

Threadneedle (Lux)
Société d'Investissement à Capital Variable
Registered Office: 31, Z.A. Bourmicht, L-8070 Bertrange
Grand Duchy of Luxembourg
R.C.S. Luxembourg B 50 216
(the "SICAV")

**NOTICE TO THE SHAREHOLDERS OF
THREADNEEDLE (LUX) – PAN EUROPEAN EQUITIES
(THE "PORTFOLIO")
IMPORTANT**

2 September 2020

Dear Shareholder

Important changes to your investment with Columbia Threadneedle Investments – no action required

As you are an investor in the Portfolio named above, we are writing to let you know that the board of directors of the SICAV (the "**Board**") has decided to make some changes to the investment objective and policy of the Portfolio.

With effect from 2 October 2020 (the "**Effective Date**"), the Portfolio's investment objective policy will change to focus on investment in companies with strong or improving environmental, social and governance ("**ESG**") characteristics. In addition, following a review of fees and as part of our commitment to ensure that fees are competitive and transparent, we have decided to reduce the fees applicable to the Portfolio. The prospectus of the SICAV (the "**Prospectus**") will be amended accordingly.

For any capitalised terms below that we do not specifically define, please refer to the definition in the Prospectus.

What does this mean?

The Portfolio will continue to invest principally in the shares of large companies domiciled in Europe, however, the focus will change to companies with strong or improving ESG characteristics. In seeking companies with strong or improving ESG characteristics, the Sub-Advisor will apply its ESG Investment Guidelines. These guidelines, which may be amended from time-to-time, are specific to the Portfolio and are over and above the Sub-Advisor's own normal ethical practices.

The key components to the ESG Investment Guidelines are as follows:

1. ESG exclusion screening, which aims to exclude companies that are unable to satisfy the ESG Investment Guidelines from time to time. By way of example, it may seek to exclude companies where a significant element of the business revenue is derived from activities such as the manufacture of controversial weapons, tobacco, gambling services, or companies that breach accepted international standards and principles;
2. Certain companies that do not satisfy this exclusion screening may be assessed as suitable for investment by the Portfolio, if in the opinion of the Sub-Advisor, they are clearly demonstrating improving ESG characteristics. By way of example, this may include companies that are actively reducing their share of business revenue derived from the type of activities described above.

What is changing?

As well as the changes to the investment objective and policy, the name of the Portfolio will change to Threadneedle (Lux) – Pan European ESG Equities, and the fees applicable to certain Shares of the Portfolio will be reduced. The full changes are set out in the table below:

Feature	Current	As from the Effective Date
Name	Threadneedle (Lux) – Pan European Equities	Threadneedle (Lux) – Pan European ESG Equities
Investment Objective and Policy	<p>The Pan European Equities Portfolio seeks to achieve capital appreciation by investing principally in the equity of large companies domiciled in Europe or with significant European activities. The Portfolio may further invest in the equity securities of European Smaller Companies and other securities (including fixed income securities, other equities and Money Market Instruments).</p> <p>The Net Asset Value of the Portfolio shall be expressed in Euro and investment decisions will be made from a Euro perspective.</p>	<p>The Pan European ESG Equities Portfolio seeks to achieve capital appreciation through investment in companies with strong or improving environmental, social and governance (ESG) characteristics.</p> <p>The Portfolio is actively managed, and invests principally in the equity securities of large companies domiciled in Europe or with significant European activities. The Portfolio may further invest in the equity securities of European Smaller Companies and Money Market Instruments.</p> <p>The Portfolio may use financial derivative instruments for hedging purposes.</p> <p>The Sub-Advisor focuses on selecting companies with strong or improving ESG characteristics, as outlined in the Portfolio’s ESG Investment Guidelines. Those companies will demonstrate leadership through strong environmental, social, and governance practices.</p> <p>The Sub-Advisor will use measures that compare the ESG characteristics of the Portfolio against the MSCI Europe Index. This index also provides a helpful benchmark against which the financial performance can be compared. The MSCI Europe Index has been chosen for these purposes as a good representation of large and medium-sized companies within European developed market countries (including the UK).</p> <p>Deviations from the index, including limits on the level of risk relative to the index, will be considered as part of the Sub-Advisor’s risk monitoring process, to ensure the overall level of risk is broadly consistent with the index. In line with its active management strategy, there may be significant deviation from the index.</p> <p>In keeping with its ESG Investment Guidelines, the Portfolio will not invest in some sectors and companies in the index.</p> <p>The Net Asset Value of the Portfolio shall be expressed in Euro and investment decisions will be made from a Euro perspective.</p> <p>ESG Investment Guidelines</p> <p>The Sub-Advisor’s environmental, social and governance (“ESG”) investment criteria for the Portfolio are set out in its</p>

		<p>ESG Investment Guidelines, which may be amended from time-to-time. These are specific to the Portfolio and are over and above the Sub-Advisor's own normal ethical practices.</p> <p>The Portfolio's ESG Investment Guidelines are available on request.</p> <p>The key components to the ESG Investment Guidelines are as follows:</p> <ol style="list-style-type: none"> 1. ESG exclusion screening, which aims to exclude companies that are unable to satisfy the ESG Investment Guidelines from time to time. By way of example, it may seek to exclude companies where a significant element of the business revenue is derived from activities such as the manufacture of controversial weapons, tobacco, gambling services, or companies that breach accepted international standards and principles; 2. Companies that do not satisfy this exclusion screening may be assessed as suitable for investment by the Portfolio, if in the opinion of the Sub-Advisor they are clearly demonstrating improving ESG characteristics. By way of example, this may include companies that are actively reducing their share of business revenue derived from the type of activities described above. 				
Asset Management Fee and Operating Expenses	Share Class	Asset Management Fee	Operating Expenses	Share Class	Asset Management Fee	Operating Expenses
	A	1.50%	0.30%	A	1.30%	0.25%
	D	1.85%	0.30%	D	1.50%	0.25%
	I	0.75%	0.20%	I	0.65%	0.15%
	Z	0.75%	0.30%	Z	0.75%	0.25%
1	1.50%	0.23%	1	1.30%	0.23%	

Non-discretionary investment advice

The Board has also decided that, from the Effective Date, Columbia Management Investment Advisers, LLC will be permitted to provide non-discretionary investment advice in respect of the Portfolio to Threadneedle Asset Management Limited. Threadneedle Asset Management Limited may act, or refrain from acting, based upon its view of any investment advice supported by research or investment recommendations provided by Columbia Management Investment Advisers, LLC and retains the complete discretion to take all day to day investment decisions and to deal in investments.

There will be no additional cost to the Portfolio as a result of this change and Threadneedle Asset Management Limited will remain liable at all times for the services provided by Columbia Management Investment Advisers, LLC and will pay for such services out of its own assets.

What do I need to do?

You do not need to do anything as a result of these changes. The changes will take effect automatically on the Effective Date.

What can I do if I disagree with these changes?

We do not believe that there will be any investor detriment as a result of these changes. If you disagree with these changes, you can redeem your Shares, or you can switch your Shares, free of charge, into another SICAV portfolio at any time before the Effective Date, in accordance with the Prospectus.

Further information

If you are unsure about the implications for your investment and any actions you should take, please contact your financial adviser.

Yours faithfully

The Board