organizations, such as broker-dealers or third party administrator. Retail investors who invest directly through a financial intermediary such as a broker, bank, or registered investment advisor which may include a front-end sales charge and a contingent deferred sales charge (“CDSC”).	\$ 2,500
C Class	Retail investors who invest directly through a financial intermediary, such as a broker or through employee directed benefit plans with applicable sales charges which may include CDSC.	\$ 1,000
R6 Class	Large institutional retirement plan investors - sold through retirement plan sponsors.	None

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

December 31, 2019

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Each class offered by the Trust has equal rights as to assets and voting privileges. Income and non-class specific expenses are allocated daily to each class based on the relative net assets. Realized and unrealized capital gains and losses of each class are allocated daily based on the relative net assets of each class of the respective Fund. Class specific expenses, where applicable, currently include service, distribution, transfer agent fees, and sub-transfer agent fees that vary amongst the classes as described more fully in Note 2.

### *Significant Accounting Policies*

The following is a summary of significant accounting policies, consistently followed by the Funds in preparation of the financial statements. The Funds are considered investment companies and accordingly, follow the investment company accounting and reporting guidance of the FASB Accounting Standards Codification Topic 946, *Financial Services - Investment Companies*, a part of Generally Accepted Accounting Principles (“U.S. GAAP”).

### *Security Transactions and Investment Income*

Security transactions are recorded as of the trade date for financial reporting purposes. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled beyond a standard settlement period for the security after the trade date.

Dividend income, net of foreign taxes, is recorded on the ex-dividend date, except certain dividends from foreign securities which are recorded as soon as the information is available to the Funds. Interest income, net of foreign taxes, is earned from settlement date, recorded on the accrual basis, and adjusted, if necessary, for accretion of discounts and amortization of premiums. Realized gains (losses) from securities sold are determined based on specific lot identification.

### *Distributions to Shareholders*

The Funds distribute most or all of its net earning and realized gains, if any, each taxable year in the form of dividends from net investment income and distributions of realized net capital gains and net gains from foreign currency transactions on an annual basis. The Funds do not have a fixed dividend rate and do not guarantee that it will pay any distributions in any particular period. Dividends to shareholders are determined in accordance with federal income tax regulations, which may differ in amount and character from net investment income and realized gains recognized for purposes of U.S. GAAP. To the extent necessary to fully distribute capital gains, the Funds may designate earnings and profits distributed to shareholders on the redemption of shares.

### *Commission Recapture*

The Funds have established brokerage commission recapture arrangements with certain brokers or dealers. If the Funds’ investment advisor chooses to execute a transaction through a participating broker, the broker rebates a portion of the commission back to the Funds. Any collateral benefit received through participation in the commission recapture program is directed exclusively to the Funds. This amount is reported with the net realized gain (loss) in the Funds’ Statements of Operations, if applicable.

### *Allocation of Income, Trust Expenses, Gains, and Losses*

Investment income, realized and unrealized gains and losses from investments of the Funds are allocated daily to each class of shares based upon the relative proportion of net assets of each class to the total net assets of the Funds. Expenses directly charged or attributable to the Funds will be paid from the assets of the Fund. Generally, expenses of the Trust will be allocated among and charged to the assets of the Funds on a basis that the Trust’s Board of Trustees (the “Board”) deems fair and equitable, which may be based on the relative net assets of the Funds or nature of the services performed and relative applicability to the Funds.

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

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### Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimated.

### Other

Under the Trust's organizational documents, its officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the Trust. In the normal course of business, the Trust enters into contracts that provide indemnification to the other party or parties against potential costs or liabilities. The Trust's maximum exposure under these arrangements is dependent on claims that may be made in the future and, therefore, cannot be estimated. The Trust has had no prior claims or losses pursuant to any such agreement.

## 2. Transactions with Affiliates

### Management and Investment Sub-Advisory Agreements

The Funds and the Manager are parties to a Management Agreement that obligates the Manager to provide the Funds with investment advisory and administrative services. As compensation for performing the duties under the Management Agreement, the Manager will receive an annualized management fee based on a percentage of the Funds' average daily net assets that is calculated and accrued daily according to the following schedule:

First \$5 billion .....	0.35%
Next \$5 billion .....	0.325%
Next \$10 billion .....	0.30%
Over \$20 billion .....	0.275%

The Trust, on behalf of the Funds, and the Manager have entered into an Investment Advisory Agreements with Bridgeway Capital Management, Inc. (the "Sub-Advisor") pursuant to which each Fund has agreed to pay an annualized sub-advisory fee that is calculated and accrued daily based on the Funds' average daily net assets according to the following schedule:

First \$250 million .....	0.40%
Next \$250 million .....	0.35%
Over \$500 million .....	0.30%

The Management and Sub-Advisory Fees paid by the Funds for the year ended December 31, 2019 were as follows:

### Bridgeway Large Cap Growth Fund

	Effective Fee Rate	Amount of Fees Paid
Management Fees .....	0.35%	\$ 700,160
Sub-Advisor Fees .....	0.40%	735,524
Total .....	0.75%	\$ 1,435,684

### Bridgeway Large Cap Value Fund

	Effective Fee Rate	Amount of Fees Paid
Management Fees .....	0.35%	\$ 14,274,034
Sub-Advisor Fees .....	0.31%	12,511,105
Total .....	0.66%	\$ 26,785,139

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

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As compensation for services provided by the Manager in connection with securities lending activities conducted by the Funds, the lending Fund pays to the Manager, with respect to cash collateral posted by borrowers, a fee up to 10% of the net monthly interest income (the gross interest income earned by the investment of cash collateral, less the amount paid to borrowers and related expenses) from such activities and, with respect to loan fees paid by borrowers, a fee up to 10% of such loan fees. These fees are included in “Income derived from securities lending” and “Management and investment advisory fees” on the Statements of Operations. During the year ended December 31, 2019, the Manager received securities lending fees of \$2,815 and \$27,446 for the securities lending activities of the Bridgeway Large Cap Growth Fund and Bridgeway Large Cap Value Fund, respectively.

### *Distribution Plans*

The Funds, except for the A and C Classes of the Funds, have adopted a “defensive” Distribution Plan (the “Plan”) in accordance with Rule 12b-1 under the Act, pursuant to which no separate fees may be charged to the Funds for distribution purposes. However, the Plan authorizes the management fee received by the Manager and the investment advisors hired by the Manager to be used for distribution purposes. Under this Plan, the Funds do not intend to compensate the Manager or any other party, either directly or indirectly, for the distribution of Fund shares.

Separate Distribution Plans (the “Distribution Plans”) have been adopted pursuant to Rule 12b-1 under the Act for the A and C Classes of the Funds. Under the Distribution Plans, as compensation for distribution and shareholder servicing assistance, the Manager receives an annual fee of 0.25% of the average daily net assets of the A Class and 1.00% of the average daily net assets of the C Class. The fee will be payable without regard to whether the amount of the fee is more or less than the actual expenses incurred in a particular month by the Manager for distribution assistance.

### *Service Plans*

The Manager and the Trust entered into Service Plans that obligate the Manager to oversee additional shareholder servicing of the Investor, A, and C Classes of the Funds. As compensation for performing the duties required under the Service Plans, the Manager receives an annualized fee up to 0.25% of the average daily net assets of the A and C Classes, and up to 0.375% of the average daily net assets of the Investor Class of the Funds.

### *Sub-Transfer Agent Fees*

The Manager has entered into agreements, which include servicing agreements, with financial intermediaries that provide recordkeeping, processing, shareholder communications and other services to customers of the intermediaries that hold positions in the Institutional and Y Classes of the Funds and has agreed to compensate the intermediaries for providing these services. Intermediaries transact with the Funds primarily through the use of omnibus accounts on behalf of their customers who hold positions in the Funds. Certain services would have been provided by the Funds’ transfer agent and other service providers if the shareholders’ accounts were maintained directly by the Funds’ transfer agent. Accordingly, the Funds, pursuant to Board approval, have agreed to reimburse the Manager for certain non-distribution shareholder services provided by financial intermediaries for the Institutional and Y Classes. The reimbursement amounts (sub-transfer agent fees) paid to the Manager are subject to a fee limit of up to 0.10% of an intermediary’s average net assets in the Institutional and Y Classes on an annual basis. During the year ended December 31, 2019, the sub-transfer agent fees, as reflected in “Transfer agent fees” on the Statements of Operations, were as follows:

<u>Fund</u>	<u>Sub-Transfer Agent Fees</u>
Bridgeway Large Cap Growth . . . . .	\$ 55,653
Bridgeway Large Cap Value . . . . .	1,770,855

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## Notes to Financial Statements

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As of December 31, 2019, the Funds owed the Manager the following reimbursement of sub-transfer agent fees, as reflected in “Transfer agent fees payable” on the Statements of Assets and Liabilities:

Fund	Reimbursement Sub-Transfer Agent Fees
Bridgeway Large Cap Growth .....	\$ 1,119
Bridgeway Large Cap Value .....	156,993

### Investments in Affiliated Funds

The Funds may invest in the American Beacon U.S. Government Money Market Select Fund (the “USG Select Fund”). Cash collateral received by the Funds in connection with securities lending may also be invested in the USG Select Fund. The Funds and the USG Select Fund have the same investment advisor and therefore, are considered to be affiliated. The Manager serves as investment advisor to the USG Select Fund and receives management fees and administrative fees totaling 0.10% of the average daily net assets of the USG Select Fund. During the year ended December 31, 2019, the Manager earned fees on the Funds’ direct investments and securities lending collateral investments in the USG Select Fund as shown below:

Fund	Direct Investments in USG Select Fund	Securities Lending Collateral Investments in USG Select Fund	Total
Bridgeway Large Cap Growth .....	\$ 4,264	\$ 501	\$ 4,765
Bridgeway Large Cap Value .....	52,097	2,080	54,177

### Interfund Credit Facility

Pursuant to an exemptive order issued by the SEC, the Funds, along with other registered investment companies having management contracts with the Manager, may participate in a credit facility whereby each fund, under certain conditions, is permitted to lend money directly to and borrow directly from other participating funds for temporary purposes. The interfund credit facility is advantageous to the funds because it provides added liquidity and eliminates the need to maintain higher cash balances to meet redemptions. This situation could arise when shareholder redemptions exceed anticipated volumes and certain funds have insufficient cash on hand to satisfy such redemptions or when sales of securities do not settle as expected, resulting in a cash shortfall for a fund. When a fund liquidates portfolio securities to meet redemption requests, they often do not receive payment in settlement for up to two days (or longer for certain foreign transactions). Redemption requests normally are satisfied on the next business day. The credit facility provides a source of immediate, short-term liquidity pending settlement of the sale of portfolio securities. The credit facility is administered by a credit facility team consisting of professionals from the Manager’s asset management, compliance, and accounting areas who report the activities of the credit facility to the Board. During the year ended December 31, 2019, the Bridgeway Large Cap Growth Fund borrowed on average \$22,641,543 for 4 days at an average interest rate of 3.02% with interest charges of \$7,493 and the Bridgeway Large Cap Value Fund borrowed on average \$18,222,064 for 5 days at an average interest rate of 2.80% with interest charges of \$6,963. These amounts are recorded as “Other expenses” in the Statements of Operations.



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## Notes to Financial Statements

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### Expense Reimbursement Plan

The Manager contractually agreed to reduce fees and/or reimburse expenses for the classes of the Funds to the extent that total operating expenses exceed the Funds' expense cap. During the year ended December 31, 2019, the Manager waived and/or reimbursed expenses as follows:

Fund	Class	Expense Cap		Reimbursed Expenses	(Recouped) Expenses	Expiration of Reimbursed Expenses
		1/1/2019 - 4/30/2019	5/1/2019 - 12/31/2019			
Bridgeway Large Cap Growth	Institutional	0.81%	0.81%	\$ 125,811	\$ (16,725)	2022
Bridgeway Large Cap Growth	Y	0.91%	0.91%	1,495	(520)	2022
Bridgeway Large Cap Growth	Investor	1.19%	1.19%	32,866	(29,642)	2022
Bridgeway Large Cap Growth	A	1.21%	1.21%	653	(1,319)	2022
Bridgeway Large Cap Growth	C	1.96%	1.96%	89	(502)	2022
Bridgeway Large Cap Growth	R6	0.76%	0.76%	643	(559)	2022
Bridgeway Large Cap Value	R6	0.70%	N/A	12,434	(7,563)	2022

Of these amounts, \$118,627 and \$6,542 were disclosed as a receivable from the Manager on the Statements of Assets and Liabilities at December 31, 2019 for the Bridgeway Large Cap Growth Fund and Bridgeway Large Cap Value Fund, respectively.

The Funds have adopted an Expense Reimbursement Plan whereby the Manager may seek repayment of such fee or voluntary reductions and expense reimbursements. Under the policy, the Manager can be reimbursed by the Funds for any contractual or voluntary fee reductions or expense reimbursements if reimbursement to the Manager (a) occurs within three years from the date of the Manager's waiver/reimbursement and (b) does not cause the Funds' annual operating expenses to exceed the lesser of the contractual percentage limit in effect at the time of the waiver/reimbursement or time of recoupment. The reimbursed expenses listed above will expire in 2021 and 2022. The Funds did not record a liability for potential reimbursements due to the current assessment that reimbursements are unlikely. The carryover of excess expenses potentially reimbursable to the Manager, but not recorded as a liability are as follows:

Fund	Recouped Expenses	Excess Expense Carryover	Expired Expense Carryover	Expiration of Reimbursed Expenses
Bridgeway Large Cap Growth	\$ -	\$ -	\$ 38,672	2019
Bridgeway Large Cap Growth	43,799	375,714	-	2020
Bridgeway Large Cap Growth	101,998	241,324	-	2021

### Sales Commissions

The Funds' Distributor, Resolute Investment Distributors, Inc. ("RID" or "Distributor"), may receive a portion of Class A sales charges from broker dealers which may be used to offset distribution related expenses. During the year ended December 31, 2019, RID collected \$234 and \$14,824 for Bridgeway Large Cap Growth Fund and Bridgeway Large Cap Value Fund, respectively, from the sale of Class A Shares.

A CDSC of 0.50% will be deducted with respect to Class A Shares on certain purchases of \$1,000,000 or more that are redeemed in whole or part within 18 months of purchase, unless waived as discussed in the Funds' Prospectus. Any applicable CDSC will be 0.50% of the lesser of the original purchase price or the value of the redemption of the Class A Shares redeemed. During the year ended December 31, 2019, CDSC fees of \$1,367 were collected for Class A Shares of the Bridgeway Large Cap Value Fund. There were no CDSC fees collected for Class A Shares of the Bridgeway Large Cap Growth Fund for the same period herein.

