

Published: April 2025

2024

Value Assessment Report

Prepared by Threadneedle Investment Services Limited.
Covering the following ranges of funds:

Columbia Threadneedle Investment Funds (UK) ICVC
Columbia Threadneedle Opportunity Investment Funds (UK) ICVC
Columbia Threadneedle Specialist Investment Funds (UK) ICVC
CT UK Property Authorised Investment Fund
CT UK Property Authorised Trust



What is a Value Assessment?

Every year, we assess whether our funds, your investments, have delivered value and are well placed to deliver future value. This report is the result of that work.

Our regulator, the Financial Conduct Authority (FCA), requires all Fund Managers to produce an annual assessment to inform investors of the value for money of their investments. We fully embrace this process as we feel that it is a great opportunity to tell you, our customers, more about our funds, our process and the value you receive for the fees you pay. We hope this report explains the rigorous, repeatable process we have employed and gives you confidence that we hold ourselves to account.

In most cases our funds offer value for money, but on occasion funds might not measure up as we would expect. Where funds have fallen short, we investigate the cause and if required suggest a remedy or are working on one.

This is an Interactive PDF

We have included some new features in this year's report as a response to feedback received. We hope this helps give more context and explanation to the content.

1 [+ Click for more information](#)



The "plus" sign can be clicked to access more details around the subject in question.

2 [> Glossary](#)



A link has been placed at the bottom of each page to a dictionary of terms that may be considered financial jargon.

3 [Document navigation](#)

At the top of every page there is an interactive menu allowing easy movement between sections.



[> Cover 1](#) [> Contents 2](#) [> Introduction 3-5](#) [> Service 12-14](#)

Contents

A message to our customers	4
Accountability: Introducing our Board	5
Our approach to delivering value	6
Methodology	8
Funds and criteria score	9
Service	13
1 Quality of Service	14
Performance	16
2 Performance	17
Costs	21
3 Authorised Fund Manager Costs	23
4 Comparable Market Rates	24
5 Comparable Internal Services	25
6 Economies of Scale	26
7 Class of Units	28
Remedies	29
Glossary	30





A message to our customers

I'm pleased to present our 2024 Value Assessment Report for the Threadneedle Investment Services Limited (TISL) UK fund range. In this annual report, we demonstrate our rigorous approach to assessing the value of our funds and their underlying share classes. As in previous years, the report sets out actions, or remedies, being taken to improve value.

Since 2022, the financial markets have remained challenging for investors to navigate due to geopolitical volatility and persistent inflation. Where this has resulted in the performance of any of our funds falling short of our expectations, we have committed to find the right course of remedial action and to closely monitor progress towards the actions we've identified.

The annual management charge discount model, which we introduced in 2023, continues to reduce fees on our largest funds as we seek to deliver value to our customers. In 2024, 17 funds have been assessed as providing "Good" overall value for our customers.

Meeting requirements for sustainable investments

For customers seeking positive sustainable outcomes, under the FCA's new Sustainability Disclosure Requirements (SDR) regime, we were excited to announce the adoption of the 'Sustainability Focus' label on the CT UK Sustainable Equity Fund. In compliance with SDR, new Consumer-Facing Documents (CFD) have been produced for this and fifteen other TISL funds that have some sustainability characteristics. Each CFD is available on our website.

We are pleased to have met the high standards required by SDR and recognise the important role this plays in improving transparency and customer understanding of sustainable investing.

Combining active management with research intensity is our strength

Columbia Threadneedle has over 120 specialist research analysts globally, who share their deep insights into companies and markets for our portfolio managers to apply across asset classes, markets, sectors and economic themes. We believe this collaboration helps to ensure better informed investment decisions.

Across different asset classes and investment regions, our fund range offers a host of investment opportunities and outcomes, including income generation, responsible & social investment, and growth. Our research insights form part of a robust investment process as our portfolio managers seek to invest selectively in securities that we believe will meet each fund's investment objective, whilst being mindful that the level of investment risk is proportionate.

Predominantly, our portfolio managers aim to beat any given fund's index over a rolling three-or five-year period. This is how we grow our customers money over the long term. On page 18, you can examine how our fund range performed against their respective indices.

We hope this report will help you better assess the value our funds offer, enabling you to make well-informed investment decisions.

A full list of this year's remedies, including those related to performance, is included on page 29.

As always, we welcome your feedback – please do provide any comments to value@columbiathreadneedle.com.

Thank you for choosing to invest with Columbia Threadneedle Investments.

Rita Bajaj

Independent Non-Executive Director and Chair of Threadneedle Investment Services Ltd

Accountability – Introducing our Board

From left to right

Rita Bajaj, iNED, Chair

James Perrin, COO Distribution,
Columbia Threadneedle Investments

Ann Roughead, iNED

Kath Cates, iNED

Richard Vincent, Head of
Product EMEA, Columbia
Threadneedle Investments



In 2024 we welcomed two new members to the Board



Phil Doel,
TISL CEO, VP – Strategy
& Business Management,
Columbia Threadneedle
Investments



Mike Fisher,
Regional Head of
Operations, EMEA, Columbia
Threadneedle Investments



What are the Board's Responsibilities?

The Board provides oversight of the fund range to ensure that all elements from design to reporting are run as you would expect. It holds the fund managers and the external suppliers to account on your behalf, ensuring the funds are run in the best interests of customers. The Board has ultimate responsibility for each fund.



Why do you have independent Non-Executive Directors (iNeds) on the Board?

We have a combination of executive and

non-executive board members. Executive Board members are full-time employees of Columbia Threadneedle Investments and non-executives are independent. We feel that a mix of the two ensures the right focus on generating value for customers and always acting in their best interests. Independent directors provide challenge and debate throughout the year that may differ from the company's internal view.



How often do they meet?

There are quarterly board meetings covering a variety of subjects from new fund launches,

performance and risk reviews and oversight of operations, to proposals to close or convert funds. There are also ad-hoc meetings, such as the meeting covering this Value Assessment, and independent client reviews where the iNeds challenge the processes and outputs of individual teams within Columbia Threadneedle Investments to ensure the client is always at the centre of the room.

Our approach to delivering value



Columbia Threadneedle Investments is an active asset manager. Our role is to invest our customers' money according to clear objectives within well-defined risk parameters, and to provide transparent, high-quality reporting that enables them to understand their investment products and ensure they continue to meet their needs.

Our values of excellence, client focus, integrity and respect underpin the way we operate our business. Our ability to deliver value depends on highly capable people, a well-established and repeatable investment process, and

a client-focused culture. Our strong fund governance ensures rigorous, appropriate oversight of our products to ensure they continue to meet the needs of our customers.

Comprehensive fund range

At the end of 2024, our UK fund range offered 50 funds to retail customers, wealth managers and institutional investors in the UK.

Our range covers the main asset classes of equities (company shares), fixed income

(company and government debt) and commercial real estate. We have a choice of funds that invest in single and multiple geographic regions as well as global investment strategies. We also offer

multi-asset and managed funds which invest across all these asset classes and geographies, aiming to add additional returns through active allocation to each asset class.



You trust us with your money and we take that responsibility seriously

Our approach to delivering value (continued)

In designing and managing funds, we aim to meet customers' requirements and deliver the outcomes they expect. For most of our funds, investment objectives are medium to long term – we don't place undue emphasis on short-term performance. We continually review our fund range to ensure it is meeting the needs of both current and potential future customers. For each fund we offer multiple share classes and other features to meet customer needs.

Active investment approach

We are an active investment manager, which means we look to deliver value by investing selectively in securities, sectors and markets we favour and by avoiding or limiting exposure to those we see as unattractive over a full economic cycle. We are mindful that the level of investment risk we take is appropriate to achieve performance objectives, while trying to mitigate the risk of excessive loss or volatility in turbulent market conditions.



