

## Media Release

### **COLUMBIA THREADNEEDLE INVESTMENTS ENHANCES ITS FUNDAMENTAL RESEARCH WITH PROPRIETARY RESPONSIBLE INVESTMENT RATINGS**

- Innovative tool combines ESG and financial stewardship data in single company rating for 5,500 listed equities globally
- The firm's investment professionals across the globe can access proprietary RI ratings tool through an integrated data framework that supports existing traditional and advanced research tools

**London, 5 March 2019:** Columbia Threadneedle Investments is adding to its extensive fundamental research effort by launching an innovative responsible investment (RI) ratings system that combines an assessment of a company's financial stewardship with a view on how well it manages its Environmental, Social and Governance (ESG) risks.

By combining both aspects into a single, forward-looking rating from 1 to 5, the tool reflects Columbia Threadneedle's conviction that prudent management of financial and ESG factors are important to a company's ability to create long-term, sustainable value.

The RI ratings tool was created by Columbia Threadneedle's central research function. Leveraging the latest technology, a cloud-based integrated data framework supports an array of traditional and advanced research tools, allowing over 100 analysts and research associates to dedicate more time to creative thinking, insights and recommendations. A culture of collaboration underpins the research ecosystem and ensures insights are discussed, debated and shared throughout the firm, resulting in original, independent, forward-looking research that drives long-term sustainable returns for Columbia Threadneedle's clients.

**Colin Moore, Global Chief Investment Officer at Columbia Threadneedle said:** "As an active manager, we owe our clients a duty to consider factors that can pose a risk to or enhance client assets. We believe that analysis combining financial stewardship indicators with an assessment

of how well a company is managing the ESG issues pertinent to its business is key to value creation.

“Fundamental analysis is key to active management and we have built an additive, evidence-based and forward-looking ratings system. It provides our analysts and portfolio managers with further insight into a company’s leadership, governance, culture and operational standards of practice, with a focus on issues that are material to its long-term performance. We believe that our new ratings tool will enhance our ability to evaluate investments on behalf of all our clients.”

The RI ratings tool was developed in conjunction with Columbia Threadneedle’s global Responsible Investment team of 12, headed by Iain Richards, Global Head of Responsible Investment. This team includes experts in RI analytics, ESG research and integration, stewardship and engagement, proxy voting, sustainable outcomes and thematic RI research. Equity portfolio management teams began using this additive research tool in 2018; it is being rolled out to fixed income investment teams in 2019. Columbia Threadneedle manages \$29 billion in responsible investment funds and accounts.<sup>1</sup>

**Iain Richards, Global Head of Responsible Investment at Columbia Threadneedle, Investments said:** “Today, investors are seeking to assess, understand and measure the wider implications of their investment choices. They have access to multiple third-party ESG ratings from research houses, which offer widely divergent assessments. Feedback from asset owners highlights frustration at the lack of clarity and investment relevance of many current ESG approaches, and the resulting uncertainty that exists concerning the likely impact on financial returns of non-financial factors. We have sought to address these limitations and provide our portfolio managers with an additional tool to best identify the value generated by well-run, sustainable businesses or those that are on the path of improvement.”

“Combining evidence-based ratings and analysis with the power of data science, puts real-time, actionable intelligence into the hands of portfolio managers and analysts, providing them with the ability to effectively integrate that intelligence into the research and assessment of investment opportunities and exposures. This is about putting the “investment” into Responsible Investment.”

**Mac Ryerse, Lead Analyst (US), Responsible Investment said:** “The ratings tool is an evolution of our established responsible investment offering and complements our existing fundamental and quantitative analysis. It is a quality rating that uses the power of big data and cloud computing to systematically provide focused information that is additive to our fundamental financial analysis of issuers and supportive of our portfolio managers and analysts as they seek to deliver a superior investment experience to our clients.”

- ENDS -

<sup>1</sup>As at 31 December 2018

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**Notes to Editors**

**Columbia Threadneedle Investments** is a leading global asset manager that provides a broad range of actively managed investment strategies and solutions for individual, institutional and corporate clients around the world. With more than 2000 people including over 450 investment professionals based in North America, Europe and Asia, we manage £338 billion<sup>1</sup> of assets across developed and emerging market equities, fixed income, asset allocation solutions and alternatives.

Our priority is the investment success of our clients. We know investors want strong and repeatable risk-adjusted returns and we aim to deliver this through an active and consistent investment approach that is team-based, risk-aware and performance-driven. Our investment teams around the world work together to uncover investment insights. By sharing knowledge across asset classes and geographies we generate richer perspectives on global, regional and local investment landscapes. The ability to exchange and debate investment ideas in a collaborative environment enriches our teams' investment processes to ensure the best insights are applied to portfolios. More importantly it results in better informed decisions for our clients.

Columbia Threadneedle Investments is the global asset management group of Ameriprise Financial, Inc. (NYSE:AMP), a leading US-based financial services provider. As part of Ameriprise, we are supported by a large and well-capitalised diversified financial services firm.

Source: Columbia Threadneedle Investments as at 31 December 2018

<sup>1</sup> Ameriprise Financial, Inc. Q4 2018 earnings release.

[www.columbiathreadneedle.com](http://www.columbiathreadneedle.com)

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