A CDSC of 1.00% will be deducted with respect to Class C Shares redeemed within 12 months of purchase, unless waived as discussed in the Funds' Prospectus. Any applicable CDSC will be 1.00% of the lesser of the original purchase price or the value of the redemption of the Class C Shares redeemed. During the year ended December 31, 2019, CDSC fees of \$123 and \$10,905 were collected for the Class C Shares of Bridgeway Large Cap Growth Fund and Bridgeway Large Cap Value Fund, respectively.

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## Notes to Financial Statements

December 31, 2019

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### *Trustee Fees and Expenses*

Effective January 1, 2020, as compensation for their service to the American Beacon Funds Complex, including the Trust (collectively, the “Trusts”), each Trustee is compensated from the Trusts as follows: (1) an annual retainer of \$120,000; (2) meeting attendance fee (for attendance in person or via teleconference) of (a) \$12,000 for in person attendance, or \$5,000 for telephonic attendance, by Board members for each regularly scheduled or special Board meeting, (b) \$2,500 for attendance by Committee members at meetings of the Audit Committee and the Investment Committee, (c) \$1,500 for attendance by Committee members at meetings of the Nominating and Governance Committee; and (d) \$2,500 for attendance by Board members for each special telephonic Board meeting; and (3) reimbursement of reasonable expenses incurred in attending Board meetings, Committee meetings, and relevant educational seminars. The Trustees also may be compensated for attendance at special Board and/or Committee meetings from time to time. For her service as Board Chair, Ms. Cline receives an additional annual retainer of \$50,000. Although she attends several committee meetings at each quarterly Board meeting, she receives only a single \$2,500 fee each quarter for her attendance at those meetings. The chairpersons of the Audit Committee and the Investment Committee each receive an additional annual retainer of \$25,000 and the Chair of the Nominating and Governance Committee receives an additional annual retainer of \$15,000.

### **3. Security Valuation and Fair Value Measurements**

The price of the Fund’s shares is based on its net asset value (“NAV”) per share. The Fund’s NAV is computed by adding total assets, subtracting all the Fund’s liabilities, and dividing the result by the total number of shares outstanding.

The NAV of each class of the Fund’s shares is determined based on a pro rata allocation of the Fund’s investment income, expenses and total capital gains and losses. The Fund’s NAV per share is determined each business day as of the regular close of trading on the New York Stock Exchange (“NYSE” or “Exchange”), which is typically 4:00 p.m. Eastern Time (“ET”). However, if trading on the NYSE closes at a time other than 4:00 p.m. ET, the Fund’s NAV per share typically would still be determined as of the regular close of trading on the NYSE. The Fund does not price its shares on days that the NYSE is closed. Foreign exchanges may permit trading in foreign securities on days when the Fund is not open for business, which may result in the value of the Fund’s portfolio investments being affected at a time when you are unable to buy or sell shares.

Equity securities, including shares of closed-end funds and exchange-traded funds (“ETFs”), are valued at the last sale price or official closing price taken from the primary exchange in which each security trades. Investments in other mutual funds are valued at the closing NAV per share on the day of valuation. Debt securities are valued at bid quotes from broker/dealers or evaluated bid prices from pricing services, who may consider a number of inputs and factors, such as prices of comparable securities, yield curves, spreads, credit ratings, coupon rates, maturity, default rates, and underlying collateral. Futures are valued based on their daily settlement prices. Exchange-traded and over-the-counter (“OTC”) options are valued at the last sale price. Options with no last sale for the day are priced at mid quote. Swaps are valued at evaluated mid prices from pricing services.

The valuation of securities traded on foreign markets and certain fixed-income securities will generally be based on prices determined as of the earlier closing time of the markets on which they primarily trade unless a significant event has occurred. When the Fund holds securities or other assets that are denominated in a foreign currency, the Fund will normally use the currency exchange rates as of 4:00 p.m. ET.

Securities may be valued at fair value, as determined in good faith and pursuant to procedures approved by the Board, under certain limited circumstances. For example, fair value pricing will be used when market quotations are not readily available or reliable, as determined by the Manager, such as when (i) trading for a security is restricted or stopped; (ii) a security’s trading market is closed (other than customary closings); or (iii) a security has been de-listed from a national exchange. A security with limited market liquidity may require fair value pricing if the Manager determines that the available price does not reflect the security’s true market value.

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In addition, if a significant event that the Manager determines to affect the value of one or more securities held by the Fund occurs after the close of a related exchange but before the determination of the Fund's NAV, fair value pricing may be used on the affected security or securities. Securities of small-capitalization companies are also more likely to require a fair value determination using these procedures because they are more thinly traded and less liquid than the securities of larger-capitalization companies. The Fund may fair value securities as a result of significant events occurring after the close of the foreign markets in which the Fund invests as described below. In addition, the Fund may invest in illiquid securities requiring these procedures.

The Fund may use fair value pricing for securities primarily traded in non-U.S. markets because most foreign markets close well before the Fund's pricing time of 4:00 p.m. ET. The earlier close of these foreign markets gives rise to the possibility that significant events, including broad market moves, may have occurred in the interim and may materially affect the value of those securities. If the Manager determines that the last quoted prices of non-U.S. securities will, in its judgment, materially affect the value of some or all its portfolio securities, the Manager can adjust the previous closing prices to reflect what it believes to be the fair value of the securities as of the close of the Exchange. In deciding whether it is necessary to adjust closing prices to reflect fair value, the Manager reviews a variety of factors, including developments in foreign markets, the performance of U.S. securities markets, and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. These securities are fair valued using a pricing service, using methods approved by the Board, that considers the correlation of the trading patterns of the foreign security to intraday trading in the U.S. markets, based on indices of domestic securities and other appropriate indicators such as prices of relevant American Depositary Receipts ("ADRs") and futures contracts. The Valuation Committee, established by the Board, may also fair value securities in other situations, such as when a particular foreign market is closed but the Fund is open. The Fund uses outside pricing services to provide closing prices and information to evaluate and/or adjust those prices. As a means of evaluating its security valuation process, the Valuation Committee routinely compares closing prices, the next day's opening prices in the same markets and adjusted prices.

Attempts to determine the fair value of securities introduce an element of subjectivity to the pricing of securities. As a result, the price of a security determined through fair valuation techniques may differ from the price quoted or published by other sources and may not accurately reflect the market value of the security when trading resumes. If a reliable market quotation becomes available for a security formerly valued through fair valuation techniques, the Manager compares the new market quotation to the fair value price to evaluate the effectiveness of the Fund's fair valuation procedures. If any significant discrepancies are found, the Manager may adjust the Fund's fair valuation procedures.

### *Valuation Inputs*

Various inputs may be used to determine the fair value of the Funds' investments. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

- Level 1 - Quoted prices in active markets for identical securities.
- Level 2 - Prices determined using other significant observable inputs. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, and others.
- Level 3 - Prices determined using other significant unobservable inputs. Unobservable inputs reflect the Fund's own assumptions about the factors market participants would use in pricing an investment.

### *Level 1 and Level 2 trading assets and trading liabilities, at fair value*

Common stocks, preferred securities, ETFs, and financial derivative instruments, such as futures contracts that are traded on a national securities exchange, are stated at the last reported sale or settlement price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

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categorized as Level 1 of the fair value hierarchy. Preferred securities and other equities traded on inactive markets or valued by reference to similar instruments are generally categorized as Level 2 of the fair value hierarchy.

Investments in registered open-end investment management companies will be valued based upon the NAVs of such investments and are categorized as Level 1 of the fair value hierarchy.

### 4. Securities and Other Investments

#### *Common Stock*

Common stock generally takes the form of shares in a corporation which represent an ownership interest. It ranks below preferred stock and debt securities in claims for dividends and for assets of the company in a liquidation or bankruptcy. The value of a company's common stock may fall as a result of factors directly relating to that company, such as decisions made by its management or decreased demand for the company's products or services. A stock's value may also decline because of factors affecting not just the company, but also companies in the same industry or sector. The price of a company's stock may also be affected by changes in financial markets that are relatively unrelated to the company, such as changes in interest rates, currency exchange rates or industry regulation. Companies that elect to pay dividends on their common stock generally only do so after they invest in their own business and make required payments to bondholders and on other debt and preferred stock. Therefore, the value of a company's common stock will usually be more volatile than its bonds, other debt and preferred stock. Common stock may be exchange-traded or OTC. OTC stock may be less liquid than exchange-traded stock.

#### *Other Investment Company Securities and Other Exchange-Traded Products*

The Funds at times may invest in shares of other investment companies, including money market funds and ETFs. The Funds may invest in investment company securities advised by the Manager or a sub-advisor. To the extent that a Fund invests in shares of other registered investment companies, a Fund will indirectly bear fees and expenses, including for example, advisory and administrative fees, charged by those investment companies in addition to a Fund's direct fees and expenses and will be subject to the risks associated with investments in those companies. For example, a Fund's investments in money market funds are subject to interest rate risk, credit risk, and market risk. A Fund must rely on the investment company in which it invests to achieve its investment objective. If the investment company fails to achieve its investment objective, the value of a Fund's investment may decline, adversely affecting a Fund's performance. To the extent a Fund invests in other investment companies that invest in equity securities, fixed income securities and/or foreign securities, or that track an index, the Fund would be subject to the risks associated with the underlying investments held by the investment company or the index fluctuations to which the investment company is subject.

#### *Real Estate Investment Trusts*

The Funds may own shares of real estate investment trusts ("REITs") which report information on the source of their distributions annually. The Funds re-characterize distributions received from REIT investments based on information provided by the REITs into the following categories: ordinary income, long-term capital gains, and return of capital. If information is not available on a timely basis from the REITs, the re-characterization will be estimated based on available information, which may include the previous year allocation. If new or additional information becomes available from the REITs at a later date, a re-characterization will be made the following year.

### 5. Financial Derivative Instruments

The Funds may utilize derivative instruments to enhance return, hedge risk, gain efficient exposure to an asset class or to manage liquidity. When considering the Funds' use of derivatives, it is important to note that the Funds do not use derivatives for the purpose of creating financial leverage.

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## Notes to Financial Statements

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### Futures Contracts

Futures contracts are contracts to buy or sell a standard quantity of securities at a specified price on a future date. The Funds may enter into financial futures contracts as a method for keeping assets readily convertible to cash if needed to meet shareholder redemptions or for other needs while maintaining exposure to the stock or bond market, as applicable. The primary risks associated with the use of futures contracts are the possibility of illiquid markets or imperfect correlation between the values of the contracts and the underlying securities or that the counterparty will fail to perform its obligations.

Upon entering into a futures contract, the Funds are required to set aside or deposit with a broker an amount, termed the initial margin, which typically represents a portion of the face value of the futures contract. The Funds usually reflect this amount on the Schedules of Investments as a U.S. Treasury Bill held as collateral for futures contracts or as cash deposited with broker on the Statements of Assets and Liabilities. Payments to and from the broker, known as variation margin, are required to be made on a daily basis as the price of the futures contract fluctuates. Changes in initial settlement values are accounted for as unrealized appreciation (depreciation) until the contracts are terminated, at which time realized gains and losses are recognized. Futures contracts are valued at the most recent settlement price established each day by the exchange on which they are traded.

During the year ended December 31, 2019, the Funds entered into futures contracts primarily for exposing cash to markets.

The Funds' average futures contracts outstanding fluctuate throughout the operating year as required to meet strategic requirements. The following table illustrates the average quarterly volume of futures contracts. For the purpose of this disclosure, volume is measured by contracts outstanding at each quarter end.

<u>Average Futures Contracts Outstanding</u>	
<u>Fund</u>	<u>Year Ended December 31, 2019</u>
Bridgeway Large Cap Growth .....	20
Bridgeway Large Cap Value .....	198

The following is a summary of the fair valuations of the Funds' derivative instruments categorized by risk exposure<sup>(1)</sup>:

### Bridgeway Large Cap Growth Fund

#### *Fair values of financial instruments on the Statements of Assets and Liabilities as of December 31, 2019:*

<u>Assets:</u>	<u>Derivatives not accounted for as hedging instruments</u>					<u>Total</u>
	<u>Credit contracts</u>	<u>Foreign exchange contracts</u>	<u>Commodity contracts</u>	<u>Interest rate contracts</u>	<u>Equity contracts</u>	
Receivable for variation margin from open futures contracts <sup>(2)</sup> .....	\$ -	\$ -	\$ -	\$ -	\$ 47,157	\$ 47,157

#### *The effect of financial derivative instruments on the Statements of Operations as of December 31, 2019:*

<u>Realized gain (loss) from derivatives recognized as a result of operations</u>	<u>Derivatives not accounted for as hedging instruments</u>					<u>Total</u>
	<u>Credit contracts</u>	<u>Foreign exchange contracts</u>	<u>Commodity contracts</u>	<u>Interest rate contracts</u>	<u>Equity contracts</u>	
Futures contracts .....	\$ -	\$ -	\$ -	\$ -	\$ 1,255,967	\$ 1,255,967
<u>Net change in unrealized appreciation (depreciation) of derivatives recognized as a result of operations:</u>	<u>Credit contracts</u>	<u>Foreign exchange contracts</u>	<u>Commodity contracts</u>	<u>Interest rate contracts</u>	<u>Equity contracts</u>	<u>Total</u>
Futures contracts .....	\$ -	\$ -	\$ -	\$ -	\$ (2,484)	\$ (2,484)

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

December 31, 2019

### Bridgeway Large Cap Value Fund

#### Fair values of financial instruments on the Statements of Assets and Liabilities as of December 31, 2019:

Assets:	Derivatives not accounted for as hedging instruments					Total
	Credit contracts	Foreign exchange contracts	Commodity contracts	Interest rate contracts	Equity contracts	
Receivable for variation margin from open futures contracts <sup>(2)</sup>	\$ -	\$ -	\$ -	\$ -	\$ 44,872	\$ 44,872

#### The effect of financial derivative instruments on the Statements of Operations as of December 31, 2019:

Realized gain (loss) from derivatives recognized as a result of operations	Derivatives not accounted for as hedging instruments					Total
	Credit contracts	Foreign exchange contracts	Commodity contracts	Interest rate contracts	Equity contracts	
Futures contracts	\$ -	\$ -	\$ -	\$ -	\$ 10,006,004	\$ 10,006,004
Net change in unrealized appreciation (depreciation) of derivatives recognized as a result from operations:	Credit contracts	Foreign exchange contracts	Commodity contracts	Interest rate contracts	Equity contracts	Total
Futures contracts	\$ -	\$ -	\$ -	\$ -	\$ (954,898)	\$ (954,898)

<sup>(1)</sup> See Note 3 in the Notes to Financial Statements for additional information.

<sup>(2)</sup> Includes cumulative appreciation (depreciation) of futures contracts as reported in the Fund's Schedule of Investments footnotes. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

### Offsetting Assets and Liabilities

The Funds are parties to enforceable master netting agreements between brokers and counterparties which provide for the right to offset under certain circumstances. The Funds employ multiple money managers and counterparties and have elected not to offset qualifying financial and derivative instruments on the Statements of Assets and Liabilities, as such all financial and derivative instruments are presented on a gross basis. The impacts of netting arrangements that provide the right to offset are detailed below. The net amount represents the net receivable or payable that would be due from or to the counterparty in the event of default. Exposure from borrowings and other financing agreements such as repurchase agreements can only be netted across transactions governed by the same Master Agreement with the same legal entity. All amounts reported below represent the balance as of the report date, December 31, 2019.

