

# KEY INVESTOR INFORMATION

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## THREADNEEDLE UK SHORT-DATED CORPORATE BOND FUND (THE "FUND")

Institutional Net Income Shares (GBP) GB00B3QLHB75, a sub-fund of Threadneedle Investment Funds III ICVC (the "Company"), regulated by the FCA.

This sub-fund is managed by Threadneedle Investment Services Limited (the "Management Company") (part of the Columbia and Threadneedle group of companies).

### Objectives and Investment Policy

The aim of the Fund is to grow the amount you invested.

The Fund invests at least two-thirds of its assets in higher rated corporate bonds (which are similar to a loan and pay a fixed or variable interest rate) that are priced in British pounds.

The bonds the Fund invests in will generally have up to five years to maturity.

Higher rated bonds (as defined by international agencies that provide such ratings) are considered safer than lower rated bonds but typically pay a lower income.

The Fund may also invest in asset classes and instruments different from those stated above.

The Fund makes active investment decisions.

Any income the Fund generates will be paid to you, unless you have chosen to have it reinvested.

You can buy and sell shares in the Fund on any day that is a business day in London. You can find more detail on the objectives and investment policy of the Fund in the section of the prospectus with the heading "The Funds and their Investment Objectives and Policies".

As part of the investment process, the Fund will make reference to the iBoxx Sterling Non-Gilts (1-5 Y) Index.

### Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



- n The Fund is rated 2 because historically it has shown a relatively low level of volatility (how much the value of the Fund goes up and down).
- n The lowest category does not mean a risk-free investment.
- n The value of investments can fall as well as rise and investors might not get back the sum originally invested.
- n Where investments are in assets that are denominated in multiple currencies, or currencies other than your own, changes in exchange rates may affect the value of the investments.
- n The Fund invests in securities whose value would be significantly affected if the issuer refused, was unable to or was perceived to be unable to pay.
- n The Fund holds assets which could prove difficult to sell. The Fund may have to lower the selling price, sell other investments or forego more appealing investment opportunities.
- n Changes in interest rates are likely to affect the Fund's value. In general, as interest rates rise, the price of a fixed rate bond will fall, and vice versa.
- n The Fund may invest in derivatives with the aim of reducing risk or minimising the cost of transactions. Such derivative transactions may benefit or negatively affect the performance of the Fund. The investment manager does not intend that such use of derivatives will affect the overall risk profile of the Fund.
- n The risks currently identified as applying to the Fund are set out in the "Risk Factors" section of the prospectus.

## Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest

Entry Charge:	5.00%
Exit Charge:	0.00%

These are the maximum charges that we might take out of your money before it is invested. In some cases, you might pay less and you should speak to your financial adviser about this.

### Charges taken from the fund over a year

Ongoing Charges:	0.49%
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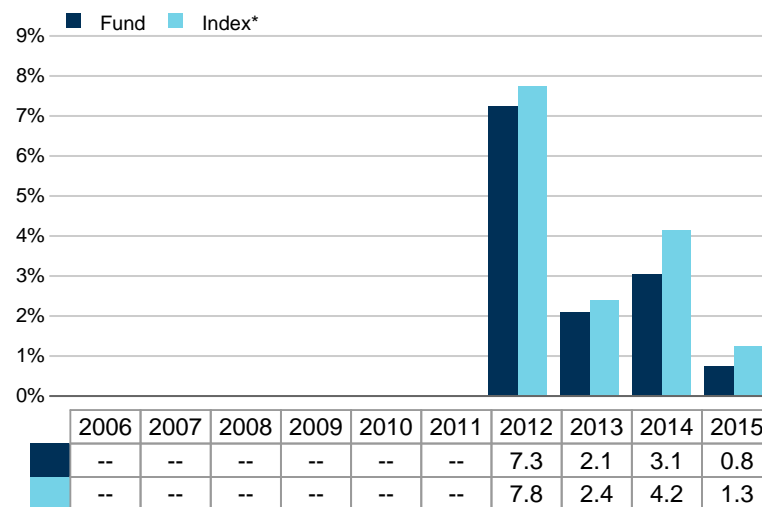
### Charges taken from the fund under specific conditions

Performance Fee:	NONE
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Switching charge (for switching into the Fund from another fund) 2.00%

The ongoing charges figure is based on expenses for the year ending 31/12/14. This figure may vary from year to year. It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).

## Past Performance



Source: Morningstar

Past performance is not a guide to future performance.

Fund launch date: 28/01/2010

Share/unit class launch date: 03/02/2011

Performance is calculated in GBP.

All charges and fees, except any entry, exit and switching charge, have been included within the performance.

\*iBoxx Sterling Non-Gilts (1-5 Y) (Although the Fund makes reference to the index as part of the investment process, it is not intended that the performance of the Fund should track the index.)

## Practical Information

- Depositary: HSBC Bank plc.
- You can obtain further information regarding the Fund, the Company, its Prospectus, latest annual reports and any subsequent half-yearly reports free of charge from the Management Company. The documents are available in English. You can obtain other practical information, including current share prices, at [columbiathreadneedle.com](http://columbiathreadneedle.com).
- Details of the remuneration policy, including a description of how remuneration and benefits are calculated and the persons responsible for awarding them (including the composition of the remuneration committee), are available at [columbiathreadneedle.com](http://columbiathreadneedle.com). A paper copy is available free of charge upon request.
- The tax legislation of the UK may have an impact on your personal tax position.
- Threadneedle Investment Services Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus for the UCITS.
- This document describes a fund of the Company. The Prospectus, annual and half-yearly reports are prepared for the entire Company.
- The Company is comprised of multiple funds which are segregated by law. Rights of investors and creditors concerning a fund or arising from the creation, operation or liquidation of a fund are limited to the assets of that fund.
- You may exchange your shares for shares of other funds of the Company, if available. Details can be found in the section of the prospectus with the heading "Switching/Converting". Details of other share classes of the Fund can be found in the Prospectus or at [columbiathreadneedle.com](http://columbiathreadneedle.com).

This Fund is authorised in the United Kingdom, and regulated by the Financial Conduct Authority. Threadneedle Investment Services Limited is authorised in the United Kingdom, and regulated by the Financial Conduct Authority.