

**Columbia Threadneedle
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columbiathreadneedle.com

Dear Investor

Important changes to the following Threadneedle funds – no action required by you

Threadneedle Asia Fund
Threadneedle China Opportunities Fund
Threadneedle Global Emerging Markets Equity Fund
Threadneedle Global Select Fund
Threadneedle Global Extended Alpha Fund
Threadneedle Global Equity Income Fund

We wanted to let you know about some changes we are making with effect from 14 May 2018. We are changing the investment policies of the Threadneedle Asia Fund, the Threadneedle China Opportunities Fund and the Threadneedle Global Emerging Markets Equity Fund. While the Global Emerging Markets Equity Fund invests in global emerging market shares including Chinese mainland shares, the Asia Fund invests in Asian shares excluding Japan and including Chinese mainland shares, and the China Opportunities Fund invests in Chinese mainland shares, the changes will allow the funds to invest directly in a specific set of Chinese shares known as China A-Shares. The new investments will take place using programmes called Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. For full details of the current and amended investment policy, please refer to the Q&A section on our website.

The Threadneedle Global Select Fund, the Threadneedle Global Extended Alpha Fund and the Threadneedle Global Equity Income Fund will also be able to invest in China A-Shares via Stock Connect from 14 May 2018. However, as their investments using Stock Connect will only account for a very small portion of their overall holdings, we won't be changing the investment policies of these funds.

What does this mean?

While the funds already invest in shares listed on mainland Chinese markets, using Stock Connect will also enable the funds to invest in the China A-Share market. MSCI has approved the inclusion of mainland Chinese shares in its indices from May 2018. We believe the use of Stock Connect is the most cost-efficient way of providing access to this increased range of investment opportunities in mainland China.

What is Stock Connect?

Since opening for trading in 2014, Stock Connect has aimed to make it easier to trade shares between stock markets in China and Hong Kong. Subject to certain regulations and restrictions, Stock Connect enables investors in the Stock Exchange of Hong Kong, Shanghai Stock Exchange and Shenzhen Stock Exchange to trade shares listed on the other stock exchanges in the programme.

For more information on Stock Connect and China A-Shares, please refer to the revised prospectus and Key Investor Information Document for the relevant fund. Appendix A of this letter also includes information on the maximum investments that each fund can make using Stock Connect.

Are there any risks to investing via Stock Connect?

As with any investments, using Stock Connect may involve certain specific risks, relating to fields such as operations, regulations and transactions including selling and settlement costs. However, we do not expect the use of Stock Connect to have a significant impact on the overall risk levels associated with the relevant funds. Please refer to the updated prospectus for details of the risks.

Will I have to pay any additional fees?

No, we won't be making any changes to the fees we charge for managing the funds.

What do I need to do?

You don't need to do anything as a result of this change.

Where can I find out more?

You can find more information, including a Q&A section, on our website at:
columbiathreadneedle.com/changes

If you have any questions about what these changes mean or what you should do about them, please contact your financial adviser. If you are based in the UK and you don't have a financial adviser, you can find one in your area by visiting www.unbiased.co.uk – please note that we do not endorse this site or the advisers on it.

If you are unclear about the contents of this letter or have any further questions, please 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).

Yours sincerely



Gary Collins
Co-Head of Distribution EMEA
Columbia Threadneedle Investments
*Calls may be recorded

Appendix A

Portfolios and Maximum Investments under Stock Connect

Portfolio	Maximum investments (% of the portfolio's net asset value)
Threadneedle Asia Fund	40%
Threadneedle China Opportunities Fund	70%
Threadneedle Global Emerging Markets Equity Fund	30%
Threadneedle Global Select Fund	5%
Threadneedle Global Extended Alpha Fund	5%
Threadneedle Global Equity Income Fund	5%

HONG KONG STOCK CONNECT Q&A

Summary

From 14 May 2018, the funds listed below will be able to invest through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (together, Stock Connect) in mainland Chinese shares, called China A Shares.

Which funds are affected by the changes?

The following funds are affected by the changes:

- Threadneedle Asia Fund
- Threadneedle China Opportunities Fund
- Threadneedle Global Emerging Markets Equity Fund
- Threadneedle Global Select Fund
- Threadneedle Global Extended Alpha Fund
- Threadneedle Global Equity Income Fund

What changes are you making?

We are changing the investment policies of the funds as follows:

- The Threadneedle Global Emerging Markets Equity Fund invests in global emerging market shares including Chinese mainland shares.
- The Threadneedle Asia Fund invests in Asian shares excluding Japan and including Chinese mainland shares.
- The Threadneedle China Opportunities Fund invests in Chinese mainland shares.

The changes will also allow the funds to invest directly in a specific set of Chinese shares known as China A-Shares. The new investments will take place using programmes called Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, and may also be made through other Stock Connect programmes if they become available in the future.