### Bridgeway Large Cap Growth Fund

#### Offsetting of Financial and Derivative Assets as of December 31, 2019:

	Assets	Liabilities
Futures Contracts <sup>(1)</sup>	\$ 47,157	\$ -
Total derivative assets and liabilities in the Statement of Assets and Liabilities	\$ 47,157	\$ -
Derivatives not subject to a Master Netting Agreement or similar agreement ("MNA")	\$ (47,157)	\$ -

#### Remaining Contractual Maturity of the Agreements As of December 31, 2019

	Overnight and Continuous	<30 days	Between 30 & 90 days	>90 days	Total
Securities Lending Transactions					
Common Stocks	\$ 2,165,786	\$ -	\$ -	\$ -	\$ 2,165,786
Total Borrowings	\$ 2,165,786	\$ -	\$ -	\$ -	\$ 2,165,786
Gross amount of recognized liabilities for securities lending transactions					\$ 2,165,786

<sup>(1)</sup> Includes cumulative appreciation or (depreciation) of futures contracts as reported in the Schedule of Investments footnotes. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

December 31, 2019

### Bridgeway Large Cap Value Fund

#### *Offsetting of Financial and Derivative Assets as of December 31, 2019:*

	<u>Assets</u>	<u>Liabilities</u>
Futures Contracts <sup>(1)</sup> . . . . .	\$ 44,872	\$ -
Total derivative assets and liabilities in the Statement of Assets and Liabilities . . . . .	\$ 44,872	\$ -
Derivatives not subject to a Master Netting Agreement or similar agreement (“MNA”) . . . . .	<u>\$ (44,872)</u>	<u>\$ -</u>

<sup>(1)</sup> Includes cumulative appreciation or (depreciation) of futures contracts as reported in the Schedule of Investments footnotes. Only current day’s variation margin is reported within the Statements of Assets and Liabilities.

## 6. Principal Risks

Investing in the Funds may involve certain risks including, but not limited to, those described below.

### *Equity Investments Risk*

Equity securities are subject to market risk. The Funds’ investments in equity securities may include common stocks, preferred stocks, securities convertible into or exchangeable for common stocks, REITs, depositary receipts, and U.S. dollar-denominated foreign stocks traded on U.S. exchanges. Such investments may expose the Funds to additional risk. The value of a company’s common stock may fall as a result of factors affecting the company, companies in the same industry or sector, or the financial markets overall. Common stock generally is subordinate to preferred stock upon the liquidation or bankruptcy of the issuing company. Preferred stocks and convertible securities are sensitive to movements in interest rates. Preferred stocks may be less liquid than common stocks and, unlike common stocks, participation in the growth of an issuer may be limited. Distributions on preferred stocks generally are payable at the discretion of an issuer and after required payments to bond holders. Convertible securities are subject to the risk that the credit standing of the issuer may have an effect on the convertible securities’ investment value. Investments in REITs are subject to the risks associated with investing in the real estate industry such as adverse developments affecting the real estate industry and real property values. Depositary receipts and U.S. dollar-denominated foreign stocks traded on U.S. exchanges are subject to certain of the risks associated with investing directly in foreign securities, including, but not limited to, currency fluctuations and political and financial instability in the home country of a particular depositary receipt or foreign stock.

### *Futures Contracts Risk*

Futures contracts are derivative instruments where one party pays a fixed price for an agreed amount of securities or other underlying assets at an agreed date. The use of such derivative instruments may expose the Funds to additional risks that they would not be subject to if they invested directly in the securities underlying those derivatives. Futures contracts may experience potentially dramatic price changes (losses) and imperfect correlation between the price of the contract and the underlying security or index, which will increase the volatility of the Funds and may involve a small investment of cash (the amount of initial and variation margin) relative to the magnitude of the risk assumed (the potential increase or decrease in the price of the futures contract).

### *Market Risk*

Conditions in the U.S. and many foreign economies have resulted, and may continue to result, in certain instruments experiencing unusual liquidity issues, increased price volatility and, in some cases, credit downgrades and increased likelihood of default. These events have reduced the willingness and ability of some lenders to extend credit, and have made it more difficult for some borrowers to obtain financing on attractive terms, if at all. In some cases, traditional market participants have been less willing to make a market in some types of debt instruments, which has affected the liquidity of those instruments. During times of market turmoil, investors tend

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

December 31, 2019

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to look to the safety of securities issued or backed by the U.S. Treasury, causing the prices of these securities to rise and the yields to decline. Reduced liquidity in fixed income and credit markets may negatively affect many issuers worldwide. In addition, global economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact issuers in a different country or region. A rise in protectionist trade policies, and the possibility of changes to some international trade agreements, could affect the economies of many nations, including the United States, in ways that cannot necessarily be foreseen at the present time.

In response to the financial crisis, the U.S. and other governments and the Federal Reserve and certain foreign central banks have taken steps to support financial markets. In some countries where economic conditions are recovering, they are nevertheless perceived as still fragile. Withdrawal of government support, failure of efforts in response to the crisis, or investor perception that such efforts are not succeeding, could adversely impact the value and liquidity of certain securities. The severity or duration of adverse economic conditions may also be affected by policy changes made by governments or quasi-governmental organizations, including changes in tax laws. The impact of new financial regulation legislation on the markets and the practical implications for market participants may not be fully known for some time. Regulatory changes are causing some financial services companies to exit long-standing lines of business, resulting in dislocations for other market participants. In addition, political and governmental events within the U.S. and abroad, such as the U.S. government's inability at times to agree on a long-term budget and deficit reduction plan, the threat of a federal government shutdown and threats not to increase the federal government's debt limit, may affect investor and consumer confidence and may adversely impact financial markets and the broader economy, perhaps suddenly and to a significant degree. The U.S. government has reduced the federal corporate income tax rates, and future legislative, regulatory and policy changes may result in more restrictions on international trade, less stringent prudential regulation of certain players in the financial markets, and significant new investments in infrastructure and national defense. Markets may react strongly to expectations about the changes in these policies, which could increase volatility, especially if the markets' expectations for changes in government policies are not borne out.

Changes in market conditions will not have the same impact on all types of securities. Interest rates have been unusually low in recent years in the U.S. and abroad. Because there is little precedent for this situation, it is difficult to predict the impact of a significant rate increase on various markets. For example, because investors may buy securities or other investments with borrowed money, a significant increase in interest rates may cause a decline in the markets for those investments. Because of the sharp decline in the worldwide price of oil, there is a concern that oil producing nations may withdraw significant assets now held in U.S. Treasuries, which could force a substantial increase in interest rates. Regulators have expressed concern that rate increases may cause investors to sell fixed income securities faster than the market can absorb them, contributing to price volatility. In addition, there is a risk that the prices of goods and services in the U.S. and many foreign economies may decline over time, known as deflation (the opposite of inflation). Deflation may have an adverse effect on stock prices and creditworthiness and may make defaults on debt more likely. If a country's economy slips into a deflationary pattern, it could last for a prolonged period and may be difficult to reverse.

A rise in protectionist trade policies, risks associated with the United Kingdom's departure from the European Union on January 31, 2020 and trade agreement negotiations during the transition period, the risk of a trade dispute between the United States and China, and the possibility of changes to some international trade agreements, could affect the economies of many nations, including the United States, in ways that cannot necessarily be foreseen at the present time. The severity or duration of adverse economic conditions may also be affected by policy changes made by governments or quasi-governmental organizations. In addition, political and governmental events within the U.S. and abroad may affect investor and consumer confidence and may adversely impact financial markets and the broader economy, perhaps suddenly and to a significant degree.



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## Notes to Financial Statements

December 31, 2019

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### *Other Investment Companies Risk*

The Funds may invest in shares of other registered investment companies, including money market funds that are advised by the Manager. To the extent that the Funds invest in shares of other registered investment companies, the Funds will indirectly bear the fees and expenses, including for example advisory and administrative fees, charged by those investment companies in addition to the Funds' direct fees and expenses and will be subject to the risks associated with investments in those companies. For example, the Funds' investments in money market funds are subject to interest rate risk, credit risk, and market risk. The Funds must rely on the investment company in which it invests to achieve its investment objective. If the investment company fails to achieve its investment objective, the value of the Funds' investment will decline, adversely affecting the Funds' performance. To the extent the Funds invest in other investment companies that invest in equity securities, fixed income securities and/or foreign securities, or track an index, the Funds are subject to the risks associated with the underlying investments held by the investment company or the index fluctuations to which the investment company is subject.

### *Securities Lending Risk*

A Fund may lend its portfolio securities to brokers, dealers and financial institutions to seek income. There is a risk that a borrower may default on its obligations to return loaned securities; however, a Fund's securities lending agent indemnifies the Fund against that risk. There is a risk that the assets of a Fund's securities lending agent may be insufficient to satisfy any contractual indemnification requirements to the Fund. Borrowers of a Fund's securities typically provide collateral in the form of cash that is reinvested in securities. A Fund will be responsible for the risks associated with the investment of cash collateral, including any collateral invested in an affiliated money market fund. A Fund may lose money on its investment of cash collateral or may fail to earn sufficient income on its investment to meet obligations to the borrower. In addition, delays may occur in the recovery of securities from borrowers, which could interfere with a Fund's ability to vote proxies or to settle transactions and there is the risk of possible loss of rights in the collateral should the borrower fail financially. In any case in which the loaned securities are not returned to the Fund before an ex-dividend date, the payment in lieu of the dividend that the Fund receives from the securities' borrower would not be treated as a dividend for federal income tax purposes and thus would not qualify for treatment as "qualified dividend income".

## **7. Federal Income and Excise Taxes**

It is the policy of each Fund to qualify as a regulated investment company ("RIC"), by complying with all applicable provisions of Subchapter M of the Internal Revenue Code, as amended, and to make distributions of taxable income sufficient to relieve it from substantially all federal income and excise taxes. For federal income tax purposes, each Fund is treated as a single entity for the purpose of determining such qualification.

The Funds do not have any unrecorded tax liabilities in the accompanying financial statements. Each of the tax years in the four year period ended December 31, 2019 remain subject to examination by the Internal Revenue Service. If applicable, the Funds recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in "Other expenses" on the Statements of Operations.

The Funds may be subject to taxes imposed by countries in which it invests. Such taxes are generally based on returns of income earned or gains realized or repatriated. Taxes are accrued and applied to net investment income, net realized capital gains and net unrealized appreciation (depreciation), as applicable, as the income is earned or capital gains are recorded.

Dividends are categorized in accordance with income tax regulations which may treat certain transactions differently than U.S. GAAP. Accordingly, the character of distributions and composition of net assets for tax purposes may differ from those reflected in the accompanying financial statements.

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

December 31, 2019

The tax character of distributions paid were as follows:

	Bridgeway Large Cap Growth Fund		Bridgeway Large Cap Value Fund	
	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018
<b>Distributions paid from:</b>				
<b>Ordinary income*</b>				
Institutional Class . . . . .	\$ 265,226	\$ 4,987,298	\$ 23,305,258	\$ 27,614,673
Y Class . . . . .	4,684	73,240	26,904,554	28,353,880
Investor Class . . . . .	161,886	1,982,511	8,833,240	13,076,256
A Class . . . . .	4,657	50,056	871,149	1,185,249
C Class . . . . .	2,603	19,838	443,571	491,400
R6 Class . . . . .	261	2,921	4,396,187	2,795,518
<b>Long-term capital gains</b>				
Institutional Class . . . . .	11,004,837	10,195,621	26,593,570	98,895,071
Y Class . . . . .	194,361	149,724	31,798,655	105,853,194
Investor Class . . . . .	6,717,044	4,358,701	13,331,628	62,490,515
A Class . . . . .	193,241	112,786	1,286,522	5,447,552
C Class . . . . .	108,006	44,698	1,362,871	5,591,352
R6 Class . . . . .	10,820	5,971	4,926,373	9,873,893
<b>Total distributions paid</b> . . . . .	<b>\$ 18,667,626</b>	<b>\$ 21,983,365</b>	<b>\$ 144,053,578</b>	<b>\$ 361,668,553</b>

\*For tax purposes, short-term gains are considered ordinary income distributions.

As of December 31, 2019 the components of distributable earnings (deficits) on a tax basis were as follows:

Fund	Tax Cost	Unrealized Appreciation	Unrealized (Depreciation)	Net Unrealized Appreciation (Depreciation)
Bridgeway Large Cap Growth . . . . .	\$ 162,390,769	\$ 39,997,476	\$ (2,935,868)	\$ 37,061,608
Bridgeway Large Cap Value . . . . .	3,137,256,287	598,891,949	(131,603,154)	467,288,795

Fund	Net Unrealized Appreciation (Depreciation)	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Accumulated Capital and Other (Losses)	Other Temporary Differences	Distributable Earnings
Bridgeway Large Cap Growth . . . . .	\$ 37,061,608	\$ 1,909,893	\$ 7,350,899	\$ -	\$ -	\$ 46,322,400
Bridgeway Large Cap Value . . . . .	467,288,795	14,332,931	84,060,310	-	-	565,682,036

Financial reporting records are adjusted for permanent book/tax differences to reflect tax character. Financial records are not adjusted for temporary differences. The temporary differences between financial reporting and tax-basis reporting of unrealized appreciation (depreciation) are attributable primarily to the tax deferral of losses from wash sales and the realization for tax purposes of unrealized gains (losses) on certain derivative instruments.

Due to inherent differences in the recognition of income, expenses, and realized gains (losses) under U.S. GAAP and federal income tax regulations, permanent differences between book and tax reporting have been identified and appropriately reclassified on the Statements of Assets and Liabilities.

The Funds had no permanent differences as of December 31, 2019:

Under the Regulated Investment Company Modernization Act of 2010 ("RIC MOD"), net capital losses recognized by the Funds in taxable years beginning after December 22, 2010 are carried forward indefinitely and retain their character as short-term and/or long-term losses.

As of December 31, 2019, the Funds did not have any capital loss carryforwards.

