

Changes to Threadneedle Pooled Pension Fund Range

Q&A

January 2021

1) What changes are you making to the Threadneedle Pension Fund (TPEN) range?

We have carefully reviewed the range of pension funds that we offer to our clients and have decided to close the following funds:

- **Cautious Pathway**
- **Balanced Pathway**
- **Adventurous Pathway**

2) Why have you reviewed your pension fund range?

We continually monitor our range of funds to ensure that we are able to offer our clients the most suitable investments. We have therefore decided to close these funds resulting in a more focused range for our clients and our pension fund business. The Cautious Pathway, Balanced Pathway and Adventurous Pathway funds (the “Pathway funds”) were launched in 2001, despite strong long-term performance, we do not see future demand for these strategies. The funds are also becoming too small to manage efficiently.

3) Why does the small size of a fund mean you need to close it?

The funds that we are closing are declining in popularity and becoming too small to manage. The relatively small size of these funds creates a concentration risk for investors, and they are less efficient to manage.

4) When will the closures take place?

The Pathway funds will close on 27 January 2021.

5) Do I need to take any action?

Yes, we would suggest that you review your holdings and consider your options including but not limited to selecting alternative funds into which to switch.

Columbia Threadneedle Investments (CTI) offers a selection of funds within the TPEN range which you could consider. The list of available funds can be found in the Key Features Document (KFD).

Columbia Threadneedle Investments cannot make a specific recommendation; however, you may wish to note the closest substitutes shown in the table below.

Closing Fund	Closest Substitute Fund
TPEN Cautious Pathway Fund	TPEN Multi-Asset Fund
TPEN Balanced Pathway Fund	TPEN Multi-Asset Fund
TPEN Adventurous Pathway Fund	TPEN Global Select Fund

There is also a wide range of funds outside of the TPEN fund range that may better suit your long-term needs. You may consider an investment in another CTI product, outside the TPEN fund range, or to select an investment with another provider.

We will need to receive your instructions by 19 January 2021.

6) What are my options?

You may request a switch free of charge to another TPEN fund of your choice. We have therefore enclosed a dealing form, should you wish to switch.

Alternatively, you can sell your investment before the funds close and invest in another CTI product outside the TPEN fund range or with another provider.

The dealing form for other TPEN funds is enclosed. Application forms for other Columbia Threadneedle products are available upon request and the Client Relationship Team will be able to assist you throughout the process.

7) What happens if I take no action?

In the event that you take no action and remain in a Pathway fund until it closes in January, at the end of the 90-day notice period, your investment will automatically be switched into the TPEN Sterling Fund, pending your further instructions.

Please note the TPEN Sterling Fund is a money market fund, it is not intended as a long-term substitute for your current investment in a Pathway Fund which provides exposure to a spread of equities, bonds and commercial property, according to its investment mandates (primarily Equities for Adventurous Pathway) or Multi-Asset (Balanced & Cautious Pathway).

8) What is the annual management charge (AMC) for the TPEN Sterling Fund?

There will be no AMC if your holding(s) are switched into the Sterling Fund, as the proceeds will be reinvested in the 0% AMC share class.

9) What are the AMCs for other TPEN funds, such as TPEN Global Select and TPEN Multi Asset?

Your Columbia Threadneedle Client Relationship Team are available to provide you with further information on the AMCs and the most appropriate share classes.

10) What other TPEN funds are available for me to switch into?

Please refer to the TPEN Funds 'At a Glance' document to view the other funds available for investment. The Key Features Document provides more detail on each fund's objectives and risks.

11) When must I inform you of my decision to switch?

Please provide instructions to us before 19 January 2021.

12) Who should I contact if I wish to switch to another TPEN fund or other CTI product?

If you have any concerns or questions, please contact your Relationship Manager. Alternatively, you can contact our Client Services team on clientservices@columbiathreadneedle.com.

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