



Media Release

UK'S FIRST MAINSTREAM SOCIAL INVESTMENT FUND, PARTNERED WITH BIG ISSUE INVEST, CELEBRATES THIRD ANNIVERSARY

- **Track record proves investors don't need to sacrifice return to have social impact**

LONDON, 23 FEB 2017: Columbia Threadneedle Investments' UK Social Bond Fund is celebrating its third anniversary; having outperformed the benchmark and delivering 6.6%¹ annualised returns to investors. The Fund's three-year milestone dispels the myth that investors need to sacrifice performance to achieve social impact.

Rob Wilson, Minister for Civil Society, said: "I want to see more investments that target social good alongside financial return. Columbia Threadneedle and Big Issue Invest are pioneers in this area and a fantastic example of how investors can achieve strong returns whilst also delivering positive social outcomes. I hope others will follow their lead in helping build a shared society that benefits everyone."

Nigel Kershaw, Executive Chair of Big Issue Group, commented: "Three years ago we said that we were going to bring the mainstream to social investment and we are doing just that. More and more people want to be able to plan and save for the future while helping to create a more inclusive UK - it's finance for the people."

Launched in December 2013, in partnership with Big Issue Invest, the Threadneedle UK Social Bond Fund was the first mainstream investment fund that set out to achieve both an investment return and a positive social outcome by investing in bonds issued by organisations that support social and economic development in the UK.

¹ As at end of Dec 2016, 'z' (clean) share class, net of fees



The Fund has generated strong performance for investors and has also fulfilled its promise of delivering positive social outcomes, bringing investment to some of the UK's most deprived sectors and regions. The Fund's investments have supported the likes of Charities Aid Foundation in enhancing their work with donors and charities, Cardiff University in helping fund an innovation campus and Manchester University in supporting the development of a new Cancer Research Centre.

Jim Cielinski, Global Head of Fixed Income at Columbia Threadneedle Investments, said:

“The way savers and investors want to see asset managers put their money to work is rapidly changing. We are seeing a growing desire for investors to deploy their savings in a way that achieves a social return as well as a financial one. Our well-resourced team works closely with Big Issue Invest to provide investors a product that can achieve this.”

Simon Bond, manager of the Threadneedle UK Social Bond Fund, said: “Our outcomes-based investment approach supports organisations that create social benefit and underpins sustainable economic development and job creation in the UK, while also generating attractive financial returns. After three years we have demonstrated that there are enough examples out there where you can achieve both, and our track record proves that you don't need to sacrifice a financial return to achieve a social one.”

The portfolio is invested in 83 bonds from 60 issuers² and has a well-balanced sector and geographical footprint. Fund manager Simon Bond has allocated close to a third of assets to Housing & Property, with the rest of the portfolio split across Health & Social Care, Transport & Communications, Utilities & the Environment, Financial Inclusion, Education, Employment & Training and Community Services.

Together, Columbia Threadneedle and Big Issue Invest have a shared commitment to take a leadership role in educating and encouraging the market for social bond issuance, particularly by charities, local authorities, development finance organisations and corporates.

Simon Bond explained: “The more bonds there are available for the fund, the bigger the investable universe becomes, and the more investment will flow into activities that tackle social

² See UK Social Bond Fund Social Performance Report 2016 – data as at 31.03.16 [[Annual Performance Report](#)]



challenges. In 2015 we were pleased to support the launch of the Retail Charity Bond platform, and we were delighted to be able to invest in the latest bond issue from this platform by Charities Aid Foundation. We hope 2017 will bring similarly encouraging developments in the social investment space.”

- ENDS -

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Notes to Editors

About Big Issue Invest

Big Issue Invest is the social investment arm of The Big Issue Group. We help scale up social enterprises and trading arms of charities by providing investment from £20,000 to £3,000,000. We work with enterprises that have a strong track record, as well as a plan to increase trading income and deliver high social impact. Since 2005, we have invested more than £30 million in approximately 300 social enterprises and charities operating in some of the UK's most disadvantaged communities. As part of our growth plan, we are supporting the launch of social investment products suitable for retail investors that attract a following of socially-minded investors and support our social mission. The Threadneedle UK Social Bond Fund is the first such product.

For more information, visit <http://www.bigissueinvest.com/>

About Columbia Threadneedle Investments

Columbia Threadneedle Investments is a leading global asset management group 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 £369 billion¹ 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 aim to deliver the investment outcomes our clients expect through an investment approach that is team-based, performance-driven and risk-aware. Our culture is dynamic and interactive. By sharing our insights 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. More importantly, it results in better informed investment 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 Dec 2016

¹ Source: Ameriprise Financial Q4 2016 earnings release.

www.columbiathreadneedle.com

Past performance is not a guide to future performance.

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