

QUESTIONS & ANSWERS

THREADNEEDLE JAPAN FUND CO-MANAGEMENT

From 1 November 2017 we will be changing the way the Threadneedle Japan Fund (the Fund) is managed.

1. What is changing?

The Threadneedle Japan Fund is currently managed by our fund management team in London, under the regulated entity Threadneedle Asset Management Limited (TAML). We have been granted permission by the regulator to allow investment decisions on the fund to also be taken by our fund management team in the US, who work for the regulated entity Columbia Management Investment Advisors (CMIA), part of the Columbia Threadneedle Investments group of companies. This means that the Fund will benefit from the additional research capability from our large US-based team, complementing our strong research base in the UK.

2. Why are the changes being made?

Our investment team in the US has a strong track record in the management of Japanese equity portfolios and we believe that the ability to access this additional investment expertise and research will benefit investors in the Fund.

3. When are the changes being made?

The changes to the Fund will be effective from 1 November 2017.

4. Will the Fund's objective change?

No, there is no change to the Fund's objective, however, there will be a change to the Fund's investment policy.

5. What other changes are being made?

After the effective date, the fund manager will invest in fewer companies than is currently the case and the reference index will also be changed from Japan TOPIX to MSCI Japan. This is to align the Fund to the US team's current investment style and preference for a more concentrated portfolio of securities.

6. Will the Fund's charges increase?

No. There will be no increase in the charges you pay as a result of these changes.

7. What does this mean for my investment?

The risk profile of the Fund will be adjusted to reflect the way in which the Fund will be managed. The fund manager will target higher returns above the benchmark and adopt a more concentrated approach. Higher concentration and conviction around stock selection can lead to better performance and moderately higher stock selection risk.

The SRRI (Synthetic Risk and Reward Indicator), as found on the KIID will, however, remain the same at level 6.

8. What action do I need to take?

You do not need to take any action as a result of these changes.

9. What options do I have if I don't agree with the changes?

If you do not agree with the changes, you have the following options:

1. You can move your investment, free of charge, to another of our funds
2. You can cash in your investment, however, if you hold your investment in an ISA, it will lose its ISA status.

Columbia Threadneedle does not give any investment or tax advice. If you are in doubt about the suitability of any investment, you should speak to your financial adviser.

10. Who should I contact if I want to find out more?

If you have any questions regarding the changes, you can call us Monday to Friday between 8:00 am and 6:00 pm (UK time) on 0800 953 0134* for UK-based investors or +44 1268 444 321* for investors outside of the UK.

Please note we do not provide investment advice. If you are unsure about any aspects of your investment, you should contact a financial adviser. If you are UK based and do not have a financial adviser, you can find one in your area by visiting www.unbiased.co.uk. Please note that we do not endorse this website or the advisers on it.

*Please note that calls may be recorded.