



QUESTIONS & ANSWERS

THREADNEEDLE UK CORPORATE BOND FUND

Q&A – THREADNEEDLE UK CORPORATE BOND FUND CHANGES

INTRODUCTION

With effect from 31 August 2019, the Threadneedle UK Corporate Bond Fund will change its name to the Threadneedle Sterling Corporate Bond Fund. In addition, we are making changes to the Fund's investment objective and policy.

1. What changes are you making?

We are making some changes to the wording of the objective and policy of the Fund to allow the Fund to invest more broadly in sterling denominated bonds and provide more detail and clarity of how the Fund is invested.

The new objective and policy reflect that the Fund invests mainly in investment grade sterling denominated corporate bonds issued by UK companies and non-UK companies, and corporate bonds issued in other currencies that have been hedged back to sterling. The Fund already holds some investments in countries worldwide, and this revised description has the effect of allowing the Fund to hold a greater proportion of bonds from issuers outside of the UK and Europe, if that is considered appropriate. In addition, the objective and policy provide details of other asset classes the Fund may hold.

Information is also included regarding the benchmarks used as a point of reference against which the Fund's performance may be compared.

As the Fund has the flexibility to invest in non-UK corporate bonds, we have decided to change the Fund's name to reflect its wider investment universe, as well as its exposure to sterling.

2. What is the new name of the Fund?

The Fund is changing name to the Threadneedle Sterling Corporate Bond Fund.

3. What are the changes to the investment objective and policy?

Current Objective and Policy	New Objective and Policy
<p>To achieve a high level of income.</p> <p>The Authorised Corporate Director (ACD)'s investment policy is to invest the assets of the Fund primarily in fixed interest investments in the UK and Continental Europe.</p>	<p>The Fund aims to achieve a return over the long term (5 year or more), consisting of income with some capital growth.</p> <p>The Fund is actively managed, and invests at least two-thirds of its assets in investment grade corporate bonds that are denominated in sterling (or hedged back to sterling, if a different currency), issued by UK companies and companies worldwide. In addition, the Fund may invest in other bonds (including below investment grade corporate bonds, and government bonds) when considered appropriate to achieve its investment objective.</p> <p>The Fund may also invest in collective investment schemes (including funds managed by Columbia Threadneedle companies), money market instruments, deposits, cash and near cash.</p> <p>The Fund is not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.</p> <p>Other Information:</p> <p>The following benchmarks are currently used as a point of reference against which the Fund's performance may be compared:</p> <p>Peer Group: Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to facilitate comparison between funds with broadly similar characteristics (peer groups). The Fund is currently included in the IA £ Corporate Bond sector.</p> <p>Index: The iBoxx Sterling Non-Gilts Index is regarded as providing an appropriate performance measure of sterling-denominated investment grade bonds (including corporate, government and government agencies) issued worldwide, but excluding bonds issued by the UK government (gilts).</p>

4. Why are you making the changes?

We are making these changes as we believe the new objective and policy more clearly define and reflect how the Fund is managed.

The Fund invests mainly in investment grade sterling denominated corporate bonds issued by UK companies and non-UK companies, and corporate bonds issued in other currencies that have been hedged back to sterling.

As the Fund has the flexibility to invest in non-UK corporate bonds, we have decided to change the Fund's name to reflect its wider investment universe, as well as its exposure to sterling. The changes will not alter the way the Fund is managed. We are changing the fund's name to reflect this new objective and policy.

5. When are the changes taking place?

The changes are taking place on 31 August 2019.

6. Which share classes and ISINs are impacted by the changes?

The following share classes and ISINs are impacted by the changes.

ISIN	Share class	Share class code
GB0001451508	Institutional Income GBP	Class 2 Income
GB0031109738	Retail Income GBP	Class 1 Income
GB0033885327	Institutional Accumulation GBP	Class 2 Accumulation
GB0033749739	Retail Income GBP	Class 1 Income
GB00BNG64D33	Institutional X Income GBP	Class Institutional X Income
GB00BYX3VS81	Institutional X Accumulation GBP	Class Institutional X Accumulation
GB00BDBDLM77	L Income GBP	Class L Income
GB00BDBDLL60	L Accumulation GBP	Class L Accumulation
GB00BDBDLK53	L Income GBP	Class L Income
GB00BDBDLN84	Retail Accumulation GBP	Class Retail Accumulation

7. Will there be any changes to how the Fund is managed?

These changes will have no effect on how the Fund is managed.

8. Will these changes affect the risk profile of the Fund?

These changes will have no effect on the risk profile of the Fund.

9. Will these changes result in any changes to the Fund's management fees?

These changes will have no effect on the fees you pay.

10. Do I need to take any action in response to these changes?

You do not need to take any action regarding these changes.

11. What can I do if I disagree with the change?

You have a number of options, should you disagree with the changes. You can choose to redeem your shares, or you can switch your investment, free of charge, into another Threadneedle fund.

Should you decide to redeem or switch your shares, it may be treated as a disposal for capital gains tax purposes. Please be aware that if you choose to redeem your holdings and your shares are held in an ISA, then your investment will lose its ISA status. If you choose to switch your holdings and want to retain your ISA status, then you should ensure that any switch is done between any of Threadneedle's UK Authorised funds (excluding Threadneedle Sterling Short-Term Money Market Fund).

Details of our range of funds are set out in the prospectuses which are available at columbiathreadneedle.com.

12. Where can I find out more information?

Further information, including a Q&A booklet, is available on our website at columbiathreadneedle.com/changes. If you are unclear about any of the details relating to the change to the investment policy, or have any further questions, please contact us. For UK investors you can call us on 0800 953 0134*. For investors outside the UK, you can call +352 46 40 10 7020. Our team is available from 8:00am to 6:00pm, Monday to Friday.