Our values of excellence, client focus, integrity and respect underpin the way we operate our business

As active managers we engage with companies in which we invest and have a strong record in influencing positive change through stewardship and voting. In 2024, we cast proxy votes at more than 7,600 shareholder and bondholder meetings in 53 markets. We view our active voting at company meetings as one of the most effective ways of signalling our approval or disapproval of a company's governance, management, board and strategy. It is an active way to drive positive change.

Outcomes-focused

We know that outcomes are important for our customers, whether that is capital growth, inflation protection, income distribution or portfolio diversification. When assessing fund performance, we have considered dual objectives where they apply. For example, where a fund has an income component in its investment objective, we assess how well it has met both its income and capital growth benchmarks.

Consistently good service

Our customers invest with us both directly and indirectly through an intermediary such as a financial adviser or investment platform, and we are committed to providing consistent levels of service to all.

Ultimately our role is to help our customers achieve successful investment outcomes. When thinking about the value we provide across our broad product range, we take all components of our offering into account and strive to deliver consistent, high-quality outcomes that are aligned with stated objectives and meet or exceed expectations.

Columbia Threadneedle Investments key metrics

Number of investment professionals: approx

600

Number of research analysts: approx

200

Number of employees: approx

2,400

Methodology

This value assessment is based on the following seven criteria, as prescribed by the FCA. The report uses data up to 31 December 2024.

Service	Performance	Costs				
1 Quality of Service	2 Performance	3 Authorised Fund Manager (AFM) Costs – General	4 Comparable Market Rates	5 Comparable Services – Internal Comparison	6 Economies of Scale	7 Classes of Units/ Shares
Does the Service meet the reasonable expectations of our varied client base?	Has the fund met its Performance objective?	Are all underlying costs appropriate and providing good value?	Are the funds reasonably priced compared to similar funds run by competitors?	Are the funds reasonably priced compared to similar portfolios managed by Columbia Threadneedle Investments?	When our funds reach a larger size are do customers pay a lower price?	Do we charge clients different amounts and is there justification for doing so?

Funds and criteria score

Each fund has been awarded an overall score based on our assessment of the seven value criteria. These are shown below.

A more detailed assessment of each fund can be found by clicking on the fund name in the table below. We also combine Performance, Comparable Market Rates and Service to arrive at an overall score. Click below for more detailed information on the overall score.



Over the review period, on an asset-weighted basis the funds have achieved the following value scores:

★★★★ Outstanding
★★★ Good
★★ Moderate
★ Poor
n/a Due to a change of fund objective, relevant track record is too short

Fund (A-Z) Click each fund name to access more information on our website	Overall Score	1. Service	2. Performance	3. AFM Costs	4. Comparable Market Rates	5. Internal Comparison	6. Economies of Scale	7. Class of Units
➤ CT American Fund	★★	★★★★	★★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT American Select Fund	★★	★★★★	★★	★★★★	★★	★★★★	★★★★	★★★★
➤ CT American Smaller Companies Fund (US)	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT Asia Pacific Fund	★★	★★★★	★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT Dollar Bond Fund	★★★★	★★★★	★★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT Dynamic Real Return Fund	★★	★★★★	★	★★★★	★★★★	★★★★	★★★★	★★★★

Fund (A-Z) Click each fund name to access more information on our website	Overall Score	1. Service	2. Performance	3. AFM Costs	4. Comparable Market Rates	5. Internal Comparison	6. Economies of Scale	7. Class of Units
➤ CT Emerging Market Bond Fund	★★★★	★★★★	★★	★★★★	★★★★★	★★★★	★★★★	★★★★
➤ CT Emerging Market Local Fund	★★★★	★★★★	★★★★	★★★★	★★★★★	★★★★	★★★★	★★★★
➤ CT European Bond Fund	★	★★★★	★	★★★★	★	★★★★	★★★★	★★★★
➤ CT European Fund	★★	★★★★	★★	★★★★	★★	★★★★	★★★★	★★★★
➤ CT European Select Fund	★★★★	★★★★	★★	★★★★	★★★★★	★★★★	★★★★	★★★★
➤ CT European Smaller Companies Fund	★★	★★★★	★	★★★★	★★★★★	★★★★	★★★★	★★★★
➤ CT Global Bond Fund	★★	★★★★	★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT Global Emerging Markets Equity Fund	★★	★★★★	★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT Global Equity Income Fund	★★★★	★★★★	★★★★★	★★★★	★★	★★★★	★★★★	★★★★
➤ CT Global Extended Alpha Fund	★★	★★★★	★★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT Global Focus Fund	★★	★★★★	★★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT Global Multi Asset Income Fund	★★	★★★★	★★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT Global Select Fund	★★	★★★★	★★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT Global Social Bond Fund*	n/a	★★★★	n/a	★★★★	★★★★★	★★★★	★★★★	★★★★
➤ CT High Yield Bond Fund	★★	★★★★	★	★★★★	★★	★★★★	★★★★	★★★★
➤ CT Japan Fund	★★	★★★★	★★	★★★★	★★	★★★★	★★★★	★★★★
➤ CT Latin America Fund	★★	★★★★	★	★★★★	★★★★★	★★★★	★★★★	★★★★
➤ CT Managed Bond Focused Fund	★★	★★★★	★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT Managed Bond Fund	★★	★★★★	★	★★★★	★★★★	★★★★	★★★★	★★★★

* Insufficient relative performance history to calculate a Performance score

Fund (A-Z) Click each fund name to access more information on our website	Overall Score	1. Service	2. Performance	3. AFM Costs	4. Comparable Market Rates	5. Internal Comparison	6. Economies of Scale	7. Class of Units
➤ CT Managed Equity & Bond Fund	★★	★★★	★	★★★	★★★	★★★	★★★	★★★
➤ CT Managed Equity Focused Fund	★★	★★★	★★	★★★	★★★	★★★	★★★	★★★
➤ CT Managed Equity Fund	★★	★★★	★★	★★★	★★★	★★★	★★★	★★★
➤ CT Managed Equity Income Fund*	n/a	★★★	n/a	★★★	★★★	★★★	★★★	★★★
➤ CT Monthly Extra Income Fund	★★	★★★	★★	★★★	★★★	★★★	★★★	★★★
➤ CT Pan European Focus Fund	★★★	★★★	★★	★★★	★★★★★	★★★	★★★	★★★
➤ CT Sterling Bond Fund	★★	★★★	★	★★★	★★★	★★★	★★★	★★★
➤ CT Sterling Corporate Bond Fund	★★★	★★★	★★	★★★	★★★	★★★	★★★	★★★
➤ CT Sterling Short-Dated Corporate Bond Fund	★★★	★★★	★★	★★★	★★	★★★	★★★	★★★
➤ CT Sterling Short-Term Money Market Fund	★★	★★★	★★	★★★	★★	★★★	★★★	★★★
➤ CT Strategic Bond Fund	★★	★★★	★	★★★	★★★	★★★	★★★	★★★
➤ CT UK Equity Alpha Income Fund	★★★	★★★	★★★★★	★★★	★	★★★	★★★	★★★
➤ CT UK Equity Income Fund	★★★	★★★	★★★★★	★★★	★★★	★★★	★★★	★★★
➤ CT UK Fixed Interest Fund	★★	★★★	★	★★★	★★★	★★★	★★★	★★★
➤ CT UK Fund	★★	★★★	★	★★★	★★★	★★★	★★★	★★★
➤ CT UK Growth and Income Fund	★★	★★★	★★	★★★	★★	★★★	★★★	★★★
➤ CT UK Institutional Fund	★★★	★★★	★★	★★★	★★★★★	★★★	★★★	★★★
➤ CT UK Mid 250 Fund	★	★★★	★	★★★	★★	★★★	★★★	★★★
➤ CT UK Monthly Income Fund	★★★	★★★	★★★★★	★★★	★	★★★	★★★	★★★