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

December 31, 2019

### 8. Investment Transactions

The aggregate cost of purchases and proceeds from sales and maturities of investments, other than short-term obligations, for the year ended December 31, 2019 were as follows:

Fund	Purchases (non-U.S. Government Securities)	Sales (non-U.S. Government Securities)
Bridgeway Large Cap Growth . . . . .	\$ 150,508,071	\$ 226,748,190
Bridgeway Large Cap Value . . . . .	1,743,671,291	3,025,699,281

A summary of the Funds' transactions in the USG Select Fund for the year ended December 31, 2019 are as follows:

Fund	Type of Transaction	December 31, 2018 Shares/Fair Value	Purchases	Sales	December 31, 2019 Shares/Fair Value	Dividend Income
Bridgeway Large Cap Growth . . . . .	Direct	\$ 4,647,290	\$ 114,710,201	\$ 116,831,349	\$ 2,526,142	\$ 87,729
Bridgeway Large Cap Growth . . . . .	Securities Lending	-	13,681,853	11,516,067	2,165,786	N/A
Bridgeway Large Cap Value . . . . .	Direct	41,766,144	2,418,767,484	2,421,789,039	38,744,589	1,094,199
Bridgeway Large Cap Value . . . . .	Securities Lending	-	116,158,284	116,158,284	-	N/A

### 9. Securities Lending

The Funds may lend their securities to qualified financial institutions, such as certain broker-dealers, to earn additional income. The borrowers are required to secure their loans continuously with collateral in an amount at least equal to the fair value of the securities loaned, initially in an amount at least equal to 102% of the fair value of domestic securities loaned and 105% of the fair value of international securities loaned. Collateral is monitored and marked-to-market daily. Daily mark-to-market amounts are required to be paid to the borrower or received from the borrower by the end of the following business day. This one day settlement for mark-to-market amounts may result in the collateral being temporarily less than the value of the securities on loan or temporarily more than the required minimum collateral.

To the extent that a loan is collateralized by cash, such cash collateral shall be invested by the securities lending agent (the "Agent") in money market mutual funds and other short-term investments, provided the investments meet certain quality and diversification requirements. Securities purchased with cash collateral proceeds are listed in the Funds' Schedule of Investments and the collateral is shown on the Statements of Assets and Liabilities as a payable.

Securities lending income is generated from the demand premium (if any) paid by the borrower to borrow a specific security and from the return on investment of cash collateral, reduced by negotiated rebate fees paid to the borrower and transaction costs. To the extent that a loan is secured by non-cash collateral, securities lending income is generated as a demand premium reduced by transaction costs. The Funds, the Agent, and the Manager retained 80%, 10%, and 10%, respectively, of the income generated from securities lending.

While securities are on loan, the Funds continue to receive certain income associated with that security and any gain or loss in the market price that may occur during the term of the loan. In the case of domestic equities, the value of any dividend is received in the form of a substitute payment approximately equal to the dividend. In the case of foreign securities, a negotiated amount is received that is less than the actual dividend, but higher than the dividend amount minus the foreign tax that the Funds would be subject to on the dividend.

Securities lending transactions pose certain risks to the Funds, including that the borrower may not provide additional collateral when required or return the securities when due, that the value of the short-term investments

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

December 31, 2019

will be less than the amount of cash collateral required to be returned to the borrower, that non-cash collateral may be subject to legal constraints in the event of a borrower bankruptcy, and that the cash collateral investments could become illiquid and unable to be used to return collateral to the borrower. The Funds could also experience delays and costs in gaining access to the collateral. The Funds bear the risk of any deficiency in the amount of the cash collateral available for return to the borrower and any action which impairs its ability to liquidate non-cash collateral to satisfy a borrower default.

As of December 31, 2019, the value of outstanding securities on loan and the value of collateral were as follows:

Fund	Market Value of Securities on Loan	Cash Collateral Received	Non-Cash Collateral Received	Total Collateral Received
Bridgeway Large Cap Growth .....	\$ 12,747,271	\$ 2,165,786	\$ 10,807,746	\$ 12,973,532
Bridgeway Large Cap Value .....	102,365,471	-	104,450,586	104,450,586

Cash collateral is listed on the Funds' Schedules of Investments and is shown on the Statements of Assets and Liabilities. Income earned on these investments is included in "Income derived from securities lending" on the Statements of Operations.

Non-cash collateral received by the Funds may not be sold or re-pledged except to satisfy a borrower default. Therefore, non-cash collateral is not included on the Funds' Schedules of Investments or Statements of Assets and Liabilities.

## 10. Borrowing Arrangements

Effective November 14, 2019 (the "Effective Date"), the Funds, along with certain other funds managed by the Manager ("Participating Funds"), entered into a committed revolving line of credit (the "Committed Line") agreement with State Street Bank and Trust Company (the "Bank") to be used to facilitate portfolio liquidity. The maximum borrowing amount under the Committed Line is \$250 million with interest at a rate equal to the higher of (a) one-month London Inter-Bank Offered Rate ("LIBOR") plus 1.25% per annum or (b) the Federal Funds rate plus 1.25% per annum on amounts borrowed. Each of the Participating Funds paid a closing fee of \$100,000 on the Effective Date and a quarterly commitment fee at a rate of 0.25% per annum on the unused portion of the Committed Line amount. The Committed Line expires November 12, 2020, unless extended by the Bank or terminated by the Participating Funds in accordance with the agreement.

On the Effective Date, the Funds, along with certain other Participating Funds managed by the Manager, also entered into an uncommitted discretionary demand revolving line of credit (the "Uncommitted Line") agreement with the Bank to be used to facilitate portfolio liquidity. The maximum borrowing amount under the Uncommitted Line is \$50 million with interest at a rate equal to the higher of (a) one-month LIBOR plus 1.25% per annum or (b) the Federal Funds rate plus 1.25% per annum on each outstanding loan. Each of the Participating Funds paid a closing fee of \$35,000 on the Effective Date. The Uncommitted Line expires November 12, 2020 unless extended by the Bank or terminated by the Participating Funds in accordance with the agreement.

The Participating Funds paid administration, legal and arrangement fees, which are recognized as a component of "Other expenses" on the Statements of Operations, along with commitment fees, that have been allocated among the Participating Funds based on average daily net assets.

During the year ended December 31, 2019, the Funds did not utilize this facility.

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

December 31, 2019

### 11. Capital Share Transactions

The tables below summarize the activity in capital shares for each Class of the Funds:

	Institutional Class			
	Year Ended December 31, 2019		Year Ended December 31, 2018	
	Shares	Amount	Shares	Amount
<b>Bridgeway Large Cap Growth Fund</b>				
Shares sold	324,106	\$ 9,469,356	1,040,789	\$ 33,050,110
Reinvestment of dividends	364,137	10,869,492	601,438	14,867,540
Shares redeemed	(2,686,027)	(78,392,764)	(1,621,619)	(51,081,982)
Net increase (decrease) in shares outstanding	(1,997,784)	\$ (58,053,916)	20,608	\$ (3,164,332)
	Y Class			
	Year Ended December 31, 2019		Year Ended December 31, 2018	
	Shares	Amount	Shares	Amount
<b>Bridgeway Large Cap Growth Fund</b>				
Shares sold	41,071	\$ 1,221,925	148,641	\$ 4,689,413
Reinvestment of dividends	6,695	199,045	9,042	222,964
Shares redeemed	(70,745)	(2,101,935)	(133,776)	(4,247,166)
Net increase (decrease) in shares outstanding	(22,979)	\$ (680,965)	23,907	\$ 665,211
	Investor Class			
	Year Ended December 31, 2019		Year Ended December 31, 2018	
	Shares	Amount	Shares	Amount
<b>Bridgeway Large Cap Growth Fund</b>				
Shares sold	54,950	\$ 1,653,213	325,619	\$ 10,564,180
Reinvestment of dividends	233,725	6,878,528	258,809	6,340,851
Shares redeemed	(473,407)	(13,822,576)	(358,159)	(11,243,187)
Net increase (decrease) in shares outstanding	(184,732)	\$ (5,290,835)	226,269	\$ 5,661,844
	A Class			
	Year Ended December 31, 2019		Year Ended December 31, 2018	
	Shares	Amount	Shares	Amount
<b>Bridgeway Large Cap Growth Fund</b>				
Shares sold	3,012	\$ 90,592	79,808	\$ 2,553,888
Reinvestment of dividends	6,704	197,898	6,628	162,842
Shares redeemed	(8,630)	(250,326)	(174,526)	(5,758,888)
Net increase (decrease) in shares outstanding	1,086	\$ 38,164	(88,090)	\$ (3,042,158)
	C Class			
	Year Ended December 31, 2019		Year Ended December 31, 2018	
	Shares	Amount	Shares	Amount
<b>Bridgeway Large Cap Growth Fund</b>				
Shares sold	9,300	\$ 263,833	17,572	\$ 512,892
Reinvestment of dividends	3,874	110,609	2,686	64,536
Shares redeemed	(7,597)	(221,064)	(14,005)	(419,151)
Net increase in shares outstanding	5,577	\$ 153,378	6,253	\$ 158,277
	R6 Class			
	Year Ended December 31, 2019		April 30, 2018 <sup>A</sup> to December 31, 2018	
	Shares	Amount	Shares	Amount
<b>Bridgeway Large Cap Growth Fund</b>				
Shares sold	-	\$ -	3,237 <sup>B</sup>	\$ 100,000 <sup>B</sup>
Reinvestment of dividends	-	-	360	8,892
Net increase in shares outstanding	-	\$ -	3,597	\$ 108,892

# American Beacon Funds<sup>SM</sup>

## Notes to Financial Statements

December 31, 2019

### Bridgeway Large Cap Value Fund

Shares sold	12,047,419	\$	306,145,671
Reinvestment of dividends	1,773,435		48,148,759
Shares redeemed	(33,216,721)		(854,845,294)
Net increase (decrease) in shares outstanding	(19,395,867)	\$	(500,550,864)

### Bridgeway Large Cap Value Fund

Shares sold	16,724,658	\$	426,777,300
Reinvestment of dividends	2,131,290		57,694,034
Shares redeemed	(31,709,599)		(810,319,281)
Net increase (decrease) in shares outstanding	(12,853,651)	\$	(325,847,947)

### Bridgeway Large Cap Value Fund

Shares sold	5,783,122	\$	145,523,103
Reinvestment of dividends	817,055		22,109,503
Shares redeemed	(24,264,151)		(623,217,163)
Net (decrease) in shares outstanding	(17,663,974)	\$	(455,584,557)

### Bridgeway Large Cap Value Fund

Shares sold	524,036	\$	13,042,263
Reinvestment of dividends	77,978		2,100,719
Shares redeemed	(1,976,037)		(50,282,114)
Net increase (decrease) in shares outstanding	(1,374,023)	\$	(35,139,132)

### Bridgeway Large Cap Value Fund

Shares sold	110,708	\$	2,694,165
Reinvestment of dividends	63,912		1,678,970
Shares redeemed	(1,352,619)		(33,637,583)
Net (decrease) in shares outstanding	(1,177,999)	\$	(29,264,448)

### Bridgeway Large Cap Value Fund

Shares sold	3,342,503	\$	83,664,916
Reinvestment of dividends	343,626		9,322,560
Shares redeemed	(1,805,883)		(46,987,246)
Net increase in shares outstanding	1,880,246	\$	46,000,230

<sup>A</sup> Commencement of operations.

<sup>B</sup> Seed capital was received on April 30, 2018 in the amount of \$100,000 for the R6 Class. As a result, shares were issued in the amount of 3,237 for R6 Class.

## 12. Subsequent Events

Management has evaluated subsequent events for possible recognition or disclosure in the financial statements through the date the financial statements are issued. Management has determined that there are no material events that would require disclosure in the Funds' financial statements through this date.

Institutional Class			
Year Ended December 31, 2019		Year Ended December 31, 2018	
Shares	Amount	Shares	Amount
12,047,419	\$ 306,145,671	20,154,772	\$ 566,575,933
1,773,435	48,148,759	5,392,771	119,827,368
(33,216,721)	(854,845,294)	(15,913,378)	(436,185,153)
(19,395,867)	\$ (500,550,864)	9,634,165	\$ 250,218,148

Y Class			
Year Ended December 31, 2019		Year Ended December 31, 2018	
Shares	Amount	Shares	Amount
16,724,658	\$ 426,777,300	26,074,553	\$ 741,021,782
2,131,290	57,694,034	5,731,412	126,950,769
(31,709,599)	(810,319,281)	(19,465,093)	(524,126,128)
(12,853,651)	\$ (325,847,947)	12,340,872	\$ 343,846,423

Investor Class			
Year Ended December 31, 2019		Year Ended December 31, 2018	
Shares	Amount	Shares	Amount
5,783,122	\$ 145,523,103	7,915,359	\$ 225,754,431
817,055	22,109,503	3,409,029	75,407,714
(24,264,151)	(623,217,163)	(20,764,261)	(577,282,060)
(17,663,974)	\$ (455,584,557)	(9,439,873)	\$ (276,119,915)

A Class			
Year Ended December 31, 2019		Year Ended December 31, 2018	
Shares	Amount	Shares	Amount
524,036	\$ 13,042,263	1,278,825	\$ 36,372,119
77,978	2,100,719	294,620	6,490,474
(1,976,037)	(50,282,114)	(1,419,507)	(39,139,055)
(1,374,023)	\$ (35,139,132)	153,938	\$ 3,723,538

C Class			
Year Ended December 31, 2019		Year Ended December 31, 2018	
Shares	Amount	Shares	Amount
110,708	\$ 2,694,165	549,320	\$ 14,941,345
63,912	1,678,970	251,124	5,396,667
(1,352,619)	(33,637,583)	(1,071,380)	(27,748,192)
(1,177,999)	\$ (29,264,448)	(270,936)	\$ (7,410,180)

R6 Class			
Year Ended December 31, 2019		Year Ended December 31, 2018	
Shares	Amount	Shares	Amount
3,342,503	\$ 83,664,916	3,785,688	\$ 108,434,104
343,626	9,322,560	570,694	12,669,411
(1,805,883)	(46,987,246)	(1,050,587)	(29,551,825)
1,880,246	\$ 46,000,230	3,305,795	\$ 91,551,690

# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Financial Highlights

(For a share outstanding throughout the period)

	Institutional Class <sup>A</sup>					
	Year Ended December 31,		Year Ended <sup>B</sup> December 31, 2017	Six Months Ended December 31, 2016	Year Ended June 30,	
	2019	2018			2016	2015
<b>Net asset value, beginning of period</b> . . . . .	\$ 25.27	\$ 29.88	\$ 24.47	\$ 22.77	\$ 23.71	\$ 20.51
Income (loss) from investment operations:						
Net investment income . . . . .	0.10	0.13	0.10	0.04	0.07	0.17 <sup>C</sup>
Net gains (losses) on investments (both realized and unrealized) . . . . .	7.55	(1.99)	6.56	1.82	(0.90)	3.14
Total income (loss) from investment operations . . . . .	7.65	(1.86)	6.66	1.86	(0.83)	3.31
Less distributions:						
Dividends from net investment income . . . . .	-	(0.11)	(0.08)	(0.16)	(0.11)	(0.11)
Distributions from net realized gains . . . . .	(3.08)	(2.64)	(1.17)	-	-	-
Total distributions . . . . .	(3.08)	(2.75)	(1.25)	(0.16)	(0.11)	(0.11)
Net asset value, end of period . . . . .	\$ 29.84	\$ 25.27	\$ 29.88	\$ 24.47	\$ 22.77	\$ 23.71
Total return <sup>D</sup> . . . . .	30.27%	(6.03)%	27.21%	8.15% <sup>E</sup>	(3.52)%	16.19%
<b>Ratios and supplemental data:</b>						
Net assets, end of period . . . . .	\$118,831,764	\$151,163,119	\$178,062,388	\$133,638,400	\$136,460,611	\$156,493,513
Ratios to average net assets:						
Expenses, before reimbursements . . . . .	0.90%	0.93%	1.06%	1.02% <sup>F</sup>	0.89%	0.81%
Expenses, net of reimbursements . . . . .	0.81%	0.81%	0.81%	0.81% <sup>F</sup>	0.83%	0.81%
Net investment income, before expense reimbursements . . . . .	0.19%	0.26%	0.15%	0.12% <sup>F</sup>	0.30%	0.75%
Net investment income, net of reimbursements . . . . .	0.28%	0.38%	0.40%	0.33% <sup>F</sup>	0.35%	0.75%
Portfolio turnover rate . . . . .	77%	60%	78%	40% <sup>E</sup>	100%	48%

<sup>A</sup> Prior to the reorganization on February 5, 2016, the Institutional Class was known as Class N.

