



QUESTIONS & ANSWERS

THREADNEEDLE UK SELECT FUND PROPOSED MERGER

September 2021

Q&A – Threadneedle UK Select Fund – Proposed Merger

1. What changes are being proposed?

Columbia Threadneedle Investments is proposing to merge the Threadneedle UK Select Fund (the “Merging Fund”) into the Threadneedle UK Fund (the “Receiving Fund”), by way of a scheme of arrangement (the “Merger”).

As a shareholder in the Merging Fund, you have the opportunity to vote on the proposed Merger. Full details of the proposed Merger, including how you can vote on the Merger proposal, can be found in the Shareholder Circular which has been sent to you.

2. Why are we proposing these changes?

The Merger will bring together two quite similar funds. The Merging Fund, the smaller of the two funds, has reduced in size to around £255m as at 30 July 2021. By merging it into the larger Receiving Fund (around £1,846m as at 30 July 2021), shareholders may benefit from economies of scale associated with the management of a larger pool of assets.

From the Effective Date of the Merger, all shareholders moving into the Receiving Fund will benefit from lower charges, as measured by the Estimated Ongoing Charges Figure or OCF, set out in the Shareholder Circular at Appendix 1, Part B.

3. How will my investment be affected by the Merger?

If the Merger proposal is approved at an Extraordinary General Meeting (EGM), we will transfer the assets of the Merging Fund into the Receiving Fund and in exchange, you will receive new shares in the Receiving Fund, on the terms set out in the scheme of arrangement. You will receive a confirmation letter with details of your new shares in the Receiving Fund.

The Receiving Fund will continue to be managed in the same way as it is currently and the Merging Fund will be closed once the Merger has taken place.

If the Merger proposal is not approved, the Merging Fund will continue to be managed as it is currently and your investment will remain unchanged.

4. What do I need to do?

You can vote for or against the proposal by completing the Form of Proxy sent to you. For the Merger to proceed, at least 75% of votes cast at an Extraordinary General Meeting (EGM) must be in favour of the Merger.

It is important that you read the letter and the Shareholder Circular that were sent to you. Together, they form formal notification of the proposed Merger and the EGM and provide full details of the voting and Merger process and implications for you as an investor.

5. How do I vote?

If you wish to vote, you should return the completed Form of Proxy in the pre-paid return envelope provided to Civica Election Services Ltd, The Election Centre, 33 Clarendon Road, London N8 0NW, United Kingdom to reach us no less than 48 hours before the time of the EGM, being held at 11 am (UK time) on 20 October 2021.

Please note that due to the Covid-19 pandemic, we are not holding in person votes. Instead, the Chair of the EGM can vote on your behalf as instructed by you on the Form of Proxy. Investors may join the EGM virtually if they wish to do so, and the Chair will take questions.

If you wish to join the EGM, please use the dial-in details below:

Dial in number: +44 (0)203 821 1176.

Then, when prompted, please enter the following conference ID: 221940505#

The results of the votes will be published on our website:

columbiathreadneedle.com/changes.

6. What happens if I don't vote?

If you choose not to vote, and the required 75% of votes are cast in favour of the proposal, the Merger will go ahead. Please refer to Question 13 for your options if you do not wish to participate in the Merger.

7. I can't find my Proxy Form. Where do I get a copy?

The Proxy Form has been sent to you with the Shareholder Circular. You can also obtain a copy by calling us on 0800 953 0134* for investors based in the UK or on +44 1268 444 321 if you are based outside of the UK.

8. Can I still invest in the Merging Fund?

Yes, dealing in the Merging Fund will remain possible until 12 noon (UK time) on 18 November 2021 if the merger is approved.

9. Are there any tax implications?

There may be tax implications depending on your individual circumstances should you decide to switch or sell your shares in the Merging Fund. We are unable to provide tax advice and we therefore suggest that you seek advice from your tax adviser about any potential tax implications before you take any action.

10. Will there be any cost to me as an investor?

All costs associated with the Merger will be borne by Columbia Threadneedle Investments. This includes costs incurred during the period between the EGM and the Effective Date as changes are made to the portfolio of assets held by the Merging Fund specifically to align with the Receiving Fund's portfolio.

From the Effective Date, all shareholders moving into the Receiving Fund will benefit from lower charges, as measured by the Estimated Ongoing Charges Figure or OCF, set out in the Shareholder Circular at Appendix 1, Part B.

11. How will I be able to find out the result of the vote?

The results of the votes will be published on our website on 21 October 2021 at **columbiathreadneedle.com/changes**.

12. When will the Merger take place if it is approved?

If approved, the Merger will take place on 19 November 2021.

13. What happens if the Merger is approved and I don't want my investment to be transferred?

If the Merger is approved and you do not wish for your investment to be transferred to the Receiving Fund, you have the following options:

- You can switch your investment free of charge to another UK domiciled Threadneedle fund, over the telephone or in writing.
- You can sell your shares in the Merging Fund over the telephone or in writing and receive the proceeds in cash

You must inform us of these requests by 12 noon (UK time) on 18 November 2021, otherwise your investment will be transferred to the Receiving Fund. For UK investors please call us on 0800 953 0134*. For investors outside the UK, please call +44 1268 444 321*.

14. What happens if the merger is not approved?

If the Merger is not approved, the Merging Fund will continue to be managed as it is currently and your investment will remain unchanged.

15. Can I transfer into the Receiving Fund if the Merger is not approved?

Yes, you can switch your investment free of charge, over the telephone or in writing.

16. Where do I find further information?

If you are unclear about the proposed changes, or have any further questions, please contact us. For UK investors please call us on 0800 953 0134*. For investors outside the UK, please call +44 1268 444 321*. Our team is available from 8:00am to 6:00pm, Monday to Friday (UK time). Please note that we are unable to provide financial or tax advice.

If you are unsure about your investment you should speak to a financial adviser. If you are based in the UK, you can find one in your area by visiting www.unbiased.co.uk – please note we do not endorse the advisers on the site.

A Key Investor Information document (KIID) for the Receiving Fund has been sent to you with the Shareholder Circular. They are also available on our website at columbiathreadneedle.com/changes or by calling us on 0800 953 0134* for Unitholders located within the UK or on 0044 1268 444 321* for Unitholders located outside of the UK.

*Calls may be recorded.