* Insufficient relative performance history to calculate a Performance score

Fund (A-Z) Click each fund name to access more information on our website	Overall Score	1. Service	2. Performance	3. AFM Costs	4. Comparable Market Rates	5. Internal Comparison	6. Economies of Scale	7. Class of Units
➤ CT UK Property Authorised Investment Fund	★★★★	★★★★	★★★★	★★★★	★★★★★	★★★★	★★★★	★★★★
➤ CT UK Property Authorised Trust	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT UK Smaller Companies Fund	★★★	★★★★	★	★★★★	★★★★	★★★★	★★★★	★★★★
➤ CT UK Social Bond Fund	★★★★	★★★★	★★	★★★★	★★★★★	★★★★	★★★★	★★★★
➤ CT UK Sustainable Equity Fund	★★★	★★★★	★★	★★★★	★	★★★★	★★★★	★★★★
➤ CT US Equity Income Fund	★★★★	★★★★	★★★★★	★★★★	★★	★★★★	★★★★	★★★★

1

Service



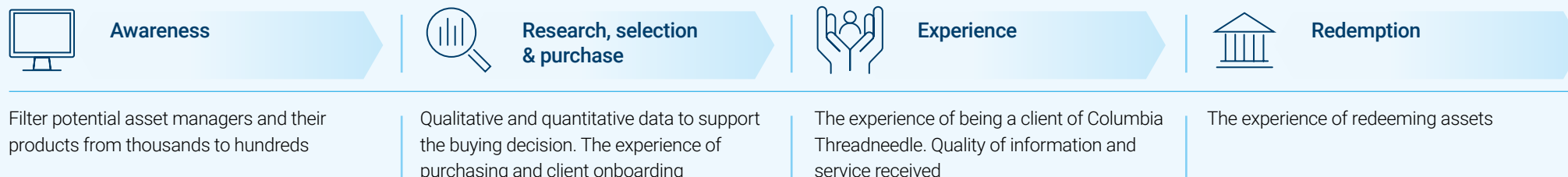
1 SERVICE

Quality of Service

We serve a wide variety of customers and aim to meet their diverse needs and requirements through our range of funds, product features and service.

The client journey

For all our customers, everything we do is directed towards helping them reach their investment goals, and we aim to provide the help and guidance they need throughout their customer journey.



To review the value of the services provided, we have considered them with regards to three different customer types during the customer journey.

Individuals who invest directly with us

These customers deal directly with our contact centre; they receive statements from us twice a year and have access to our MyColumbiaThreadneedle online service with the latest valuations and fund information.

Individuals who invest through a platform and/or an adviser

The end-customer will have little direct engagement with Columbia Threadneedle and is rarely known to us; here we focus on the service we provide to the platform and the wider financial adviser community that use platforms regularly.

Institutional investors

These include Wealth Managers, Corporations, Insurers and Pension Funds who may deal with us directly or via a platform. What they, or their consultant advisers, have in common is the need for more detailed reporting and regular engagement.

Breadth and depth of service

Helping our customers achieve successful financial outcomes is why we are here, and we provide many additional activities to support that objective. Although not immediately obvious, these services are the strong foundations that our asset management capability is built upon.

Service



'Good' value

The Board have reviewed the quality of service provided by Columbia Threadneedle Investments and its outsourced partners to individual customers, intermediaries and institutions during 2024. Based on our ongoing monitoring of service levels, and independent customer experience surveys, we conclude that service levels remain consistently good. To improve and enhance our service, we have updated our customer website to make it easier to use. We continue to welcome further feedback on any aspect of our service. The Board are satisfied that our quality of service represents Good value for customers.

Source: Columbia Threadneedle Investments as at 31 December 2024



Click the above sections for more information

2

Performance



2 PERFORMANCE

As active fund managers, our funds are, in most cases, trying to beat an index over rolling three-year periods and grow your money over the longer term, usually five years or more. In this section we assess whether the funds are meeting their objectives.

Process

For each fund we have considered investment performance (after fees) versus the index benchmark over rolling three- and five-year periods. For most funds, three years aligns with the aim to outperform a specific target identified in the objective, and five years usually aligns with a broader fund objective of achieving long-term capital growth. Five years is also the recommended minimum holding period for nearly all our funds.

Active management focused on fund objectives

In designing and managing funds, we aim to meet customers' requirements and deliver the outcomes our customers expect. For most of our funds, investment objectives are medium to long term. As an active investment manager with a robust investment process, we aim to deliver value by investing selectively in securities, sectors and markets we favour and by avoiding or limiting exposure to those we see as unattractive. We are mindful to ensure that the level of investment risk we take is appropriate; we need to take enough risk to achieve fund performance objectives, without becoming distracted by short-term factors and volatility in markets.

This active approach is in contrast to passive, or tracker, funds which aim to match the performance of a stock market index benchmark through replicating

the securities in that index. The performance a client receives from a passive approach will therefore likely be similar to the index return less the fees paid, with no prospect of the outperformance that an active manager aims for but cannot guarantee to deliver.

In reviewing the performance of each fund, the Board is mindful of how active management investment decisions are made. With an active investment process and style focused on medium- to long-term objectives, there will often be short periods when a fund outperforms or underperforms a comparison or benchmark index. This will depend in part on the volatility of stock markets and the extent to which a fund is invested in those companies or sectors that are driving stock markets and indices up or down in the short term.

Equity funds

In measuring the performance of our fund range, our starting point is the stated fund objective. For each fund we have considered investment performance (after fees) versus the index benchmark over rolling three- and five-year periods. For most funds, three years aligns with the aim to outperform a specific target identified in the objective and five years usually aligns with a broader fund objective of achieving long-term capital growth. Five years is also the recommended minimum holding period for nearly all our funds. Each year, we measure the objective at every month end and we take a simple average of these to give the score for the year. The charts to the right show the three-year relative and five-year total return as of 31 December rather than the average.