<sup>B</sup> On December 15, 2017, pursuant to a plan of Reorganization on termination, the American Beacon Bridgeway Large Cap Growth II Fund ("Target Fund") transferred all of its property and assets to the American Beacon Bridgeway Large Cap Growth Fund ("Acquiring Fund") in exchange solely for voting shares of the Acquiring Fund and the assumption of the Target Fund's liabilities.

<sup>C</sup> Per share amounts have been calculated using the average shares method.

<sup>D</sup> Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

<sup>E</sup> Not annualized.

<sup>F</sup> Annualized.

See accompanying notes

# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Financial Highlights

(For a share outstanding throughout the period)

	Y Class				
	Year Ended December 31,		Year Ended <sup>A</sup> December 31, 2017	Six Months Ended December 31, 2016	February 5, 2016 <sup>B</sup> to June 30, 2016
	2019	2018			
<b>Net asset value, beginning of period</b> . . . . .	\$ 25.21	\$ 29.82	\$ 24.45	\$ 22.77	\$ 20.46
Income (loss) from investment operations:					
Net investment income . . . . .	0.05	0.12	0.05	0.03	0.03
Net gains (losses) on investments (both realized and unrealized) . . . . .	7.54	(1.98)	6.57	1.81	2.28
Total income (loss) from investment operations . . . . .	7.59	(1.86)	6.62	1.84	2.31
Less distributions:					
Dividends from net investment income . . . . .	-	(0.11)	(0.08)	(0.16)	-
Distributions from net realized gains . . . . .	(3.08)	(2.64)	(1.17)	-	-
Total distributions . . . . .	(3.08)	(2.75)	(1.25)	(0.16)	-
Net asset value, end of period . . . . .	\$ 29.72	\$ 25.21	\$ 29.82	\$ 24.45	\$ 22.77
Total return <sup>C</sup> . . . . .	30.11%	(6.04)%	27.06%	8.06% <sup>D</sup>	11.29% <sup>D</sup>
<b>Ratios and supplemental data:</b>					
Net assets, end of period . . . . .	\$ 2,036,785	\$ 2,306,982	\$ 2,016,161	\$ 669,530	\$ 401,220
Ratios to average net assets:					
Expenses, before reimbursements . . . . .	0.95%	0.97%	1.13%	1.09% <sup>E</sup>	4.00% <sup>E</sup>
Expenses, net of reimbursements . . . . .	0.91%	0.91%	0.91%	0.91% <sup>E</sup>	0.91% <sup>E</sup>
Net investment income (loss), before expense reimbursements . . . . .	0.12%	0.27%	0.08%	0.11% <sup>E</sup>	(2.69)% <sup>E</sup>
Net investment income, net of reimbursements . . . . .	0.16%	0.33%	0.30%	0.28% <sup>E</sup>	0.40% <sup>E</sup>
Portfolio turnover rate . . . . .	77%	60%	78%	40% <sup>D</sup>	100% <sup>F</sup>

<sup>A</sup> On December 15, 2017, pursuant to a plan of Reorganization on termination, the American Beacon Bridgeway Large Cap Growth II Fund ("Target Fund") transferred all of its property and assets to the American Beacon Bridgeway Large Cap Growth Fund ("Acquiring Fund") in exchange solely for voting shares of the Acquiring Fund and the assumption of the Target Fund's liabilities.

<sup>B</sup> Commencement of operations.

<sup>C</sup> Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

<sup>D</sup> Not annualized.

<sup>E</sup> Annualized.

<sup>F</sup> Portfolio turnover rate is for the period from February 5, 2016 through December 31, 2016 and is not annualized.

See accompanying notes



# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Financial Highlights

(For a share outstanding throughout the period)

	Investor Class				
	Year Ended December 31,		Year Ended <sup>A</sup> December 31, 2017	Six Months Ended December 31, 2016	February 5, 2016 <sup>B</sup> to June 30, 2016
	2019	2018			
<b>Net asset value, beginning of period</b> . . . . .	\$ 25.05	\$ 29.65	\$ 24.38	\$ 22.74	\$ 20.46
Income (loss) from investment operations:					
Net investment income (loss) . . . . .	(0.04)	0.01	(0.01)	(0.01)	0.01
Net gains (losses) on investments (both realized and unrealized) . . . . .	7.49	(1.94)	6.53	1.81	2.27
Total income (loss) from investment operations . . . . .	7.45	(1.93)	6.52	1.80	2.28
Less distributions:					
Dividends from net investment income . . . . .	-	(0.03)	(0.08)	(0.16)	-
Distributions from net realized gains . . . . .	(3.08)	(2.64)	(1.17)	-	-
Total distributions . . . . .	(3.08)	(2.67)	(1.25)	(0.16)	-
Net asset value, end of period . . . . .	\$ 29.42	\$ 25.05	\$ 29.65	\$ 24.38	\$ 22.74
Total return <sup>C</sup> . . . . .	29.74%	(6.33)%	26.72%	7.90% <sup>D</sup>	11.14% <sup>D</sup>
<b>Ratios and supplemental data:</b>					
Net assets, end of period . . . . .	\$ 71,928,098	\$ 65,869,325	\$ 71,273,896	\$ 399,798	\$ 133,696
Ratios to average net assets:					
Expenses, before reimbursements . . . . .	1.20%	1.20%	1.40%	1.55% <sup>E</sup>	8.43% <sup>E</sup>
Expenses, net of reimbursements . . . . .	1.19%	1.19%	1.19%	1.19% <sup>E</sup>	1.18% <sup>E</sup>
Net investment (loss), before expense reimbursements . . . . .	(0.11)%	(0.01)%	(0.66)%	(0.35)% <sup>E</sup>	(7.08)% <sup>E</sup>
Net investment income (loss), net of reimbursements . . . . .	(0.10)%	0.00% <sup>F</sup>	(0.45)%	0.02% <sup>E</sup>	0.17% <sup>E</sup>
Portfolio turnover rate . . . . .	77%	60%	78%	40% <sup>D</sup>	100% <sup>G</sup>

<sup>A</sup> On December 15, 2017, pursuant to a plan of Reorganization on termination, the American Beacon Bridgeway Large Cap Growth II Fund ("Target Fund") transferred all of its property and assets to the American Beacon Bridgeway Large Cap Growth Fund ("Acquiring Fund") in exchange solely for voting shares of the Acquiring Fund and the assumption of the Target Fund's liabilities.

<sup>B</sup> Commencement of operations.

<sup>C</sup> Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

<sup>D</sup> Not annualized.

<sup>E</sup> Annualized.

<sup>F</sup> Amount represents less than 0.005% of average net assets.

<sup>G</sup> Portfolio turnover rate is for the period from February 5, 2016 through December 31, 2016 and is not annualized.

See accompanying notes

# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Financial Highlights

(For a share outstanding throughout the period)

	A Class				
	Year Ended December 31,		Year Ended <sup>A</sup> December 31, 2017	Six Months Ended December 31, 2016	February 5, 2016 <sup>B</sup> to June 30, 2016
	2019	2018			
<b>Net asset value, beginning of period</b> . . . . .	\$ 25.12	\$ 29.70	\$ 24.39	\$ 22.74	\$ 20.46
Income (loss) from investment operations:					
Net investment income (loss) . . . . .	(0.03)	(0.11)	0.00 <sup>C</sup>	0.00 <sup>C</sup>	0.00 <sup>C</sup>
Net gains (losses) on investments (both realized and unrealized) . . . . .	7.50	(1.83)	6.54	1.81	2.28
Total income (loss) from investment operations . . . . .	7.47	(1.94)	6.54	1.81	2.28
Less distributions:					
Dividends from net investment income . . . . .	-	-	(0.06)	(0.16)	-
Distributions from net realized gains . . . . .	(3.08)	(2.64)	(1.17)	-	-
Total distributions . . . . .	(3.08)	(2.64)	(1.23)	(0.16)	-
Net asset value, end of period . . . . .	\$ 29.51	\$ 25.12	\$ 29.70	\$ 24.39	\$ 22.74
Total return <sup>D</sup> . . . . .	29.74%	(6.35)%	26.79%	7.94% <sup>E</sup>	11.14% <sup>E</sup>
<b>Ratios and supplemental data:</b>					
Net assets, end of period . . . . .	\$ 2,029,102	\$ 1,700,188	\$ 4,625,607	\$ 135,710	\$ 159,744
Ratios to average net assets:					
Expenses, before reimbursements . . . . .	1.18%	1.25%	1.44%	1.43% <sup>F</sup>	5.25% <sup>F</sup>
Expenses, net of reimbursements . . . . .	1.21%	1.21%	1.21%	1.21% <sup>F</sup>	1.21% <sup>F</sup>
Net investment (loss), before expense reimbursements . . . . .	(0.09)%	(0.09)%	(0.23)%	(0.26)% <sup>F</sup>	(4.01)% <sup>F</sup>
Net investment income (loss), net of reimbursements . . . . .	(0.12)%	(0.05)%	0.00% <sup>G</sup>	(0.05)% <sup>F</sup>	0.02% <sup>F</sup>
Portfolio turnover rate . . . . .	77%	60%	78%	40% <sup>E</sup>	100% <sup>H</sup>

<sup>A</sup> On December 15, 2017, pursuant to a plan of Reorganization on termination, the American Beacon Bridgeway Large Cap Growth II Fund ("Target Fund") transferred all of its property and assets to the American Beacon Bridgeway Large Cap Growth Fund ("Acquiring Fund") in exchange solely for voting shares of the Acquiring Fund and the assumption of the Target Fund's liabilities.

<sup>B</sup> Commencement of operations.

<sup>C</sup> Amount represents less than \$0.01 per share.

<sup>D</sup> Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

<sup>E</sup> Not annualized.

<sup>F</sup> Annualized.

<sup>G</sup> Amount rounds to less than 0.005%.

<sup>H</sup> Portfolio turnover rate is for the period from February 5, 2016 through December 31, 2016 and is not annualized.

See accompanying notes

# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Financial Highlights

(For a share outstanding throughout the period)

	C Class				
	Year Ended December 31,		Year Ended <sup>A</sup> December 31, 2017	Six Months Ended December 31, 2016	February 5, 2016 <sup>B</sup> to June 30, 2016
	2019	2018			
<b>Net asset value, beginning of period</b> . . . . .	\$ 24.55	\$ 29.30	\$ 24.22	\$ 22.67	\$ 20.46
Income (loss) from investment operations:					
Net investment (loss) . . . . .	(0.20)	(0.17)	(0.10)	(0.13)	(0.04)
Net gains (losses) on investments (both realized and unrealized) . . . . .	7.26	(1.94)	6.35	1.84	2.25
Total income (loss) from investment operations . . . . .	7.06	(2.11)	6.25	1.71	2.21
Less distributions:					
Dividends from net investment income . . . . .	-	-	-	(0.16)	-
Distributions from net realized gains . . . . .	(3.08)	(2.64)	(1.17)	-	-
Total distributions . . . . .	(3.08)	(2.64)	(1.17)	(0.16)	-
Net asset value, end of period . . . . .	\$ 28.53	\$ 24.55	\$ 29.30	\$ 24.22	\$ 22.67
Total return <sup>C</sup> . . . . .	28.75%	(7.02)%	25.78%	7.52% <sup>D</sup>	10.80% <sup>D</sup>
<b>Ratios and supplemental data:</b>					
Net assets, end of period . . . . .	\$ 1,086,848	\$ 798,319	\$ 769,559	\$ 175,907	\$ 244,146
Ratios to average net assets:					
Expenses, before reimbursements . . . . .	1.92%	1.95%	2.09%	2.18% <sup>E</sup>	7.33% <sup>E</sup>
Expenses, net of reimbursements . . . . .	1.96%	1.96%	1.96%	1.96% <sup>E</sup>	1.96% <sup>E</sup>
Net investment (loss), before expense reimbursements . . . . .	(0.83)%	(0.76)%	(0.90)%	(1.04)% <sup>E</sup>	(5.98)% <sup>E</sup>
Net investment (loss), net of reimbursements . . . . .	(0.87)%	(0.77)%	(0.77)%	(0.81)% <sup>E</sup>	(0.62)% <sup>E</sup>
Portfolio turnover rate . . . . .	77%	60%	78%	40% <sup>D</sup>	100% <sup>F</sup>

<sup>A</sup> On December 15, 2017, pursuant to a plan of Reorganization on termination, the American Beacon Bridgeway Large Cap Growth II Fund ("Target Fund") transferred all of its property and assets to the American Beacon Bridgeway Large Cap Growth Fund ("Acquiring Fund") in exchange solely for voting shares of the Acquiring Fund and the assumption of the Target Fund's liabilities.

<sup>B</sup> Commencement of operations.

<sup>C</sup> Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

<sup>D</sup> Not annualized.

<sup>E</sup> Annualized.

<sup>F</sup> Portfolio turnover rate is for the period from February 5, 2016 through December 31, 2016 and is not annualized.

See accompanying notes

# American Beacon Bridgeway Large Cap Growth Fund<sup>SM</sup>

## Financial Highlights

(For a share outstanding throughout the period)

	R6 Class	
	Year Ended December 31, 2019	April 30, 2018 <sup>A</sup> to December 31, 2018
<b>Net asset value, beginning of period</b> . . . . .	\$ 25.28	\$ 30.89
Income from investment operations:		
Net investment income . . . . .	0.10	0.12
Net gains (losses) on investments (both realized and unrealized) . . . . .	7.56	(2.98)
Total income (loss) from investment operations . . . . .	7.66	(2.86)
Less distributions:		
Dividends from net investment income . . . . .	-	(0.11)
Distributions from net realized gains . . . . .	(3.08)	(2.64)
Total distributions . . . . .	(3.08)	(2.75)
Net asset value, end of period . . . . .	\$ 29.86	\$ 25.28
Total return <sup>B</sup> . . . . .	30.30%	(9.07)% <sup>C</sup>
<b>Ratios and supplemental data:</b>		
Net assets, end of period . . . . .	\$ 107,424	\$ 90,943
Ratios to average net assets:		
Expenses, before reimbursements . . . . .	0.84%	4.15% <sup>D</sup>
Expenses, net of reimbursements . . . . .	0.76%	0.76% <sup>D</sup>
Net investment income (loss), before expense reimbursements . . . . .	0.25%	(2.85)% <sup>D</sup>
Net investment income, net of reimbursements . . . . .	0.33%	0.54% <sup>D</sup>
Portfolio turnover rate . . . . .	77%	60% <sup>E</sup>

<sup>A</sup> Commencement of operations.

