

Please address any replies to:

Columbia Threadneedle Investments
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9 November 2018

Dear Investor

Important: Changes to the following Threadneedle funds

We recently informed you of our proposal to transfer the assets of certain share classes of the below listed UK-based OEIC¹ funds (the “Existing Funds”) into an equivalent fund within our established Luxembourg fund range (the “Lux Funds”). Following the shareholder vote at the extraordinary general meetings (EGMs), we can confirm that the proposed transfers will proceed as follows:

- **All share classes in the American Smaller Companies Fund (US) - except for Class 1 Accumulation EUR**
- **All share classes in the European Smaller Companies Fund - except for Class 1 Income EUR**
- **All share classes in the Global Emerging Markets Equity Fund**
- **All share classes in the Global Equity Income Fund**

What is changing?

Where a proposal has been approved by shareholders, we will transfer the assets of investors from the Existing Funds into equivalent share classes within the Lux Funds. The transfers will be made by a process called a scheme of arrangement. However, the funds will continue to exist for the remaining share classes, where appropriate.

Where a proposal has not been approved by shareholders, the share class will remain in the Existing Fund.

¹OEIC stands for open-ended investment company.

What options do investors have?

Investors in share classes that are not subject to the transfers should note that those share classes will continue to exist in their current form. As far as we know there is nothing prohibiting EU and non-UK investors from remaining in a UK-based fund. OEIC funds are likely to continue to be UCITS-compliant² through the proposed transition period until December 2020, which gives investors additional time to consider their options.

Investors in share classes that are subject to the transfers but do not want their investment transferred to the Lux Funds can choose between the following options:

- Switch their investment free of charge into another Threadneedle fund or share class by calling us on +352 46 40 10 7020* or by writing to us at Columbia Threadneedle Investments, PO Box 10033, Chelmsford, Essex CM99 2AL, United Kingdom.
- Instruct us to sell their units over the telephone or in writing and receive the proceeds in cash.

There may be additional tax implications depending on individual circumstances. We are unable to provide tax advice and we therefore suggest that investors seek professional advice about any potential tax implications.

Further information

If you are unclear about any of the details relating to the transfers, or have any further questions, please call us on +352 46 40 10 7020*. Our team is available from 9.00am to 6.00pm (CET), Monday to Friday.

Yours sincerely



Gary Collins
Co-Head of Distribution EMEA
Columbia Threadneedle Investments

²UCITS stands for Undertakings for Collective Investment in Transferable Securities. UCITS provides a harmonised regulatory regime for the management and sale of mutual funds within the European Union.