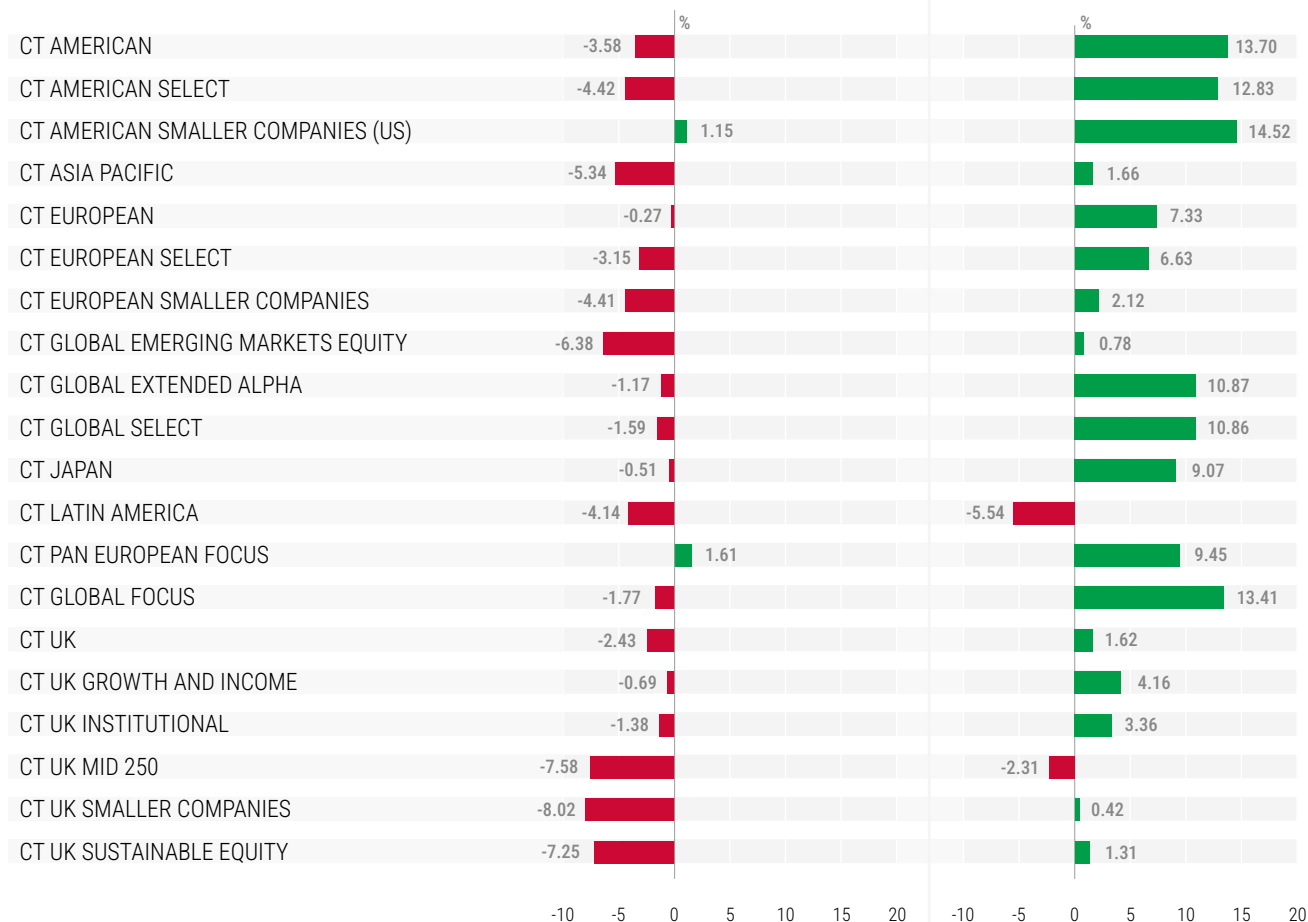
As in previous value assessments we note that investment style bias can impact investment performance in a positive or negative way, depending on market conditions

3-year relative return

3-year annualised relative performance of the primary share class versus benchmark as of 31 Dec 2024

5-year total return

5-year annualised total return of the primary share class as of 31 Dec 2024



Fixed Income and Multi Asset funds

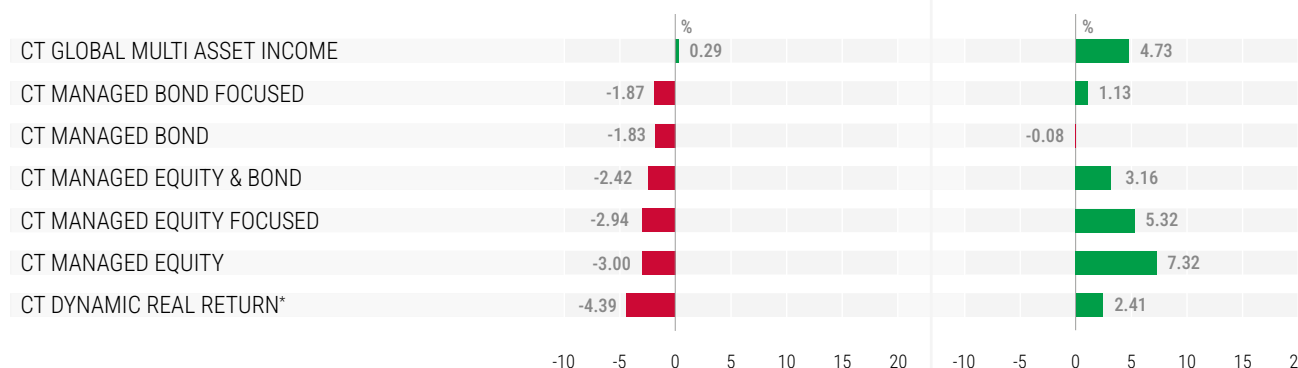
In measuring the performance of our fund range, our starting point is the stated fund objective. For each fund we have considered investment performance (after fees) versus the index benchmark over rolling three- and five-year periods. For most funds, three years aligns with the aim to outperform a specific target identified in the objective and five years usually aligns with a broader fund objective of achieving long-term capital growth. Five years is also the recommended minimum holding period for nearly all our funds. Each year, we measure the objective at every month end and we take a simple average of these to give the score for the year. The charts to the right show the three-year relative and five-year total return as of 31 December rather than the average.

3-year relative return

3-year annualised relative performance of the primary share class versus benchmark as of 31 Dec 2024

5-year total return

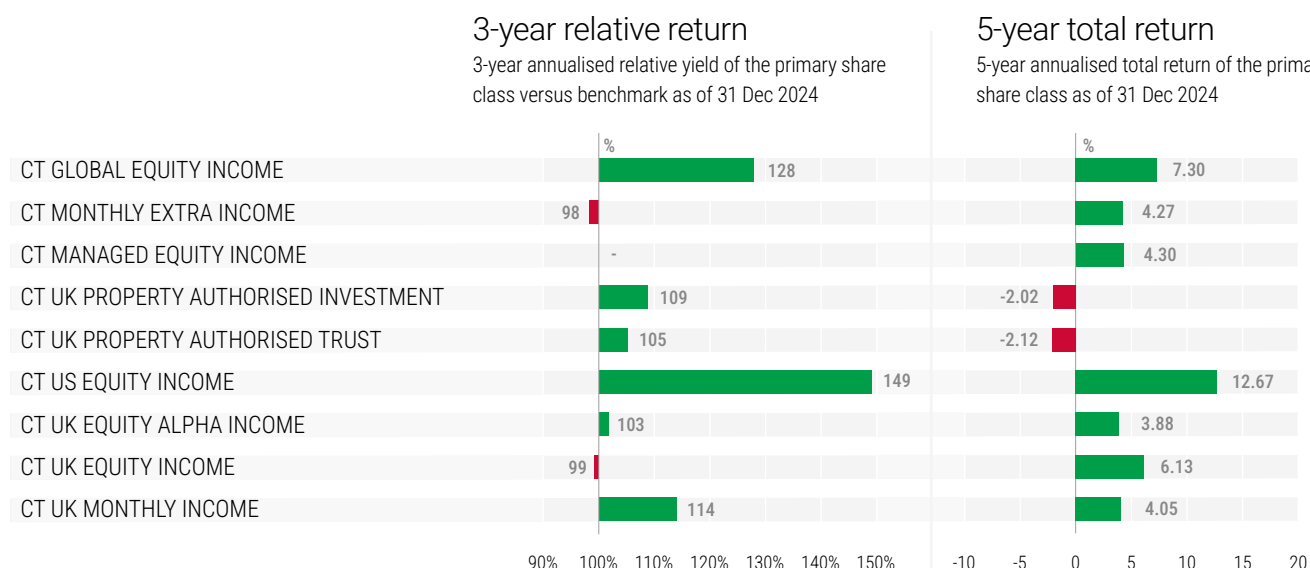
5-year annualised total return of the primary share class as of 31 Dec 2024



* CT Dynamic Real Return is measured against 5-year relative return and 3-year total return.