<sup>B</sup> Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

<sup>C</sup> Not annualized.

<sup>D</sup> Annualized.

<sup>E</sup> Portfolio turnover rate is for the period from April 30, 2018 through December 31, 2018 and is not annualized.

See accompanying notes

# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Financial Highlights

(For a share outstanding throughout the period)

	Institutional Class				
	Year Ended December 31,				
	2019	2018	2017	2016	2015
Net asset value, beginning of period . . . . .	\$ 22.61	\$ 28.57	\$ 26.08	\$ 22.75	\$ 23.89
Income (loss) from investment operations:					
Net investment income . . . . .	0.55	0.45	0.37	0.38	0.28
Net gains (losses) on investments (both realized and unrealized) . . .	5.13	(4.28)	3.78	3.32	(0.58)
Total income (loss) from investment operations . . . . .	5.68	(3.83)	4.15	3.70	(0.30)
Less distributions:					
Dividends from net investment income . . . . .	(0.54)	(0.47)	(0.39)	(0.35)	(0.29)
Distributions from net realized gains . . . . .	(0.61)	(1.66)	(1.27)	(0.02)	(0.55)
Tax return of capital . . . . .	-	-	-	-	(0.00) <sup>A</sup>
Total distributions . . . . .	(1.15)	(2.13)	(1.66)	(0.37)	(0.84)
Net asset value, end of period . . . . .	\$ 27.14	\$ 22.61	\$ 28.57	\$ 26.08	\$ 22.75
Total return <sup>B</sup> . . . . .	25.11%	(13.28)%	15.88%	16.24%	(1.23)%
<b>Ratios and supplemental data:</b>					
Net assets, end of period . . . . .	\$ 1,205,569,140	\$ 1,442,789,043	\$ 1,547,760,278	\$ 1,185,013,905	\$ 682,849,171
Ratios to average net assets:					
Expenses, before reimbursements . . . . .	0.73%	0.72%	0.72%	0.73%	0.75%
Expenses, net of reimbursements . . .	0.73%	0.72%	0.72%	0.73%	0.79%
Net investment income, before expense reimbursements . . . . .	1.71%	1.63%	1.41%	1.69%	1.61%
Net investment income, net of reimbursements . . . . .	1.71%	1.63%	1.41%	1.69%	1.57%
Portfolio turnover rate . . . . .	44%	49%	48%	56%	43%

<sup>A</sup> Tax return of capital is calculated based on outstanding shares at the time of distribution. Amounts are less than \$0.01 per share.

<sup>B</sup> Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

See accompanying notes

# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Financial Highlights

(For a share outstanding throughout the period)

	Y Class				
	Year Ended December 31,				
	2019	2018	2017	2016	2015
Net asset value, beginning of period . . . .	\$ 22.54	\$ 28.49	\$ 26.01	\$ 22.69	\$ 23.84
Income (loss) from investment operations:					
Net investment income . . . . .	0.46	0.44	0.33	0.32	0.27
Net gains (losses) on investments (both realized and unrealized) . . . . .	5.19	(4.28)	3.79	3.35	(0.57)
Total income (loss) from investment operations . . . . .	5.65	(3.84)	4.12	3.67	(0.30)
Less distributions:					
Dividends from net investment income . . . . .	(0.52)	(0.45)	(0.37)	(0.33)	(0.30)
Distributions from net realized gains . . . . .	(0.61)	(1.66)	(1.27)	(0.02)	(0.55)
Tax return of capital . . . . .	-	-	-	-	(0.00) <sup>A</sup>
Total distributions . . . . .	(1.13)	(2.11)	(1.64)	(0.35)	(0.85)
Net asset value, end of period . . . . .	\$ 27.06	\$ 22.54	\$ 28.49	\$ 26.01	\$ 22.69
Total return <sup>B</sup> . . . . .	25.06%	(13.35)%	15.82%	16.17%	(1.26)%
<b>Ratios and supplemental data:</b>					
Net assets, end of period . . . . .	\$ 1,455,648,440	\$ 1,502,519,807	\$ 1,547,228,114	\$ 879,852,983	\$ 414,585,125
Ratios to average net assets:					
Expenses, before reimbursements . . . . .	0.80%	0.79%	0.79%	0.80%	0.81%
Expenses, net of reimbursements . . . . .	0.80%	0.79%	0.79%	0.80%	0.81%
Net investment income, before expense reimbursements . . . . .	1.65%	1.57%	1.35%	1.63%	1.55%
Net investment income, net of reimbursements . . . . .	1.65%	1.57%	1.35%	1.63%	1.55%
Portfolio turnover rate . . . . .	44%	49%	48%	56%	43%

<sup>A</sup> Tax return of capital is calculated based on outstanding shares at the time of distribution. Amounts are less than \$0.01 per share.

<sup>B</sup> Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

See accompanying notes

# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Financial Highlights

(For a share outstanding throughout the period)

	Investor Class				
	Year Ended December 31,				
	2019	2018	2017	2016	2015
Net asset value, beginning of period . . . . .	\$ 22.50	\$ 28.41	\$ 25.93	\$ 22.64	\$ 23.77
Income (loss) from investment operations:					
Net investment income . . . . .	0.62	0.43	0.32	0.27	0.25
Net gains (losses) on investments (both realized and unrealized) . . . . .	4.95	(4.33)	3.71	3.31	(0.61)
Total income (loss) from investment operations . . . . .	5.57	(3.90)	4.03	3.58	(0.36)
Less distributions:					
Dividends from net investment income . . . . .	(0.41)	(0.35)	(0.28)	(0.27)	(0.22)
Distributions from net realized gains . . . . .	(0.61)	(1.66)	(1.27)	(0.02)	(0.55)
Tax return of capital . . . . .	-	-	-	-	(0.00) <sup>A</sup>
Total distributions . . . . .	(1.02)	(2.01)	(1.55)	(0.29)	(0.77)
Net asset value, end of period . . . . .	\$ 27.05	\$ 22.50	\$ 28.41	\$ 25.93	\$ 22.64
Total return <sup>B</sup> . . . . .	24.74%	(13.60)%	15.52%	15.81%	(1.51)%
<b>Ratios and supplemental data:</b>					
Net assets, end of period . . . . .	\$ 587,724,123	\$886,572,501	₹387,184,369	₹583,853,257	\$977,719,149
Ratios to average net assets:					
Expenses, before reimbursements . . . . .	1.08%	1.05%	1.06%	1.08%	1.09%
Expenses, net of reimbursements . . . . .	1.08%	1.05%	1.06%	1.08%	1.09%
Net investment income, before expense reimbursements . . . . .	1.37%	1.26%	1.04%	1.35%	1.28%
Net investment income, net of reimbursements . . . . .	1.37%	1.26%	1.04%	1.35%	1.28%
Portfolio turnover rate . . . . .	44%	49%	48%	56%	43%

<sup>A</sup> Tax return of capital is calculated based on outstanding shares at the time of distribution. Amounts are less than \$0.01 per share.

<sup>B</sup> Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

See accompanying notes

# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Financial Highlights

(For a share outstanding throughout the period)

	A Class				
	Year Ended December 31,				
	2019	2018	2017	2016	2015
<b>Net asset value, beginning of period</b> . . . . .	\$ 22.41	\$ 28.32	\$ 25.82	\$ 22.53	\$ 23.66
Income (loss) from investment operations:					
Net investment income . . . . .	0.58	0.36	0.42	0.32	0.27
Net gains (losses) on investments (both realized and unrealized) . . . . .	4.95	(4.25)	3.58	3.24	(0.64)
<b>Total income (loss) from investment operations</b> . . . . .	<u>5.53</u>	<u>(3.89)</u>	<u>4.00</u>	<u>3.56</u>	<u>(0.37)</u>
Less distributions:					
Dividends from net investment income . . . . .	(0.41)	(0.36)	(0.23)	(0.25)	(0.21)
Distributions from net realized gains . . . . .	(0.61)	(1.66)	(1.27)	(0.02)	(0.55)
Tax return of capital . . . . .	-	-	-	-	(0.00) <sup>A</sup>
<b>Total distributions</b> . . . . .	<u>(1.02)</u>	<u>(2.02)</u>	<u>(1.50)</u>	<u>(0.27)</u>	<u>(0.76)</u>
<b>Net asset value, end of period</b> . . . . .	<u>\$ 26.92</u>	<u>\$ 22.41</u>	<u>\$ 28.32</u>	<u>\$ 25.82</u>	<u>\$ 22.53</u>
<b>Total return<sup>B</sup></b> . . . . .	<u>24.70%</u>	<u>(13.60)%</u>	<u>15.46%</u>	<u>15.79%</u>	<u>(1.56)%</u>
<b>Ratios and supplemental data:</b>					
Net assets, end of period . . . . .	\$ 58,637,332	\$ 79,610,028	\$ 96,229,248	\$ 152,520,884	\$ 147,394,607
Ratios to average net assets:					
Expenses, before reimbursements . . . . .	1.10%	1.07%	1.08%	1.12%	1.12%
Expenses, net of reimbursements . . . . .	1.10%	1.07%	1.08%	1.12%	1.12%
Net investment income, before expense reimbursements . . . . .	1.35%	1.28%	1.01%	1.31%	1.25%
Net investment income, net of reimbursements . . . . .	1.35%	1.28%	1.01%	1.31%	1.25%
Portfolio turnover rate . . . . .	44%	49%	48%	56%	43%

<sup>A</sup> Tax return of capital is calculated based on outstanding shares at the time of distribution. Amounts are less than \$0.01 per share.

<sup>B</sup> Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

See accompanying notes



# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Financial Highlights

(For a share outstanding throughout the period)

	C Class				
	Year Ended December 31,				
	2019	2018	2017	2016	2015
Net asset value, beginning of period . . . . .	\$ 21.86	\$ 27.63	\$ 25.27	\$ 22.08	\$ 23.27
Income (loss) from investment operations:					
Net investment income . . . . .	0.21	0.16	0.08	0.13	0.13
Net gains (losses) on investments (both realized and unrealized) . . . . .	4.99	(4.12)	3.62	3.16	(0.66)
Total income (loss) from investment operations . . . . .	5.20	(3.96)	3.70	3.29	(0.53)
Less distributions:					
Dividends from net investment income . . . . .	(0.20)	(0.15)	(0.07)	(0.08)	(0.11)
Distributions from net realized gains . . . . .	(0.61)	(1.66)	(1.27)	(0.02)	(0.55)
Tax return of capital . . . . .	-	-	-	-	(0.00) <sup>A</sup>
Total distributions . . . . .	(0.81)	(1.81)	(1.34)	(0.10)	(0.66)
Net asset value, end of period . . . . .	\$ 26.25	\$ 21.86	\$ 27.63	\$ 25.27	\$ 22.08
Total return <sup>B</sup> . . . . .	23.79%	(14.23)%	14.62%	14.91%	(2.27)%
<b>Ratios and supplemental data:</b>					
Net assets, end of period . . . . .	\$ 59,409,216	\$ 75,231,917	\$ 102,553,616	\$ 100,447,531	\$ 84,411,378
Ratios to average net assets:					
Expenses, before reimbursements . . . . .	1.81%	1.79%	1.83%	1.86%	1.87%
Expenses, net of reimbursements . . . . .	1.81%	1.79%	1.83%	1.86%	1.87%
Net investment income, before expense reimbursements . . . . .	0.63%	0.54%	0.28%	0.57%	0.48%
Net investment income, net of reimbursements . . . . .	0.63%	0.54%	0.28%	0.57%	0.48%
Portfolio turnover rate . . . . .	44%	49%	48%	56%	43%

<sup>A</sup> Tax return of capital is calculated based on outstanding shares at the time of distribution. Amounts are less than \$0.01 per share.

<sup>B</sup> Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

See accompanying notes

# American Beacon Bridgeway Large Cap Value Fund<sup>SM</sup>

## Financial Highlights

(For a share outstanding throughout the period)

	R6 Class		
	Year Ended December 31,		April 28,
	2019	2018	2017 <sup>A</sup> to December 31,
Net asset value, beginning of period	\$ 22.59	\$ 28.55	\$ 26.73
Income from investment operations:			
Net investment income	0.49	0.54	0.11
Net gains (losses) on investments (both realized and unrealized)	5.20	(4.37)	3.37
Total income (loss) from investment operations	5.69	(3.83)	3.48
Less distributions:			
Dividends from net investment income	(0.55)	(0.47)	(0.39)
Distributions from net realized gains	(0.61)	(1.66)	(1.27)
Total distributions	(1.16)	(2.13)	(1.66)
Net asset value, end of period	\$ 27.12	\$ 22.59	\$ 28.55
Total return <sup>B</sup>	25.17%	(13.27)%	13.01% <sup>C</sup>
<b>Ratios and supplemental data:</b>			
Net assets, end of period	\$ 227,580,520	\$ 147,107,520	\$ 91,521,786
Ratios to average net assets:			
Expenses, before reimbursements	0.70%	0.70%	0.75% <sup>D</sup>
Expenses, net of reimbursements	0.70%	0.70%	0.71% <sup>D</sup>
Net investment income, before expense reimbursements	1.76%	1.69%	1.44% <sup>D</sup>
Net investment income, net of reimbursements	1.76%	1.69%	1.48% <sup>D</sup>
Portfolio turnover rate	44%	49%	48% <sup>E</sup>

<sup>A</sup> Commencement of operations.

<sup>B</sup> Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

<sup>C</sup> Not annualized.

<sup>D</sup> Annualized.

<sup>E</sup> Portfolio turnover rate is for the period from April 28, 2017 through December 31, 2017 and is not annualized.

See accompanying notes

# American Beacon Funds<sup>SM</sup>

## Federal Tax Information

December 31, 2019 (Unaudited)

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Certain tax information regarding the Funds is required to be provided to shareholders based upon the Funds' income and distributions for the taxable year ended December 31, 2019. The information and distributions reported herein may differ from information and distributions taxable to the shareholders for the calendar year ended December 31, 2019.

The Funds designated the following items with regard to distributions paid during the fiscal year ended December 31, 2019. All designations are based on financial information available as of this annual report and, accordingly, are subject to change. For each item, it is the intention of the Funds to designate the maximum amount permitted under the Internal Revenue Code of 1986, as amended, and the regulations there under.