Please note that the Threadneedle Global Select Fund, the Threadneedle Global Extended Alpha Fund and the Threadneedle Global Equity Income Fund will also have the ability to invest via Stock Connect, however, we are not amending the investment policies of these funds as their investment via Stock Connect will be limited to 5% of their respective portfolio's assets. Other provision in the prospectuses for these funds will be updated to take account of this investment via Stock Connect.

What are the current and new investment policies?

Fund	Current Investment Policy	New Investment Policy
Threadneedle Asia Fund	The ACD's investment policy is to invest the assets of the Fund primarily in the equity of companies domiciled in Asia (with the exclusion of Japan) or with significant Asian (excluding Japan) operations. It may further invest in other securities including fixed interest securities, other equities and money market securities.	The ACD's investment policy is to invest the assets of the Fund primarily in the equity of companies domiciled in Asia (with the exclusion of Japan) or with significant Asian (excluding Japan) operations. It may further invest in other securities including fixed interest securities, other equities and money market securities. The Fund may invest up to 40% of its Net Asset Value in China A-Shares through the China-Hong Kong Stock Connect Programme.
Threadneedle China Opportunities Fund	<p>The ACD's investment policy is to invest the assets of the Fund primarily in equities and equity related securities of Chinese companies. These are defined as companies domiciled in and/or whose significant activities are in the People's Republic of China.</p> <p>If the ACD considers it desirable, it may further invest up to one third of the total assets of the Fund in derivatives, forward transactions and other securities (including fixed interest securities, other equities, money market securities and cash).</p> <p>In exceptional circumstances and on a temporary basis, the ACD may hold a substantial proportion of the Fund in cash and/or money market instruments.</p>	<p>The ACD's investment policy is to invest the assets of the Fund primarily in equities and equity related securities of Chinese companies. These are defined as companies domiciled in and/or whose significant activities are in the People's Republic of China. The Fund may invest up to 70% of its Net Asset Value in China A-Shares through the China-Hong Kong Stock Connect Programme.</p> <p>If the ACD considers it desirable, it may further invest up to one third of the total assets of the Fund in derivatives, forward transactions and other securities (including fixed interest securities, other equities, money market securities and cash).</p> <p>In exceptional circumstances and on a temporary basis, the ACD may hold a substantial proportion of the Fund in cash and/or money market instruments.</p>
Threadneedle Global Emerging Markets Equity Fund	<p>The ACD's investment policy is to invest the assets of the Fund primarily in equities of Emerging Markets companies. These are defined as companies domiciled in and/or whose significant activities are in Emerging Market countries. Emerging Market countries are those characterised as developing or emerging by the World Bank, the United Nations or the MSCI Emerging Markets Free Index.</p> <p>If the ACD considers it desirable, it may further invest up to one third of the total assets of the Fund in other securities (including fixed interest securities, other equities and money market securities).</p> <p>In addition, the ACD may use derivatives and forward transactions for purposes that are limited to efficient portfolio management.</p>	<p>The ACD's investment policy is to invest the assets of the Fund primarily in equities of Emerging Markets companies. These are defined as companies domiciled in and/or whose significant activities are in Emerging Market countries. Emerging Market countries are those characterised as developing or emerging by the World Bank, the United Nations or the MSCI Emerging Markets Free Index. The Fund may invest up to 30% of its Net Asset Value in China A-Shares through the China-Hong Kong Stock Connect Programme.</p> <p>If the ACD considers it desirable, it may further invest up to one third of the total assets of the Fund in other securities (including fixed interest securities, other equities and money market securities).</p> <p>In addition, the ACD may use derivatives and forward transactions for purposes that are limited to efficient portfolio management.</p>
Threadneedle Global Select Fund	The ACD's investment policy is to invest the assets of the Fund primarily in equities issued by companies worldwide. The portfolio may be concentrated geographically or with respect to stock and sector positions, which may lead to increased levels of volatility. If the ACD considers it desirable, it may further invest in other securities (including fixed interest securities, other equities and money market securities).	No change to investment policy as this fund's investments using Stock Connect will only account for a very small proportion of its investments, limited to 5%, of their overall holdings.
Threadneedle Global Extended Alpha Fund	<p>The ACD's investment policy is to actively manage an exposure by investing directly or indirectly into equity securities worldwide, including companies located in developed and emerging markets. Exposure to these markets may be gained through both long and short positions.</p> <p>The ACD may invest in equities, derivatives, forward transactions and collective investment schemes. The ACD may also invest in other securities (including fixed interest securities and money market securities), deposits and cash.</p> <p>In order to gain short exposure the ACD will invest in derivatives. The ACD may also invest in derivatives to gain long exposure.</p> <p>It is expected that the Investment Manager will obtain part of its long and short exposure by investing in a single total return swap entered into with a counterparty, where the return is linked to the performance of a portfolio of actively managed investments. These investments will consist mainly of equity-related securities, exchange-traded funds and equity index positions and will be selected by the Investment Manager at its sole and entire discretion.</p>	No change to investment policy as this fund's investments using Stock Connect will only account for a very small proportion of its investments, limited to 5%, of their overall holdings.
Threadneedle Global Equity Income Fund	<p>The ACD's investment policy is to invest no less than two-thirds of the gross assets of the Fund in global equities. Income will be in the form of dividend distribution.</p> <p>If the ACD considers it desirable it may further invest up to one third of the total assets of the Fund in derivatives, forward transactions and other securities (including fixed interest securities and money market securities) deposits and cash.</p>	No change to investment policy as this fund's investments using Stock Connect will only account for a very small proportion of its investments, limited to 5%, of their overall holdings.

