

QUESTIONS & ANSWERS

COMPULSORY CONVERSION CLAUSE

Affected Funds
Threadneedle Managed Bond Focused Fund
Threadneedle Managed Bond Fund
Threadneedle Managed Equity & Bond Fund
Threadneedle Managed Equity Focused Fund
Threadneedle Managed Equity Fund
Threadneedle Managed Equity Income Fund
Threadneedle UK Property Authorised Trust

INTRODUCTION

We have decided to include a compulsory conversion clause in the prospectus of the Threadneedle Managed Funds and the Threadneedle UK Property Authorised Trust with effect from 1 March 2020. This will allow us to convert unit holdings from one unit class to another unit class in the same fund, where it is in investors' best interests.

FULL Q&A

1. Which funds are affected by this change?

Affected Funds
Threadneedle Managed Bond Focused Fund
Threadneedle Managed Bond Fund
Threadneedle Managed Equity & Bond Fund
Threadneedle Managed Equity Focused Fund
Threadneedle Managed Equity Fund
Threadneedle Managed Equity Income Fund
Threadneedle UK Property Authorised Trust

2. What is compulsory conversion?

Compulsory conversion is the transfer of investors' units from one unit class into a different unit class of the same fund. We would only do this when it is in the best interests of unitholders to do so.

3. What changes are you making?

We will be updating the prospectus of the Affected Funds to include a provision that allows us to convert your existing units into units of another class of the same fund.

4. When do the changes take effect?

The conversion clause will be effective from 1 March 2020.

5. What do these changes mean for existing unitholders?

The inclusion of the compulsory conversion clause in the prospectus will have no impact on your investment. This is simply an administrative change and its inclusion will make it easier for us to take this action when we believe it to be in unitholder's best interests.

Unitholders will be given 60 days' notice, prior to converting their holdings into a new unit class and only where it is deemed to be in unitholders' interests to do so.

There are some scheduled conversions for non advised direct unitholders and full details of these are provided at columbiathreadneedle.com/changes, under the section "Conversions to cheaper classes".

6. Why are you making these changes?

The changes will allow us to transfer investors' units from one unit class into a different unit class of the same fund, where it is in an investors' best interests.

7. Will they affect the value of my investments?

No, the value of your investments will not be affected.

8. Will they result in any changes to how the funds are managed?

There will be no change to how the funds are managed.

9. Do I need to take any action?

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

10. Where can I find further information?

Further information is available at www.columbiathreadneedle.co.uk or you can call us on 0800 953 0134* if you are in the UK or on 0044 1268 444 321* if you're based outside of the UK. Our team is available from 8.00am to 6.00pm, Monday to Friday (UK time).

*calls may be recorded

For further information visit
[COLUMBIATHREADNEEDLE.COM/CHANGES](https://columbiathreadneedle.com/changes)