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Threadneedle Investment Services Limited

CT UK Social Bond Fund

Sustainability approach

Supporting positive social outcomes

- **This Fund has a non-financial goal (social objective) to contribute to positive social outcomes** for people, primarily in the UK, through investment in bonds funding projects and activities that support the following core areas of social need: **Affordable Housing • Health & Social care • Education • Employment Opportunities & Training • Access to financial services • Community services • Transport & Communication services • Affordable & Sustainable utilities (e.g. waste, water, energy)**
- **The Big Issue Group, the Fund's independent social partner**, plays an important role in assessing the Fund's progress towards its social objective. A Social Advisory Committee meets every quarter, comprised of experts, that reviews the Social Assessment Methodology, offers guidance, scrutinises our decisions and produces an annual report which measures the Fund's progress against its social objective.

Social Investment Criteria

The Fund invests 90% of its assets in bonds that meet the Social Investment Criteria (what the fund invests in and its exclusions).

What the Fund invests in – The Social Rating Methodology

- We assess bonds considered for investment using our Social Rating Methodology, owned by the Big Issue Group. Each bond is assessed for its potential to deliver a positive social outcome in one of the target areas above and is given a **social performance rating of High (H), Medium (M), Low (L)**.
- Factors considered in the rating assessment include: how the proceeds from a bond are used (H rating if the proceeds are ringfenced for specific social projects); who or what benefits from the bonds proceeds (L rating if the proceeds support the provision of essential energy access benefiting the general population, rather than targeted to vulnerable groups).
- Any bond that does not achieve a rating, or whose rating falls below L, will not be held in the Fund and will be sold in line with the manager's escalation plan.

What the Fund will not invest in – Exclusion Criteria

- The Fund excludes bonds issued by companies involved in certain activities that conflict with the social objective of the Fund, **including tobacco, alcohol, weapons, gambling, adult entertainment, fossil fuels, and issuers that breach international standards of conduct**, including the United Nations Global Compact. Some exceptions apply to issuers where the use of proceeds are ringfenced for social or sustainable projects (Green, Social or Sustainability bonds).

Full details of the Funds exclusion policy, including any thresholds or permitted exceptions, are set out in full on our [website](#).

Engagement

- We seek opportunities to engage with issuers to better understand, educate and positively influence their social impact, for example, by issuing bonds that target specific social outcomes and underserved populations and report on their outcomes. We actively encourage the issuance of Green, Social and Sustainability bonds both individually and collectively.

Sustainability metrics

These metrics show the proportion of the Fund's portfolio aligned to a High, Medium or Low social performance rating:

Social performance assessment	Fund (%)
High	45.6
Medium	39.4
Low	10.6
Cash & cash equivalents	4.4

Produced by Columbia Threadneedle Investments as at 30 September 2024. The information in this document is provided to you for information purposes, is subject to change without notice and is not indicative of future portfolio characteristics. Third party data may be subject to limitations in respect of its accuracy and / or completeness.

More information:

The Prospectus (which contains more information about this Fund), together with the Key Investor Information Document (KIID) can be found on our website: [Link](#)

Other information about the Fund, including information about available share classes and the fees and charges associated with investing can be found here: [Link](#)

To find out more visit columbiathreadneedle.com