Note: ACD means Threadneedle Investment Services Limited, the authorised corporate director of the Company.

What are Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect?

Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect are trading platforms that link Shanghai Stock Exchange and the Shenzhen Stock Exchange with the Hong Kong Stock Exchange, thereby allowing international investors to buy China A Shares listed in mainland China.

What is the maximum each fund is expected to invest via Stock Connect?

The maximum investments of each fund via Stock Connect and the level of investment in China and Hong Kong as of November 2017, is set out below:

Fund	Proposed Max investment in China A Shares	Current Weighting to China	Current Weighting to Hong Kong	Benchmark Weighting to China	Benchmark Weighting to Hong Kong
Threadneedle Asia Fund	40%	28.03%	7.67%	24.98%	12.46%
Threadneedle China Opportunities Fund	70%	93.9%	4.41%	87.68%	12.32%
Threadneedle Global Emerging Markets Equity Fund	30%	18.14%	0	26.38%	12.32%
Threadneedle Global Select Fund	5%	5.53%	1.57%	3.10%	1.55%
Threadneedle Global Extended Alpha Fund	5%	5.88%	2.70%	3.10%	1.55%
Threadneedle Global Equity Income Fund	5%	0.18%	1.87%	3.10%	1.55%

How do the funds gain exposure to China currently?

The funds currently gain exposure to the Chinese market via participatory notes (also known as P-Notes). Participatory notes are instruments used by overseas investors to invest in shares listed on the Chinese stock markets which would otherwise be restricted to foreign investors.

Why are you making the changes?

There has been a major change in the Chinese market which has introduced new rules that allow foreign funds, such as Threadneedle funds, to buy China A shares listed on the China mainland via the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect platforms.

The MSCI index has approved the inclusion of mainland Chinese shares in its indices from May 2018. While the Threadneedle Asia Fund and Threadneedle China Opportunities Fund have already been able to invest in shares listed on the mainland Chinese markets, we believe that the use of Stock Connect will make the process more cost-efficient and provide access to a wider range of investment opportunities in mainland China for all the funds we are making the changes for.

What is the effective date of the changes?

The effective date of the changes is 14 May 2018.

Will it change how the funds are managed?

There will be no change to how the funds are managed and the changes are not expected to materially affect the overall risk profile or the Synthetic Risk and Reward Indicators of the funds.

Will there be additional risks as a result of investing in China A Shares directly and using Stock Connect?

The KIID and prospectuses will be updated to include details of the risks associated with investing directly in China A Shares of China mainland via Stock Connect.

The full description of relevant risks is available in the fund's prospectuses available at columbiathreadneedle.com/changes.

Do I need to read the KIID as a result of the changes?

If you make a new investment into one or more of the funds, you are required to confirm that you have read the KIID for that fund.

The KIIDs of the Threadneedle Asia Fund, Threadneedle China Opportunities Fund and Threadneedle Global Emerging Markets Equity Fund will be amended to reflect the investment in China A Shares via Hong Kong Stock Connect and an additional risk warning has been added.

The new risk warning is “The Fund may invest in the China-Hong Kong Stock Connect programmes which have significant operational constraints including quota limits, are subject to regulatory change and increased counterparty risk”.

A revised KIID will be available at columbiathreadneedle.com/changes

Will there be any changes to the fees and charges?

No, there will be no changes to the fees and charges you pay as a result of this change.

Do I need to take any action?

No, you do not need to take any action as a result of this change.

What if I do not agree with the changes?

If you do not agree with the changes, you can choose to switch to another Threadneedle fund. Alternatively, you can redeem your holdings from the fund(s).

Where can I find out more information?

If you have any questions about the changes or would like further information, please call us on 0800 953 0134* if you are in the UK or on 0044 1268 444 321 if you're based outside the UK. Our team is available from 8.00am to 6.00pm. Monday to Friday (UK time).

*Calls may be recorded.

To find out more visit columbiathreadneedle.com



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