Income

In measuring the performance of our fund range, our starting point is the stated fund objective. For each fund with an Income target, we have considered the fund yield (after fees) versus the yield of the index benchmark over rolling three- and five-year periods. For these funds, three years aligns with the aim to outperform a specific target identified in the objective and five years usually aligns with a broader fund objective of achieving long-term capital growth. Five years is also the recommended minimum holding period for these funds. Each year, we measure the objective at every month end and we take a simple average of these to give the score for the year. The charts to the right show the three-year relative and five-year total return as of 31 December 2024 rather than the average.



Performance



'Moderate' value

Reflecting on three-year relative performance, 2024 was marginally negative for our equity funds following a marginally positive 2023 and a challenging 2022. Bond funds, also challenged in 2022 were marginally negative in both 2023 and 2024. Reflecting on five-year total returns, which make up a smaller part of the overall performance score, returns in 2024, like 2023, were a positive contributor, for equities and bonds.

In previous value assessments we explained how an investment style bias can impact a fund's performance relative to its benchmark, in a positive or negative way. We identified those equity funds that exhibit a persistent growth style bias. This year we note that 3 more

funds have been shown to have a persistent style bias. Growth as a style has been out of favour in recent years for a number of reasons. High levels of geopolitical tensions, including ongoing conflicts between Russia and Ukraine and in the Middle East, combined with heightened uncertainty over the policy intentions of the US under President Trump continues to impact market sentiment. Although inflationary pressures have eased, the timing and magnitude of interest rate cuts (which would benefit both growth and small cap funds) remain uncertain and contribute to volatility in markets. Economic uncertainty has also risen given the risks of the US imposing tariffs on their trading partners escalating into a 'trade war', again posing risks for both growth and inflation.

We have concluded that 10 funds have delivered Good or Outstanding value in terms of performance, 21 funds represent Moderate value, and disappointingly 17 funds represent Poor value in performance terms.

We also note that five funds closed in 2024 as part of remedies to address moderate or poor performance and concerns that the funds lacked the scale needed to remain viable.

All funds rated as Poor for Performance have been subject to further review by the TISL Board, which is working with the investment managers, TAML and CMIA, to determine appropriate remedial action and monitor progress. In some instances of persistent underperformance, remedial action has already been taken with the clear intent that this will bring improvements over time. Further remedies will be undertaken and communicated to investors in due course. Other funds, while scoring Poor in the assessment, are performing in line with their expected investment style, but remain 'on watch'.

We have concluded overall that performance across the range of funds, on a weighted basis, represents Moderate value for investors with improvement needed going forward.

3-7

Costs



COSTS

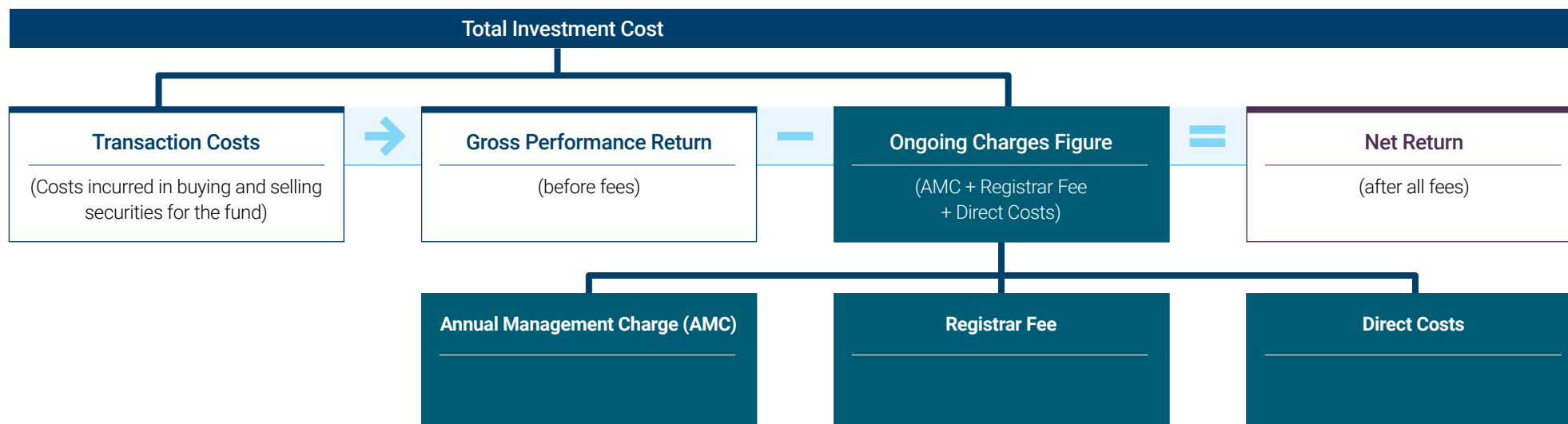
What are the costs?

Throughout this section we refer to the different costs components that create the Total Investment Cost you pay. We are aware this can sound like financial jargon, so we have explained each element below.

In carrying out the management of the fund, the fund manager will incur Transactions Costs, through the buying and selling (trading) of securities. After these costs the fund will generate a gross performance return for the period. The Ongoing Charges Figure (OCF) is then subtracted from the gross return to give the net return received by the investor.



The **Transaction Costs** plus the **Ongoing Charges Figure (OCF)** combine to give the '**Total Investment Cost**'.



In this report there are various references to, and explanations of, the costs and charges associated with our funds. The glossary section includes some useful definitions. Please note this report does not consider third party costs, such as platform fees or advice fees, that customers may incur separately should they use such services. Any initial entry charges or exit charges incurred to buy or sell shares of funds are also excluded.

3 COSTS

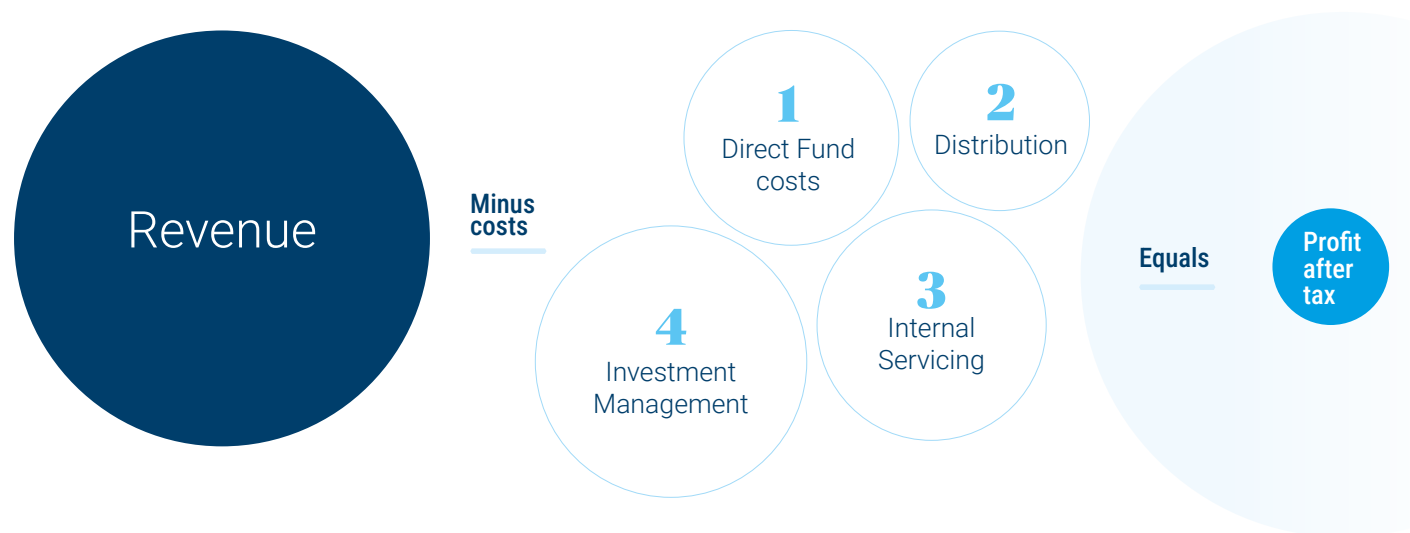
Authorised Fund Manager Costs

The Board have assessed whether all the costs associated with running the funds are providing value. These services are captured in the Ongoing Charges Figure (OCF) paid by customers.

