

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) (THE “SICAV”)

IMPORTANT

30 August 2017

Dear Shareholder

Following recent clarification on the method of calculation to be used when disclosing the use of total return swaps (“TRS”) in investment funds, we have reviewed and updated the disclosure relating to the following Portfolio:

- Threadneedle (Lux) – Enhanced Commodities

Capitalised terms not defined in this notice will have the definition that is set out in the Prospectus.

What is changing?

The disclosure relating to the maximum and expected proportion of Net Asset Value exposed to TRS has been updated due to a change in the calculation method.

The percentages now reflect the exposure to TRS calculated on the basis of the sum of notionals approach¹ which determines the exposure using a look-through approach. As a result of this change, the percentages have increased (see below table).

As a result of the above, the following changes have been made to the prospectus of the SICAV:

Enhanced Commodities	Maximum proportion of Net Asset Value	Expected proportion of Net Asset Value
Total/Excess return swaps	400% (previously 100%)	300-400% (previously 100%)

This change to the calculation method does not affect in any way the way the Portfolio is managed and does not affect the level of risk associated with an investment in the Portfolio.

What should you do next?

There is no action required from you. However, Shareholders who are unsure of the impact should consult their professional advisor. Shareholders are reminded that they may redeem their Shares or switch into an alternative Portfolio of the SICAV free of any charges.

Yours faithfully,

The Board

¹ The sum of notionals approach is a method for calculating leverage which takes into account the absolute value of notionals of derivative instruments without taking into account the fact that some derivatives are actually reducing risk. If the Portfolio owns a long derivative and a short derivative with the same risk exposure, the sum of the notionals approach will add up both notionals (whilst the commitment approach will show zero exposure as there is no incremental risk), resulting in a higher level of leverage than if the calculation had been made on the basis of the commitment approach.