### Corporate Dividends-Received Deduction:

Bridgeway Large Cap Growth	100%
Bridgeway Large Cap Value	100%

### Qualified Dividend Income:

Bridgeway Large Cap Growth	100%
Bridgeway Large Cap Value	100%

### Long-Term Capital Gain Distributions:

Bridgeway Large Cap Growth	\$18,228,309
Bridgeway Large Cap Value	79,299,619

### Short-Term Capital Gain Distributions:

Bridgeway Large Cap Growth	\$439,317
Bridgeway Large Cap Value	76,832

Shareholders will receive notification in January 2020 of the applicable tax information necessary to prepare their 2019 income tax returns.

## Trustees and Officers of the American Beacon Funds<sup>SM</sup> (Unaudited)

The Trustees and officers of the American Beacon Funds (the “Trust”) are listed below, together with their principal occupations during the past five years. The address of each person listed below is 220 Las Colinas Boulevard East, Suite 1200, Irving, Texas 75039. Each Trustee oversees thirty-six funds in the fund complex that includes the Trust, the American Beacon Select Funds, the American Beacon Institutional Funds Trust, the American Beacon Sound Point Enhanced Income Fund, American Beacon Apollo Total Return Fund and the American Beacon Sound Point Alternative Lending Fund. The Trust’s Statement of Additional Information contains additional information about the Trustees and is available without charge by calling 1-800-658-5811.

Name, Age	Position, Term of Office and Length of Time Served with the Trust	Principal Occupation(s) During Past 5 Years and Current Directorships
<b>INTERESTED TRUSTEES</b>		
	<u>Term</u>	
	Lifetime of Trust until removal, resignation or retirement*	
Alan D. Feld** (83)	Trustee since 1996	Partner in the law firm of Akin, Gump, Strauss, Hauer & Feld, LLP (law firm) (1960-Present); Trustee, American Beacon Select Funds (1999-Present); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present); Trustee, American Beacon Sound Point Alternative Lending Fund (2019-Present).
<b>NON-INTERESTED TRUSTEES</b>		
	<u>Term</u>	
	Lifetime of Trust until removal, resignation or retirement*	
Gilbert G. Alvarado (50)	Trustee since 2015	Director, Kura MD, Inc. (local telehealth organization) (2015-present); Vice President & CFO, Sierra Health Foundation (health conversion private foundation) (2006-Present); Vice President & CFO, Sierra Health Foundation: Center for Health Program Management (California public benefit corporation) (2012-Present); Director, Innovative North State (2012-2015); Director, Sacramento Regional Technology Alliance (2011-2016); Director, Women’s Empowerment (2009-2014); Director, Valley Healthcare Staffing (2017-present); Trustee, American Beacon Select Funds (2015-Present); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present); Trustee, American Beacon Sound Point Alternative Lending Fund (2019-Present).
Joseph B. Armes (57)	Trustee since 2015	Chairman & CEO, CSW Industrials f/k/a Capital Southwest Corporation (investment company) (2015-Present); Chairman of the Board of Capital Southwest Corporation, predecessor to CSW Industrials, Inc. (2014-2017) (investment company); CEO, Capital Southwest Corporation (2013-2015); President & CEO, JBA Investment Partners (family investment vehicle) (2010-Present); Director and Chair of Audit Committee, RSP Permian (oil and gas producer) (2013-Present); Trustee, American Beacon Select Funds (2015-Present); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present); Trustee, American Beacon Sound Point Alternative Lending Fund (2019-Present).
Gerard J. Arpey (61)	Trustee since 2012	Director, The Home Depot, Inc. (2015-Present); Partner, Emerald Creek Group (private equity firm) (2011-Present); Director, S.C. Johnson & Son, Inc. (privately held company) (2008-present); Trustee, American Beacon Select Funds (2012-Present); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present); Trustee, American Beacon Sound Point Alternative Lending Fund (2019-Present).

## Trustees and Officers of the American Beacon Funds<sup>SM</sup> (Unaudited)

Name, Age	Position, Term of Office and Length of Time Served with the Trust	Principal Occupation(s) During Past 5 Years and Current Directorships
<b>NON-INTERESTED TRUSTEES (CONT.)</b>		
	<u>Term</u> Lifetime of Trust until removal, resignation or retirement*	
Brenda A. Cline (59)	Trustee since 2004 Chair since 2019 Vice Chair 2018	Chief Financial Officer, Treasurer and Secretary, Kimbell Art Foundation (1993-Present); Director, Tyler Technologies, Inc. (public sector software solutions company) (2014-Present); Director, Range Resources Corporation (oil and natural gas company) (2015-Present); Trustee, Cushing Closed-End and Open-End Funds and ETFs (2017-Present); Trustee, American Beacon Select Funds (2004-Present); ; Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present); Trustee, American Beacon Sound Point Alternative Lending Fund (2019-Present).
Eugene J. Duffy (65)	Trustee since 2008	Managing Director, Global Investment Management Distribution, Mesirow Financial (2016-Present); Managing Director, Institutional Services, Intercontinental Real Estate Corporation (2014-Present); Principal and Executive Vice President, Paradigm Asset Management (1994-2014); Trustee, American Beacon Select Funds (2008-Present); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present); Trustee, American Beacon Sound Point Alternative Lending Fund (2019-Present).
Claudia A. Holz (62)	Trustee since 2018	Partner, KPMG LLP (1990-2017); Trustee, American Beacon Select Funds (2018-Present); Trustee, American Beacon Institutional Funds Trust (2018-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present); Trustee, American Beacon Sound Point Alternative Lending Fund (2019-Present).
Douglas A. Lindgren (58)	Trustee since 2018	CEO North America, Carne Global Financial Services (2016-2017); Managing Director, IPS Investment Management and Global Head, Content Management, UBS Wealth Management (2010-2016); Trustee, American Beacon Select Funds (2018-Present); Trustee, American Beacon Institutional Funds Trust (2018-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present); Trustee, American Beacon Sound Point Alternative Lending Fund (2019-Present).
Richard A. Massman (76)	Trustee since 2004 Chair 2008-2018 Chair Emeritus since 2019	Consultant and General Counsel Emeritus, Hunt Consolidated, Inc. (holding company engaged in oil and gas exploration and production, refining, real estate, farming, ranching and venture capital activities) (2009-Present); Trustee, American Beacon Select Funds (2004-Present); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present); Trustee, American Beacon Sound Point Alternative Lending Fund (2019-Present).
Barbara J. McKenna, CFA (56)	Trustee since 2012	President/Managing Principal, Longfellow Investment Management Company (2005-Present); Trustee, American Beacon Select Funds (2012-Present); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present); Trustee, American Beacon Sound Point Alternative Lending Fund (2019-Present).

## Trustees and Officers of the American Beacon Funds<sup>SM</sup> (Unaudited)

<u>Name, Age</u>	<u>Position, Term of Office and Length of Time Served with the Trust</u>	<u>Principal Occupation(s) During Past 5 Years and Current Directorships</u>
<b>NON-INTERESTED TRUSTEES (CONT.)</b>		
	<u>Term</u> Lifetime of Trust until removal, resignation or retirement*	
R. Gerald Turner (74)	Trustee since 2001	President, Southern Methodist University (1995-Present); Director, J.C. Penney Company, Inc. (1996-Present); Director, Kronus Worldwide Inc. (chemical manufacturing) (2003-Present); Trustee, American Beacon Select Funds (2001-Present); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present); Trustee, American Beacon Sound Point Alternative Lending Fund (2019-Present).
<b>OFFICERS</b>		
	<u>Term</u> One Year	
Gene L. Needles, Jr. (65)	President since 2009	President (2009-2018), CEO and Director (2009-Present), and Chairman (2018-Present), American Beacon Advisors, Inc., President (2015-2018), Director and CEO (2015-Present), and Chairman (2018-Present), Resolute Investment Holdings, LLC; President (2015-2018), Director and CEO (2015-Present), and Chairman (2018-Present), Resolute Topco, Inc.; President (2015-2018); Director, and CEO (2015-Present), and Chairman (2018-Present), Resolute Acquisition, Inc.; President (2015-2018), Director and CEO (2015-Present), Chairman (2018-Present), Resolute Investment Managers, Inc.; Director, Chairman, President and CEO, Resolute Investment Distributors (2017-Present); Director, Chairman, President and CEO; Resolute Investment Services, Inc. (2017-Present); President and CEO, Lighthouse Holdings Parent, Inc. (2009-2015); President, CEO and Director, Lighthouse Holdings, Inc. (2009-2015); Manager, President and CEO, American Private Equity Management, LLC (2012-Present); Director, Chairman, President and CEO, Alpha Quant Advisors, LLC (2016-Present); Director, ARK Investment Management LLC (2016-Present); Director, Shapiro Capital Management LLC (2017-Present); Director, Chairman and CEO, Continuous Capital, LLC (2018-Present); President, American Beacon Cayman Managed Futures Strategy Fund, Ltd. (2014-Present); Director and President, American Beacon Cayman Transformational Innovation Company, LTD., (2017-2018); President, American Beacon Delaware Transformational Innovation Corporation (2017-2018); President American Beacon Cayman TargetRisk Company, Ltd. (2018-Present); Member, Investment Advisory Committee, Employees Retirement System of Texas (2017-Present); Trustee, American Beacon NextShares Trust (2015-Present); President, American Beacon Select Funds (2009-Present); President, American Beacon Institutional Funds Trust (2017-Present); President, American Beacon Sound Point Enhanced Income Fund (2018-Present); President, American Beacon Apollo Total Return Fund (2018-Present); Director, RSW Investments Holdings LLC, (2019-Present); Manager, SSI Investment Management, LLC (2019-Present); President, American Beacon Sound Point Alternative Lending Fund (2019-Present); Director, Green Harvest Asset Management (2019-Present); Director, National Investment Services of America, LLC (2019-Present).

## Trustees and Officers of the American Beacon Funds<sup>SM</sup> (Unaudited)

Name, Age	Position, Term of Office and Length of Time Served with the Trust	Principal Occupation(s) During Past 5 Years and Current Directorships
<b>OFFICERS (CONT.)</b>		
	<u>Term</u> One Year	
Rosemary K. Behan (60)	VP, Secretary and Chief Legal Officer since 2006	Vice President, Secretary and General Counsel, American Beacon Advisors, Inc. (2006-Present); Secretary, Resolute Investment Holdings, LLC (2015-Present); Secretary, Resolute Topco, Inc. (2015-Present); Secretary, Resolute Acquisition, Inc. (2015-Present); Vice President, Secretary and General Counsel, Resolute Investment Managers, Inc. (2015-Present); Secretary, Resolute Investment Distributors, Inc. (2017-Present); Vice President, Secretary and General Counsel, Resolute Investment Services, Inc. (2017-Present); Vice President and Secretary, Lighthouse Holdings Parent, Inc. (2008-2015); Vice President and Secretary, Lighthouse Holdings, Inc. (2008-2015); Secretary, American Private Equity Management, LLC (2008-Present); Secretary and General Counsel, Alpha Quant Advisors, LLC (2016-Present); Vice President and Secretary, Continuous Capital, LLC (2018-Present); Secretary, American Beacon Delaware Transformational Innovation Corporation (2017-2018); Secretary, American Beacon Cayman Transformational Innovation Company, Ltd. (2017-2018); Secretary, American Beacon Cayman Managed Futures Strategy Fund, Ltd. (2014-Present); Secretary, American Beacon Cayman TargetRisk Company, Ltd (2018-Present); Chief Legal Officer, Vice President and Secretary, American Beacon Select Funds (2006-Present); Chief Legal Officer, Vice President and Secretary, American Beacon Institutional Funds Trust (2017-Present); Chief Legal Officer, Vice President and Secretary, American Beacon Sound Point Enhanced Income Fund (2018-Present); Chief Legal Officer, Vice President and Secretary American Beacon Apollo Total Return Fund (2018-Present); Chief Legal Officer, Vice President and Secretary, American Beacon Sound Point Alternative Lending Fund (2019-Present); Secretary, Green Harvest Asset Management (2019-Present).
Brian E. Brett (59)	VP since 2004	Senior Vice President, Head of Distribution (2012-Present), Vice President, Director of Sales (2004-2012), American Beacon Advisors, Inc.; Senior Vice President, Resolute Investment Managers, Inc. (2017-Present); Senior Vice President, Resolute Investment Distributors, Inc. (2018-Present), Senior Vice President, Resolute Investment Services, Inc. (2018-Present); Senior Vice President, Lighthouse Holdings Parent, Inc. (2008-2015); Senior Vice President, Lighthouse Holdings, Inc. (2008-2015); Vice President, American Beacon Select Funds (2004-Present); Vice President, American Beacon Institutional Funds Trust (2017-Present); Vice President American Beacon Sound Point Enhanced Income Fund (2018-Present); Vice President American Beacon Apollo Total Return Fund (2018-Present); Vice President, American Beacon Sound Point Alternative Lending Fund (2019-Present).
Paul B. Cavazos (50)	VP since 2016	Chief Investment Officer and Senior Vice President, American Beacon Advisors, Inc. (2016-Present); Chief Investment Officer, DTE Energy (2007-2016); Vice President, American Private Equity Management, L.L.C. (2017-Present); Vice President, American Beacon Select Funds (2016-Present); Vice President, American Beacon Institutional Funds Trust (2017-Present); Vice President American Beacon Sound Point Enhanced Income Fund (2018-Present); Vice President American Beacon Apollo Total Return Fund (2018-Present); Vice President, American Beacon Sound Point Alternative Lending Fund (2019-Present).