We have considered whether the OCF paid by customers in each fund offers good value in relation to the costs incurred to provide fund management and associated services. We have considered the cost associated with:

1. Direct Fund Costs, provided by external outsourced providers
2. Distribution, provided by TISL itself
3. Internal Servicing, including those services outlined in the 'Quality of Service' section
4. Investment Management (outsourced to Group companies)

We have reviewed these costs in relation to both the revenue and profit of TISL, which can be viewed in the Company Report and Accounts. We have also considered, where practical, the market rates for these types of service as a comparison or guide.



AFM costs



'Good' value

The Board have reviewed the individual costs of services provided to and associated with running the funds: Investment Management, Distribution, Internal Servicing and Direct Fund Costs (including outsourced services). As in previous years, the costs have also been considered in context of the revenue and overall profitability of TISL. We consider them to be reasonable and a representation of Good Value.

4 COSTS

Comparable Market Rates

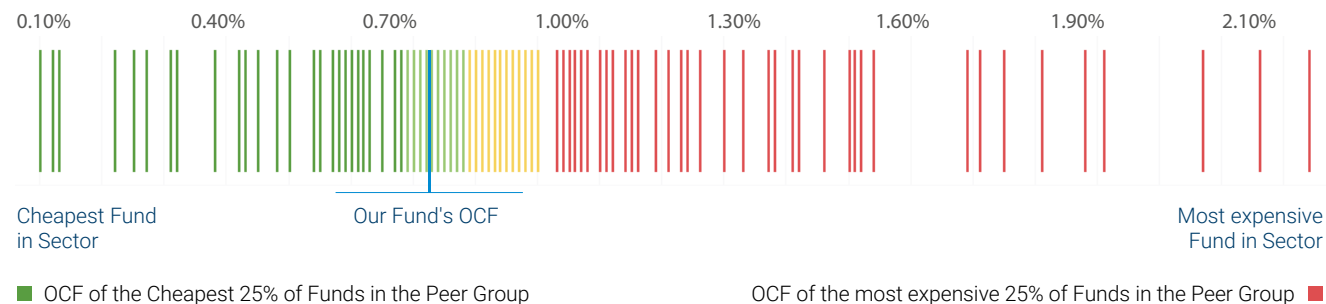
Cost is a factor in a purchase. We know you have a wide variety of funds to choose from, so ensuring we are pricing funds competitively is important.

Share Class OCF versus Peers

We are keen that our funds are competitively priced. As such, we compare the cost of our funds and their share classes to similar funds according to their Peer Group. The chart below demonstrates this process and in the online analysis we show one for every fund. The chart highlights the OCF of every fund within the peer group represented as a vertical line. The most expensive is on

the far right and the cheapest is on the far left. The vertical blue line indicates the OCF of our funds. We have split the peer group into four quartiles based on cost to show where our fund sits among its peers. The most expensive 25% of funds are coloured red. The next 25% are yellow, then light green, and finally dark green represents the cheapest 25% of funds.

Example Peer Group*



* Clean Share classes only, excluding trackers

Comparable Market Rates



'Good' value

The Board have reviewed the costs and charges of our funds and share classes relative to competitor funds in their peer groups. Overall, the fees across the range remain Good value. However, we identified relatively poor value on a small number of Share Classes, primarily driven by price reductions in these sectors across the market. Remedies in the form of capping to Direct Costs are being implemented to improve value. Further details on the remedies can be found on page 29.

5 COSTS

Comparable Internal Services

Do we offer any other products that would give you access to the same investment objective and capabilities at a cheaper cost?

We have considered the cost of each fund in the range, where possible comparing them to similar types of funds. We have also compared funds with similar objectives to those offered to European and US investors – managed by other companies in the Columbia Threadneedle Investments Group. It was found that there were no pricing disadvantages for UK investors. In addition, the review compared the fees paid by institutions investing large amounts in the pooled funds with the fees paid by institutions investing large amounts in separate ‘segregated’ accounts with similar investment objectives. Price differentials between pooled funds and segregated mandates do exist but can be justified because of:

- More complex regulatory and governance structure of pooled funds
- Broader scope of duties under the fund agreements of pooled funds. For example, institutions with segregated accounts will often appoint their own custodian with their own fee agreement report
- More variable and frequent cash flows for pooled funds that complicate portfolio management
- Administrative duties related to the management services of pooled funds, eg preparing papers for board governance – such as this value assessment
- Greater business and capital risks associated with establishing and maintaining pooled funds.

After noting the differences in services between pooled and segregated accounts, we have found no evidence of any significant differences in the value provided to customers.

Comparable Internal Services



‘Good’ value

The Board have reviewed the costs of the funds and share classes relative to other pooled and institutional funds managed by Columbia Threadneedle Investments and we remain comfortable that while differences in fees exist, these are justified and not materially detrimental to customers. In addition, the fees for each share class within a fund (and across the range) are clearly disclosed. Overall, the Board consider that this measure represents Good value overall.

6 COSTS Economies of Scale

When our funds reach a larger size, we are able to pass cost savings to you

In 2023, we introduced a discount model which was applied to the primary share classes of our largest funds for a minimum of 12 months. Largest funds are defined as those that exceed £1 billion in size on 31 December each year. The discount will be applied on a sliding scale (see table). Where applicable, discounts will be applied on primary share classes from 1 May each year. If 1 May is not a business day, it will be applied from the last business day in April. By reviewing fund sizes annually we have the flexibility to extend the discount to funds as they scale up beyond £1 billion in size. Conversely, we can discontinue it on funds that fall below £1 billion. The rate of discount can also change according to the scale set out in the table. Once applied, a discount will remain in place at the same rate for a 12-month period (regardless of whether a fund grows or contracts during that time).

Fund size As at 31 December	AMC Discount effective the following May
Under £1bn	None
£1bn to £2bn	0.01%
£2bn to £3bn	0.02%
£3bn to £4bn	0.03%
£4bn to £5bn	0.04%
£5bn or more	0.05%

Please click below to learn how we employ Economies of Scale for each component part of the OCF you pay

Economies of Scale



'Good' value

At the end of April 2023, the Board introduced an Annual Management Charge Discount Model to reflect economies of scale derived from the operation of larger funds. This benefits investors in the clean share classes of our largest funds. This model continues to operate in 2025-26 and the full list of discounts for last year and the coming year is shown on page 27.

We note that the Registrar Fee still scales in favour of Columbia Threadneedle Investments when funds and share classes become larger. A series of reductions to Registrar Fees in previous value assessments has addressed this and we are proposing one further fee reduction this year. Details can be found in the remedies table/section on page 29.

Overall, the Board has concluded this is now an area of Good value.

