

May 2016

QUESTIONS & ANSWERS

POLICY CHANGE TO THE THREADNEEDLE UK GROWTH & INCOME FUND

Q: What changes are you making to the Threadneedle UK Growth and Income Fund?

We are amending the investment policy to allow the Fund to invest primarily in “larger capitalised UK companies” instead of “blue chip large capitalised UK companies”. The Fund’s objective of providing long-term capital growth with a reasonable and growing income will not change.

At the same time, a definition of ‘larger capitalised UK companies’ will be added to the prospectus. The definition will be:

“With respect to the UK Growth and Income Fund, the term ‘larger capitalised UK companies’ shall be defined as the largest 150 companies by market capitalisation in the FTSE All-Share Index.”

Q: Why are you making this change?

We are making this change as we believe the new terminology more clearly defines and reflects how the fund is managed.

By defining larger companies to mean the largest 150 UK companies by market capitalisation, we will be clarifying the Fund’s investment universe.

This change will not alter the way the Fund is managed and it will continue to provide the fund manager with access to investment opportunities to the benefit of the Fund and shareholders.

Q: Will the risk profile of the Fund alter as a result of this change?

No, the risk profile of the Fund will not change as a result this change.

Q: When is the change happening?

The effective date of the change is 1 August 2016.

Q: Will there be any changes to the fund manager or the investment process?

No. The Fund will continue to be managed by Richard Colwell in accordance with the existing investment process. Richard has managed the Fund since March 2010 and during this time investors have benefitted from outperformance of both benchmark and peer group median returns, whilst also achieving a yield of 3.5%¹.

Q: Is there any action I need to take?

No, you do not need to take any action regarding this change.

Q: What options do I have if I do not agree with the change?

If you do not agree with the investment policy change you have the option to switch into another of our UK regulated funds or to redeem your holdings in the Fund.

If your holding is within an ISA you should be aware that if you fully redeem your holding you will lose your tax benefits, so you may wish to transfer your investment to another ISA Manager in order to prevent this from happening.

Q: Will I be charged if I take my money out of the Fund?

You will not be charged a redemption fee if you choose to take your money out of the Fund.

¹ Source: Columbia Threadneedle Investments and Morningstar. The fund outperformed the IA UK All Companies sector median (net of fees) and the FTSE All Share index (gross of fees) over 1, 3 and 5 years to end March 2016. Past performance is not a guide to future returns. The value of investments and any income is not guaranteed and can go down as well as up and may be affected by exchange rate fluctuations. This means that an investor may not get back the amount invested.

Q: How can I find out more information?

Should you wish to find out more information, please contact our Client Service Team between 8.00am and 6.00pm (UK time) on 0800 953 0134 for shareholders located within the United Kingdom and on +352 464 010 7020 for shareholders located outside the United Kingdom. Please note calls may be recorded.

If you are unsure about the changes, we recommend that you contact your financial adviser. If you are a UK based investor 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 the site or the advisers found on it.

For further information visit
COLUMBIATHREADNEEDLE.COM/UGI

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