## Trustees and Officers of the American Beacon Funds<sup>SM</sup> (Unaudited)

<u>Name, Age</u>	<u>Position, Term of Office and Length of Time Served with the Trust</u>	<u>Principal Occupation(s) During Past 5 Years and Current Directorships</u>
<b>OFFICERS (CONT.)</b>	<u>Term</u>	
	One Year	
Erica Duncan (49)	VP Since 2011	Vice President, American Beacon Advisors, Inc. (2011-Present); Vice President, Resolute Investment Managers (2018-Present); Vice President, Resolute Investment Services, Inc. (2018-Present); Vice President, American Beacon Select Funds (2011-Present); Vice President, American Beacon Institutional Funds Trust (2017-Present); Vice President American Beacon Sound Point Enhanced Income Fund (2018-Present); Vice President American Beacon Apollo Total Return Fund (2018-Present); Vice President, American Beacon Sound Point Alternative Lending Fund (2019-Present).
Melinda G. Heika (58)	Treasurer since 2010	Treasurer and CFO (2010-Present), American Beacon Advisors, Inc.; Treasurer, Resolute Topco, Inc. (2015-Present); Treasurer, Resolute Investment Holdings, LLC. (2015-Present); Treasurer, Resolute Acquisition, Inc. (2015-Present); Treasurer and CFO, Resolute Investment Managers, Inc. (2017-Present); Treasurer, Resolute Investment Distributors, Inc. (2017-2017); Treasurer and CFO, Resolute Investment Services, Inc. (2015-Present); Treasurer, Lighthouse Holdings Parent Inc., (2010-2015); Treasurer, Lighthouse Holdings, Inc. (2010-2015); Treasurer, American Private Equity Management, LLC (2012-Present); Treasurer and CFO, Alpha Quant Advisors, LLC (2016-Present); Treasurer and CFO, Continuous Capital, LLC (2018-Present); Treasurer, American Beacon Cayman Transformational Innovation, Ltd. (2017-2018); Treasurer, American Beacon Delaware Transformational Innovation Corporation (2017-2018); Director and Treasurer, American Beacon Cayman Managed Futures Strategy Fund, Ltd. (2014-Present); Treasurer, American Beacon Cayman TargetRisk Company, Ltd. (2018-Present); Treasurer, American Beacon Select Funds (2010-Present); Treasurer, American Beacon Institutional Funds Trust (2017-Present); Treasurer, American Beacon Sound Point Enhanced Income Fund (2018-Present); Treasurer, American Beacon Apollo Total Return Fund (2018-Present); Treasurer, American Beacon Sound Point Alternative Lending Fund (2019-Present); Treasurer, Green Harvest Asset Management (2019-Present).
Terri L. McKinney (56)	VP since 2010	Vice President (2009-Present), Managing Director (2003-2009), American Beacon Advisors, Inc.; Vice President, Resolute Investment Managers, Inc. (2017-Present); Vice President, Resolute Investment Services, Inc (2018-Present); Vice President, Alpha Quant Advisors, LLC (2016-Present); Vice President, Continuous Capital, LLC (2018-Present); Vice President, American Beacon Select Funds (2010-Present); Vice President, American Beacon Institutional Funds Trust (2017-Present); Vice President, American Beacon Sound Point Enhanced Income Fund (2018-Present); Vice President, American Beacon Apollo Total Return Fund (2018-Present); Vice President, American Beacon Sound Point Alternative Lending Fund (2019-Present).



## Trustees and Officers of the American Beacon Funds<sup>SM</sup> (Unaudited)

<u>Name, Age</u>	<u>Position, Term of Office and Length of Time Served with the Trust</u>	<u>Principal Occupation(s) During Past 5 Years and Current Directorships</u>
<b>OFFICERS (CONT.)</b>		
	<u>Term</u>	
	One Year	
Jeffrey K. Ringdahl (44)	VP since 2010	<p>Director (2015-Present), President (2018-Present), Chief Operating Officer (2010-Present), Senior Vice President (2013-2018), Vice President (2010-2013), American Beacon Advisors, Inc.; Director (2015-Present), President (2018-Present), Senior Vice Present (2015-2018), Resolute Investment Holdings, LLC; Director (2015-Present), President (2018-Present), Senior Vice President (2015-2018), Resolute Topco, Inc.; Director (2015-Present), President (2018-Present), Senior Vice President (2015-2018), Resolute Acquisition, Inc.; Director (2015-Present), President &amp; COO (2018-Present), Senior Vice President (2015-2018), Resolute Investment Managers, Inc.; Director and Executive Vice President (2017-Present), Resolute Investment Distributors, Inc.; Director (2017-Present), President &amp; COO (2018-Present), Executive Vice President (2017-2018), Resolute Investment Services, Inc.; Senior Vice President (2017-Present), Vice President (2012-2017), Manager (2015-Present), American Private Equity Management, LLC; Senior Vice President, Lighthouse Holdings Parent, Inc. (2013-2015); Senior Vice President, Lighthouse Holdings, Inc. (2013-2015); Trustee, American Beacon NextShares Trust (2015-Present); Director, Executive Vice President &amp; COO, Alpha Quant Advisors, LLC (2016-Present); Director, Shapiro Capital Management, LLC (2017-Present); Director, Executive Vice President &amp; COO, Continuous Capital, LLC (2018-Present); Director and Vice President, American Beacon Cayman Transformational Innovation Company, Ltd., (2017-Present); Vice President, American Beacon Delaware Transformational Innovation Corporation (2017-2018); Director and Vice President, American Beacon Cayman Managed Futures Strategy Fund, Ltd. (2014-Present); Vice President, American Beacon Cayman TargetRisk Company, Ltd (2018-Present); Vice President, American Beacon Select Funds (2010-2018); Vice President, American Beacon Institutional Funds Trust (2017-Present); Vice President, American Beacon Sound Point Enhanced Income Fund (2018-Present); Vice President, American Beacon Apollo Total Return Fund (2018-Present); Director, RSW Investments Holdings LLC, (2019-Present); Manager, SSI Investment Management, LLC (2019-Present), Vice President, American Beacon Sound Point Alternative Lending Fund (2019-Present); Director, National Investment Services of America, LLC (2019-Present).</p>
Samuel J. Silver (56)	VP Since 2011	<p>Vice President (2011-Present), Chief Fixed Income Officer (2016-Present), American Beacon Advisors, Inc. (2011-Present); Vice President, American Beacon Select Funds (2011-Present); Vice President, American Beacon Institutional Funds Trust (2017-Present); Vice President, American Beacon Sound Point Enhanced Income Fund (2018-Present); Vice President, American Beacon Apollo Total Return Fund (2018-Present); Vice President, American Beacon Sound Point Alternative Lending Fund (2019-Present).</p>

## Trustees and Officers of the American Beacon Funds<sup>SM</sup> (Unaudited)

Name, Age	Position, Term of Office and Length of Time Served with the Trust	Principal Occupation(s) During Past 5 Years and Current Directorships
<b>OFFICERS (CONT.)</b>		
	<u>Term</u> One Year	
Christina E. Sears (48)	Chief Compliance Officer since 2004 and Asst. Secretary since 1999	Vice President, American Beacon Advisors, Inc. (2019-Present); Chief Compliance Officer, American Beacon Advisors, Inc. (2004-Present); Vice President, Resolute Investment Managers, Inc. (2017-Present); Vice President, Resolute Investment Distributors (2017-Present); Vice President, Resolute Investment Services, Inc. (2019-Present); Chief Compliance Officer, American Private Equity Management, LLC (2012-Present); Chief Compliance Officer (2016-2019) and Vice President, Alpha Quant Advisors, LLC (2016-Present); Vice President, Continuous Capital, LLC (2018-Present); Chief Compliance Officer (2004-Present) and Assistant Secretary (1999-Present), American Beacon Select Funds; Chief Compliance Officer and Assistant Secretary, American Beacon Institutional Funds Trust (2017-Present); Chief Compliance Officer and Assistant Secretary, American Beacon Sound Point Enhanced Income Fund (2018-Present); Chief Compliance Officer and Assistant Secretary, American Beacon Apollo Total Return Fund (2018-Present); Chief Compliance Officer and Assistant Secretary, American Beacon Sound Point Alternative Lending Fund (2019-Present).
Sonia L. Bates (63)	Asst. Treasurer since 2011	Assistant Treasurer, American Beacon Advisors, Inc. (2011-2018); Assistant Treasurer, Lighthouse Holdings Parent Inc. (2011-2015); Assistant Treasurer, Lighthouse Holdings, Inc. (2011-2015); Assistant Treasurer, American Private Equity Management, LLC (2012-Present); Assistant Treasurer, American Beacon Cayman Transformational Innovation Company, Ltd. (2017-Present); Assistant Treasurer, American Beacon Cayman TargetRisk Company, Ltd. (2018-Present); Assistant Treasurer, American Beacon Select Funds (2011-Present); Assistant Treasurer, American Beacon Institutional Funds Trust (2017-Present); Assistant Treasurer, American Beacon Sound Point Enhanced Income Fund (2018-Present); Assistant Treasurer, American Beacon Apollo Total Return Fund (2018-Present); Assistant Treasurer, American Beacon Sound Point Alternative Lending Fund (2019-Present).
Shelley D. Abrahams (45)	Assistant Secretary since 2008	Assistant Secretary, American Beacon Select Funds (2008-Present); Assistant Secretary, American Beacon Institutional Funds Trust (2017-Present); Assistant Secretary, American Beacon Sound Point Enhanced Income Fund (2018-Present); Assistant Secretary, American Beacon Apollo Total Return Fund (2018-Present); Assistant Secretary, American Beacon Sound Point Alternative Lending Fund (2019-Present); Assistant Secretary, Green Harvest Asset Management (2019-Present).
Rebecca L. Harris (53)	Assistant Secretary since 2010	Vice President, American Beacon Advisors, Inc. (2011-Present); Vice President, Resolute Investment Managers, Inc. (2017-Present); Vice President, Resolute Investment Services (2015-Present); Vice President, Alpha Quant Advisors, LLC (2016-Present); Vice President, Continuous Capital, LLC (2018-Present); Assistant Secretary, American Beacon Select Funds (2010-Present); Assistant Secretary, American Beacon Institutional Funds Trust (2017-Present); Assistant Secretary, American Beacon Sound Point Enhanced Income Fund (2018-Present); Assistant Secretary, American Beacon Apollo Total Return Fund (2018-Present); Assistant Secretary, American Beacon Sound Point Alternative Lending Fund (2019-Present).

## Trustees and Officers of the American Beacon Funds<sup>SM</sup> (Unaudited)

<u>Name, Age</u>	<u>Position, Term of Office and Length of Time Served with the Trust</u>	<u>Principal Occupation(s) During Past 5 Years and Current Directorships</u>
<b>OFFICERS (CONT.)</b>	<u>Term</u>	
	One Year	
Teresa A. Oxford (61)	Assistant Secretary since 2015	Assistant Secretary, American Beacon Advisors, Inc. (2015-Present); Assistant Secretary, Resolute Investment Distributors (2018-Present); Assistant Secretary, Resolute Investment Services (2018-Present); Assistant Secretary, Alpha Quant Advisors, LLC (2016-Present); Assistant Secretary, American Beacon Select Funds (2015-Present); Assistant Secretary, American Beacon Institutional Funds Trust (2017-Present); Assistant Secretary, American Beacon Sound Point Enhanced Income Fund (2018-Present); Assistant Secretary, American Beacon Apollo Total Return Fund (2018-Present); Assistant Secretary, American Beacon Sound Point Alternative Lending Fund (2019-Present); Assistant Secretary, Green Harvest Asset Management (2019-Present).

\* As of 11/12/2014, the Board adopted a retirement plan that requires Trustees, other than Messrs. Feld and Massman to retire no later than the last day of the calendar year in which they reach the age of 75. As of 11/7/17, the Board approved a waiver of the mandatory retirement policy with respect to Mr. Massman, who turned 75 in November 2018, to permit him to continue to serve on the Board as Chair Emeritus through 12/31/19. As of 1/1/2020 both Messrs. Feld and Massman retired from the Board.

\*\* Mr. Feld is deemed to be an "interested person" of the Trusts, as defined by the 1940 Act. Mr. Feld's law firm of Akin, Gump, Strauss, Hauer & Feld LLP has provided legal services within the past two fiscal years to one or more of the Trust's sub-advisors.

# American Beacon Funds<sup>SM</sup>

## Privacy Policy

December 31, 2019 (Unaudited)

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The American Beacon Funds recognize and respect the privacy of our shareholders. We are providing this notice to you, so you will understand how shareholder information may be collected and used.

We may collect nonpublic personal information about you from one or more of the following sources:

- information we receive from you on applications or other forms;
- information about your transactions with us or our service providers; and
- information we receive from third parties.

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

We restrict access to your nonpublic personal information to those employees or service providers who need to know that information to provide products or services to you. To ensure the confidentiality of your nonpublic personal information, we maintain safeguards that comply with federal standards.

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**Delivery of Documents**

**eDelivery is NOW AVAILABLE** - Stop traditional mail delivery and receive your shareholder reports and summary prospectus on-line. Sign up at [www.americanbeaconfunds.com](http://www.americanbeaconfunds.com)

If you invest in the Fund through a financial institution, you may be able to receive the Fund's regulatory mailings, such as the Prospectus, Annual Report and Semi-Annual Report, by e-mail. If you are interested in this option, please go to [www.icsdelivery.com](http://www.icsdelivery.com) and search for your financial institution's name or contact your financial institution directly.

**To obtain more information about the Fund:**



**By E-mail:**  
american\_beacon.funds@ambeacon.com



**On the Internet:**  
Visit our website at [www.americanbeaconfunds.com](http://www.americanbeaconfunds.com)



**By Telephone:**  
Call (800) 658-5811



**By Mail:**  
American Beacon Funds  
P.O. Box 219643  
Kansas City, MO 64121-9643

**Availability of Quarterly Portfolio Schedules**

In addition to the Schedule of Investments provided in each semi-annual and annual report, the Fund files a complete schedule of its portfolio holdings with the Securities and Exchange Commission ("SEC") on Form N-PORT as of the end of each fiscal quarters. The Fund's Forms N-PORT are available on the SEC's website at [www.sec.gov](http://www.sec.gov). The Forms N-PORT may also be reviewed and copied at the SEC's Public Reference Section, 100 F Street, NE, Washington, D.C. 20549-2736. Information regarding the operation of the SEC's Public Reference Room may be obtained by calling (800)-SEC-0330. A complete schedule of the Fund's portfolio holdings is also available at [www.americanbeaconfunds.com](http://www.americanbeaconfunds.com) approximately sixty days after the end of each calendar quarter.

**Availability of Proxy Voting Policy and Records**

A description of the policies and procedures the Fund uses to determine how to vote proxies relating to portfolio securities is available in the Fund's Statement of Additional Information, is available free of charge on the Fund's website [www.americanbeaconfunds.com](http://www.americanbeaconfunds.com) and by calling 1-800-967-9009 or by accessing the SEC's website at [www.sec.gov](http://www.sec.gov). The Fund's proxy voting record for the most recent year ended June 30 is filed annually with the SEC on Form N-PX. The Fund's Forms N-PX are available on the SEC's website at [www.sec.gov](http://www.sec.gov). The Fund's proxy voting record may also be obtained by calling 1-800-967-9009.

**Fund Service Providers:**

**CUSTODIAN**  
State Street Bank and  
Trust Company  
Boston, Massachusetts

**TRANSFER AGENT**  
DST Asset Manager  
Solutions, Inc.  
Quincy, Massachusetts

**INDEPENDENT REGISTERED  
PUBLIC ACCOUNTING FIRM**  
Ernst & Young LLP  
Dallas, Texas

**DISTRIBUTOR**  
Resolute Investment  
Distributors, Inc.  
Irving, Texas

*This report is prepared for shareholders of the American Beacon Funds and may be distributed to others only if preceded or accompanied by a current Prospectus or Summary Prospectus.*

American Beacon Funds, American Beacon Bridgeway Large Cap Growth Fund, and American Beacon Bridgeway Large Cap Value Fund are service marks of American Beacon Advisors, Inc.