The Economies of Scale benefits



Fund	Share Class GBP unless stated	ISIN	2024 / 2025				2025 / 2026			
			Fund Size As at 31/12/2023	Current AMC (as per prospectus)	AMC Discount 24/25	Discounted AMC (applicable from 1st May 2024 to 30 April 2025)	Fund Size As at 31/12/2024	Current AMC (as per prospectus)	AMC Discount 25/26	Discounted AMC (applicable from 1st May 2025 to 30 April 2026)
CT UK Equity Income Fund	Z Acc	GB00B888FR33	£3.38bn	0.75%	0.03%	0.72%	£2.87bn	0.75%	0.02%	0.73%
	Z Inc	GB00B8169Q14		0.75%	0.03%	0.72%		0.75%	0.02%	0.73%
CT American Fund	Z Acc	GB00B7T2FK07	£2.13bn	0.75%	0.02%	0.73%	£1.77bn	0.75%	0.01%	0.74%
	Z Inc	GB00B6WD1G18		0.75%	0.02%	0.73%		0.75%	0.01%	0.74%
CT European Select Fund	Z Acc	GB00B8BC5H23	£1.40bn	0.75%	0.01%	0.74%	£1.29bn	0.75%	0.01%	0.74%
	Z Inc	GB00B98WQ465		0.75%	0.01%	0.74%		0.75%	0.01%	0.74%
CT American Smaller Companies Fund	Z Acc	GB00B8358Z89	£0.94bn	0.75%	n/a	0.75%	£1.14bn	0.75%	0.01%	0.74%
	Z Inc	GB00B88YT359		0.75%	n/a	0.75%		0.75%	0.01%	0.74%
CT Global Select Fund	Z Acc	GB00B8C2TM45	£0.83bn	0.75%	n/a	0.75%	£1.11bn	0.75%	0.01%	0.74%
	Z Acc (Euro class)	GB00BYNBTV14		0.75%	n/a	0.75%		0.75%	0.01%	0.74%
	Z Inc	GB00BJZ2F867		0.75%	n/a	0.75%		0.75%	0.01%	0.74%
CT American Select	Z Acc	GB00B7HJLD86	£0.89bn	0.75%	n/a	0.75%	£1.02bn	0.75%	0.01%	0.74%
	Z Acc (Hedged)	GB00BHCQKC62		0.75%	n/a	0.75%		0.75%	0.01%	0.74%
	Z Inc	GB00B8BC1961		0.75%	n/a	0.75%		0.75%	0.01%	0.74%
CT Dynamic Real Return Fund*	Z Acc	GB00B93TQ868	£1.24bn	0.75%	0.01%	0.74%	£0.64bn	0.75%	n/a	0.75%
	Z Inc	GB00B93MKD82		0.75%	0.01%	0.74%		0.75%	n/a	0.75%
CT Managed Equity & Bond Fund*	Z Acc	GB00BMGRVZ03	£1.04bn	0.65%	0.01%	0.64%	£0.97bn	0.65%	n/a	0.65%
	T Inc	GB00BMGRVY95		0.65%	0.01%	0.64%		0.65%	n/a	0.65%

* Discount no longer applied

7 COSTS

Class of Units

Different share classes have different charges. Is this fair and does it offer value to all clients?

1 Retail (Class 1)

AMC – Fund Management Fee	1.5%
AMC Rebate/Commission	0.75%
Typical Other Expenses	0.05-0.20%
Typical Total Fee	1.55% to 1.75%

Traditionally, these classes were the home of individual customers who invested directly with us prior to their holdings being converted to lower cost share classes in recent years. Commission was often payable to the customer's financial adviser, prior to conversion. Investors, such as offshore Life companies, who remain in this class typically receive a rebate of part of the annual management charge.

2 Z (New Retail Class)

0.75%
–
0.05-0.20%
0.80% to 0.95%

The Z class was originally developed in response to UK regulatory change (The 'Retail Distribution Review – RDR') in 2012. From 2013, UK financial advisers were required to charge customers fees for new financial advice, instead of receiving commission or rebates from asset managers. This share class is now home to many investors who invested directly with us, especially those with a Columbia Threadneedle Investments ISA wrapper.

3 Institutional (Class 2)

1.00%
0.25%
0.05-0.20%
1.05% to 1.20%

Most of Columbia Threadneedle's Class 2 ('Institutional') share classes pre-date the Retail Distribution Review (RDR). They have an OCF that is lower than Retail Class 1 but higher than Z. These classes have a mix of institutional and retail customers (investing through a platform). As such, some rebate arrangements may apply. In effect, most of these share classes are a 'hybrid' between Class 1 Retail and Class Z.

4 Class X (Zero AMC Institutional)

0.00%
–
0.05-0.20%
Agreed separately

The X share class is suitable for institutions that prefer to be billed separately for asset management services. Eligibility is subject to a higher minimum investment and a separate fee agreement. We now offer an X class on nearly all our funds.

Class of Units



'Good' value

The Board have reviewed the costs of each share class in each fund and are comfortable that the classes are marketed to ensure that investors can access the right class at the right price point. There is no suggestion that more expensive share classes within the same fund are subsidising lower-cost share classes. We are pleased to note the remedies applied since 2020 to convert thousands of retail customers to cheaper share classes, improving the value for our direct investors. Ongoing monitoring is undertaken to offer the most appropriate share classes to investors. The Board is satisfied that this remains an area of Good value overall.

Remedies

FCA Criteria	Remedy Type	Fund/Share Class	Comment/Impact
Economies of Scale	Annual Management Charge Discount – Effective 1st May 2025	CT UK Equity Income Fund, Class Z	0.02% (2bps) Annual AMC discount
		CT American Fund, Class Z	0.01% (1bps) Annual AMC discount
		CT European Select Fund, Class Z	0.01% (1bps) Annual AMC discount
		CT American Smaller Companies Fund, Class Z	0.01% (1bps) Annual AMC discount
		CT Global Select Fund, Class Z	0.01% (1bps) Annual AMC discount
		CT American Select Fund, Class Z	0.01% (1bps) Annual AMC discount
Economies of Scale	Subsidies – Ongoing	CT Dollar Bond	
		CT Emerging Market Local Fund	
		CT UK Sustainable Equity Fund	
		CT Global Focus Fund	
		CT Global Multi Asset Income Fund	
Economies of Scale	Registrar Fee Reductions – Effective 1st Sep 2025	CT Global Select Fund, Class Z	1bp reduction to Reg Fees (8bps to 7bps)
		CT Japan Fund, Class Z	1bp reduction to Reg Fees (11bps to 10bps)
Comparable Market Rates	Direct Cost Cap – Effective 1st Sep 2025	CT European Bond Fund, Class Z & 1	Cap Direct Costs at 0.04%
		CT Sterling Short Dated Corporate Bond Fund, Class 1	Cap Direct Costs at 0.04%
		CT Emerging Market Bond Fund, Class 1	Cap Direct Costs at 0.04%
		CT UK Sustainable Equity Fund, Class Z & T	Cap Direct Costs at 0.05%
Performance / Scale	Closure of Funds	CT UK Equity Opportunities Fund	Fund Merged into the CT Growth and Income Fund on 1st Mar 2024
		CT UK Extended Alpha Fund	Fund Closed on 26th Jan 2024
		CT American Extended Alpha Fund	Fund Closed on 26th Jan 2024
		CT China Opportunities Fund	Fund Closed on 26th Jan 2024
		CT UK Index-Linked Fund	Fund Closed on 8th Oct 2024
		CT Sterling Medium & Long-Dated Corporate Bond Fund	Fund Closed on 8th Oct 2024

Glossary

A

Active funds

An active fund has a manager at the helm (and usually a team of analysts and researchers) who will select the assets he or she believes will increase in value. Actively managed funds have the capacity to outperform their peers and the market as a whole. They are usually slightly more expensive than passive funds because investors must pay for the manager's expertise.

Active management

There are two main types of investment management: active and passive. An active fund manager will use judgement, research and analysis in order to select investments for the fund.

Annualised return

For a period greater than one year, this measures how much an investment has grown on average each year.

Annual management charge (AMC)

The fee paid for having your investment managed – usually a percentage of assets under management (AUM).

Asset/asset class

Investments can be divided into five main groups called asset classes: cash, bonds, property, shares and alternatives.

