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Dear Investor,

Important changes to the Threadneedle Ethical UK Equity Fund – no action required

As a shareholder in the Threadneedle Ethical UK Equity Fund (the Fund), we would like to inform you about some important changes we are making to the Fund. The changes, which take effect from 1 July, are as follows:

- i) An amendment to the Fund's investment objective and policy to reflect the Fund's positive focus on sustainability and to clarify how the Fund is managed;
- ii) Change of the name of the Fund to "UK Sustainable Equity Fund" to reflect its new investment objective and policy; and
- iii) Change of benchmark to the FTSE All Share index.

Please see the Appendix which compares the old and new investment objective and policy of the Fund.

Why are you making these changes?

We are making these changes to reflect the Fund's positive focus on sustainability, which is an extension to the original ethical approach.

In a transforming world, we believe investing sustainably is key to creating a better future, and to delivering financial reward. There is a significant investment opportunity in quality companies which can deliver solutions to the world's sustainability challenges – from renewable energy to affordable housing. In addition, understanding a business's internal environmental, social and governance (ESG) practices provides a vital lens on the quality of a business, and its ability to generate sustainable returns over time.

Our three-pronged Responsible Investment approach – sustainable opportunities, ESG quality and ethical exclusions – remains unchanged, however the emphasis on targeting companies delivering sustainable solutions will be more clearly articulated.

We will continue to engage with companies to seek improvement, and to vote at shareholder meetings.

The Fund will continue to apply all its current screening criteria, whereby we exclude companies offering unsuitable products and services, such as alcohol, tobacco, weapons. Additionally, in line with the increased articulation of our focus on sustainable outcomes, and reflecting practice to date, we have formally added fossil fuel producers to this negative screening process.

Do I need to take any action?

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

What can I do if I disagree with the changes?

If you disagree with the changes, you can 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.

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

Are there any tax implications?

There may be tax implications depending on your individual circumstances. 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.

Further information

Further information is available in the enclosed brochure. The Fund's Sustainable Investment Guidelines have been adapted to reflect these changes and are available. To find out more and obtain a copy of the Q&A document please visit columbiathreadneedle.com/changes.

If you are unclear about the contents of this letter, 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 +352 46 40 10 7020*. Our team is available from 8:00am to 6:00pm, Monday to Friday (UK time).

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.

Yours faithfully



Gary Collins
Head of Distribution EMEA & Latin America
Columbia Threadneedle Investments

*Calls may be recorded

Appendix: Comparison of the Fund Investment Objective and Policy

Current Objective and Policy	New Objective and Policy
<p>The investment objective of the Fund is to achieve a total return by way of income and capital growth by investing in companies that meet the ACD's criteria for responsible and ethical practices.</p> <p>The investment policy is to invest predominantly in shares of UK companies that meet the Fund's ethical investment criteria as determined and published by the ACD from time to time.</p> <p>In doing so, the ACD will have regard to the environmental, social and corporate governance standards and practice of companies and the extent to which they contribute to products, services or practices that enhance quality of life.</p> <p>Depending on the number of companies that satisfy the ACD's ethical investment criteria from time to time, this may result in a concentrated portfolio of holdings.</p> <p>The Fund's ethical investment criteria may be amended from time-to-time.</p> <p>If the ACD considers it desirable, it may also invest in fixed income instruments, money market instruments, cash and near cash.</p> <p>The Fund is permitted to use derivatives for efficient portfolio management purposes.</p>	<p>The Fund aims to achieve a return over the long term, consisting of capital growth and some income, achieved through investment in companies that are positively exposed to sustainable themes through their products and services, as well as those with strong or improving environmental, social and governance (ESG) characteristics.</p> <p>The Fund is actively managed and invests at least 75% of its assets in shares of companies domiciled in the UK, or which have significant UK business operations.</p> <p>The Fund focusses on selecting companies delivering sustainable outcomes or progressing towards the delivery of sustainable outcomes, as outlined in the Fund's Sustainable Investment Guidelines. Those companies will offer products and services aligned to the Fund's sustainable themes, or demonstrate leadership on sustainability issues through strong environmental, social, and governance practices.</p> <p>On occasion, the Fund may invest in other securities (including fixed interest securities), and collective investment schemes (including funds managed by Columbia Threadneedle companies), when deemed appropriate.</p> <p>The Fund may also hold 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>