Assets under management (AUM)

The total value of investments held within a portfolio.

Authorised Corporate Director (ACD) Authorised Fund Manager (AFM)

A firm with the ultimate responsibility for managing and administering OEIC funds and unit trusts in compliance with FCA Rules.

B

Basis points

A common term for interest rates and percentages in finance. One basis point equals 0.01%.

Benchmark

A standard, (usually an index or a market average) that an investment fund's performance can be measured against. Many funds are managed with reference to a stated benchmark.

Bonds

Bonds provide a way for governments and companies (issuers) to raise money. For an upfront payment from investors, a bond issuer will make annual interest payments and repay the initial investment amount on a specified date. Also known as fixed income or fixed interest investments.

C

Cash and cash equivalents

Short-term investments that are highly accessible, including deposits, money market instruments and short-term government bonds.

Collective investment scheme

A fund combining the assets of various individuals and organisations to create a large, diverse portfolio.

Corporate bond

Bonds issued by companies to raise money. The company agrees to pay interest and repay the initial amount invested at a specified point in the future.

D

Direct Costs

Part of the Ongoing Charge Figure (OCF), costs covering Regulatory fees, Audit costs and Depository and Custody fees.

E

Emerging markets

Developing countries that have stronger growth potential than established economies, but also more volatility.

Equities

Equities are shares in companies.

F

Financial Conduct Authority (FCA)

The Financial Conduct Authority is the UK regulator for the financial services industry.

Fixed income

Investments such as bonds, which usually pay a fixed rate of interest.

Fund

A form of collective investment where investors' money is pooled and invested in a variety of investments.

Fund manager

An individual responsible for managing the assets in a fund.

Fund volatility

The extent to which a fund's value changes over time. The more pronounced and frequent the movements, the more volatile the fund is.

G

Gilts

A bond issued by the UK government.

Government bond

Bonds issued by a government to raise money for spending requirements. These are usually issued in the country's local currency.

H

High yield bonds

Corporate bonds issued by less secure companies. See also investment grade bonds.

Historical yield

A fund's yield over a given period of time. It is calculated by taking the income paid over a period and dividing it by the latest share price.

I

Index/indices

A method of measuring the collective value of a group of assets. For example, the FTSE 100 Index shows a single figure for the combined value of the 100 companies within it.

Individual savings account (ISA)

A tax-efficient way to save or invest. The amount you can pay into an ISA is capped annually.

Inflation

The rate at which the price of goods and services rise over time. The official measure in the UK is the Consumer Price Index (CPI).

Investment grade bonds

The highest-quality corporate bonds, as assessed by a credit ratings agency.

Investment objective

A description of how a fund will be managed and what investors can expect over a specific timeframe.

ISIN number

A unique code/identifier for (in this case) each share class. If you have invested directly with Columbia Threadneedle, you will find the ISIN of the share class you own in your latest statement or transaction confirmation letter. If you have invested via a fund platform, please check with your platform service provider or financial adviser.

J

Junior ISA (JISA)

A tax-efficient way to save or invest, designed for those aged under 18. The amount you can pay into a JISA is capped annually.

K

Key Investor Information Document (KIID)

A document designed to help investors understand the nature and risks of a fund in which they may invest. Potential investors should always read the relevant KIID in order to make an informed decision before investing.

M

Managed fund

An investment fund usually made up of a pool of other funds. An investor doesn't invest directly in other types of security, but gains from broader asset exposure.

Multi-asset fund

A managed fund that includes traditional asset classes (shares and bonds) and sometimes commodities, property or hedge funds.

O

Ongoing Charges Figure (OCF)

The cost of management of a fund represented as a percentage. It is usually based on the last year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund).

In some cases, the ongoing charges figure may be based on an estimate of future charges, either because the share/unit class is relatively new and has an insufficient track record to be calculated exactly, or if historic figures are unlikely to accurately reflect future ongoing costs. The fund's annual report for each financial year will include details of the exact charges applied. An OCF shown with an asterisk (*) indicates an estimated figure.

For a more detailed breakdown please visit columbiathreadneedle.com/fees

Open-ended funds

A collective investment scheme that invests in other companies and assets. The fund can issue an unlimited number of shares.

OEIC (open-ended investment company)

A type of open-ended fund.

P

Peer group

A grouping of competitor funds, managed in a similar way, eg UK equity funds.

Pooled funds (or collective investments)

A fund combining the assets of various individuals and organisations to create a large, diverse portfolio.

Profit & loss (P&L)

Financial statement of the wealth created by a company's operations. It shows all revenues, costs and expenses for a specific period.

Property

This usually means commercial properties such as offices, retail units or distribution warehouses.

Property expense ratio (PER)

Costs related to running and maintaining property funds that are not covered as part of the Ongoing Charges Figure.

R

Registrar Fee

Part of the Ongoing Charges Figure, costs that cover the maintenance of the shareholder register, distributing income, circulating and publishing the fund share class prices, tax, legal and other professional fees.

Revenue

The proceeds of a company's sales over a given period.

Risk-adjusted return

A measure of how much risk a fund took to deliver a return to investors. By comparing the risk-adjusted return, investors can distinguish between high-risk and low-risk investments.

S

Securities

An asset that has a value and can be bought and sold. (ie, bonds, shares or derivatives).

Share class

Share classes are special designations applied to a subset of the fund. Each share class will be different. It might have a different price and a different minimum investment requirement (for different investor types) or might offer different types of unit – ie, income or accumulation. In some circumstances it may have a different currency.

T

Tax wrappers

An account that aims to protect your savings or investments from taxation. Examples include ISAs/JISAs and SIPPs.

Total Investment Cost (TIC)

The sum of the Ongoing Charges Figure and the Transaction Cost.

Total return

A performance measurement considering factors like interest, dividend payments and capital growth.

Transaction cost

Costs incurred when buying and selling securities within the fund, such as dealing costs and taxes.

U

Unit trust

A type of open-ended collective investment scheme.

V

Volatility

A measure of the rate and extent of changes in the value of an investment over a period of time. The higher the volatility the riskier the investment tends to be.

Y

Yield

The amount of income earned on an investment, usually expressed as a percentage.

To find out more, visit columbiathreadneedle.com



Important information: This report contains certain information (the 'Information') sourced from MSCI ESG Research LLC, or its affiliates or information providers (the 'ESG Parties'). The Information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. Although they obtain information from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. Past performance is not a guide to future performance. The value of investments and any income is not guaranteed and can go down as well as up and may be affected by exchange rate fluctuations. This means that an investor may not get back the amount invested. It is for information only and does not constitute an offer or solicitation of an order to buy or sell any securities or other financial instruments, or to provide investment advice or services. It is not intended as and should not be taken to be investment, legal, tax, or accounting advice. Investors should consult with their own professional advisors for advice on any investment, legal, tax, or accounting issues relating an investment with Columbia Threadneedle Investments. The research and analysis included in this document have not been prepared in accordance with the legal requirements designed to promote its independence and have been produced by Columbia Threadneedle Investments for its own investment management activities, may have been acted upon prior to publication and is made available here incidentally. Any opinions expressed are made as at the date of publication but are subject to change without notice and should not be seen as investment advice. Information obtained from external sources is believed to be reliable but its accuracy or completeness cannot be guaranteed. Issued by Threadneedle Investment Services Limited. Registered in England and Wales, Registered No. 573204, Cannon Place, 78 Cannon Street, London, EC4N 6AG, United Kingdom. Authorised and regulated in the UK by the Financial Conduct Authority. Columbia Threadneedle Investments is the global brand name of the Columbia and Threadneedle group of companies.

columbiathreadneedle.com

CTEA7885066.1-RUSH | WF2700601 (04/25)