

Columbia Threadneedle
Investments

Stewardship Report **2024**

A review of our Responsible
Investment activities in line with
global stewardship codes.



Our 2024 Stewardship Report seeks to demonstrate Columbia Threadneedle Investments’ commitment to the UK, Taiwan, Japan and Korea Stewardship Codes. Investment stewardship is critical to how we seek to deliver the investment outcomes our clients expect, while also meeting our fiduciary duty. Our stewardship approach is complementary to our investment approach as major shareholders and bondholders of companies all over the world. This report largely covers activities carried out by our Responsible Investment (RI) capability across Columbia Threadneedle. We have over 40 RI specialists across our global investment department who collaborate to bring environmental, social and governance (ESG) insights into the investment process.

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Foreword

Welcome to our 2024 Stewardship Report, which seeks to demonstrate Columbia Threadneedle Investments’ responsible investment (RI) capability and approach to stewardship and engagement. As a responsible steward of our clients’ assets, we allocate capital within a framework of robust research and effective governance that aligns with their investment goals.

The continuation of geopolitical uncertainty and lingering inflation created both headwinds and strong performance across financial markets in 2024. For example, with equity markets rising by 25% in 2023, we saw a further 20% gain in 2024. Whilst in fixed income credit selection remained paramount, and we ended the year with central banks engaged in supportive, rate cutting cycles and yields becoming more attractive.¹ Against this backdrop, we pursued ongoing monitoring of, and thoughtful, targeted engagement with, issuers and investee companies on behalf of our clients.

As a global, active asset manager, our primary driver for engagement with issuers is in support of long-term investment returns through investee companies mitigating risk and capitalising on opportunities on financially material factors, including those linked to environmental, social and governance (ESG) factors. We believe this can help enhance issuers’ long-term viability, performance, and sustainability to create value for our clients.

Relatedly, we continue to evolve our RI capability. For example, we’ve implemented of a unified stewardship approach and enhanced RI disclosures and reporting in recent years. And we strengthened collaboration across Investments in 2024 by further embedding the analysis of financially ESG risks and opportunities into fundamental research to drive better investment insights.

We recognise the differing preferences of our global client base for RI products and solutions. As a client-focused organisation, we offer choice to clients with regards to their investment approaches.

Transparency is an important part of our stewardship approach at Columbia Threadneedle. We seek to uphold the highest standards of integrity and a commitment to transparency in our financial disclosures, including external assurance of our RI metrics reported herewith.

It is in this spirit that we share our stewardship and RI activity for 2024 within this report and welcome feedback from our clients, regulators, employees and other stakeholders.

William Davies
Chief Investment Officer of Columbia Threadneedle Investments



Columbia Threadneedle Investments is the global brand name of the Columbia and Threadneedle group of companies. Not all products or services outlined in this report are available in all jurisdictions or offered by all firms in our group.

¹ 2025 Macro Outlook: Slower growth amid geopolitical uncertainty, but opportunities remain

CHAPTER 1

About Columbia Threadneedle Investments

Columbia Threadneedle Investments is the global asset management business of Ameriprise Financial, Inc.

We are entrusted with US\$645bn / €623bn / £515bn² assets under management on behalf of individual, institutional and corporate clients around the world³. We offer our clients a broad range of actively managed investment strategies and solutions covering global, regional and domestic markets and asset classes.

² Exchange rates as of Dec 31st, 2024.

³ Ameriprise Financial Q4 2024 earnings release. This AUM includes Pyrford International Limited, who submit a separate UK Stewardship Code report to the Financial Reporting Council. This report does not cover their approach, activity and outcomes in relation to stewardship. We also have US\$485bn / €469bn / £388bn (as at Dec 31st, 2024) assets under engagement on behalf of our Responsible Engagement Overlay (*reo*®) clients. Our *reo*® service is used by a global client base of asset owners, including pension funds, insurers, asset managers, fiduciary managers, charities, family offices and discretionary managers. Clients can access the full suite of our stewardship expertise including ESG research, screening, engagement, and proxy voting.



The main reception of the London office for Columbia Threadneedle Investments

Our purpose and investment beliefs

We’re driven by what matters to our clients and we’re focused on delivering their desired investment outcomes. Our investment beliefs centre on the understanding that markets are inefficient, and that active management can play a powerful role. We value well-governed companies that demonstrate understanding of the key risks and opportunities they face. **Four cornerstones underpin our investment beliefs, enabling us to act as responsible stewards of our clients’ assets:**



Globally connected: Our reach is expansive, with over 2,400 people – including more than 600 investment professionals – spanning 17 countries⁴. But for us, a global perspective is about more than numbers; it is about the smarter advantage we create when we bring our teams’ insights together. We’ve built our diverse expertise and on-the- ground knowledge into our investment processes and solutions, covering multiple asset classes and markets.



Intense research: We share a belief that original, independent research makes investment decisions smarter. We have over 200 research associates around the globe, and proprietary tools designed to harness big data and provide a framework for next generation analytics. This allows us to turn information into forward-looking insights that can add real value to our investment decisions, enhancing our ability to help deliver good outcomes for our clients.



Responsible ethos: Our Responsible Investment (RI) capability is based on creating value through research intensity, stewardship, and partnering with clients for whom it is a priority to deliver RI solutions that allow them to shape the future world they seek.



Continuous improvement: Markets don’t stand still and neither do we. Every day, we’re looking for opportunities to improve how we invest and what our clients experience – be it the independent Investment Consultancy & Oversight team that ensures the robustness of our investment processes, the emphasis we place on developing our talent, or the innovative solutions that we offer. The world is continually changing, and with it our clients’ needs, which is why we are always evolving.

Our culture and values

We are proud of our culture at Columbia Threadneedle – it is a key driver of our success. Four core values enable us to maintain our culture, and keep our clients at the heart of everything we do. These values help to shape the actions we take as a business, including how we define our investment stewardship, to help guide our focus on consistently meeting our clients’ investment outcomes.



Client-focused: Our company was built on serving and satisfying clients, and meeting our clients’ needs is our priority. We look to make a positive difference in our clients’ lives.



Integrity always: We uphold the highest standards of integrity and stand behind what we say and do. We know that trust must be earned continually and are committed to transparency in our disclosures.



Excellence in all we do: When we execute with excellence, success naturally follows. We strive to provide world-class service and innovative product solutions and we hold ourselves accountable for delivering high quality results .



Respect for individuals and for the communities in which we live and work: We respect each other, value diverse perspectives and work as a team to meet our clients’ goals. We value our people, encourage their development and reward their performance. We strive to be good citizens in our communities.

Our responsible investment (RI) approach

A responsible ethos is one of the four cornerstones of Columbia Threadneedle Investments. In working to deliver outcomes that are consistent with client objectives, integrating financially material environmental, social and governance (ESG) considerations⁵ into our investment research and stewardship can help inform our investment decision-making. By combining intense research, sophisticated tools, specialist expertise and a collaborative approach, we’ve continually evolved our RI capabilities so that they can help support the investment decisions we make on behalf of, and the range of solutions we can offer to, our clients.

Assets under management

Together our clients entrust us with

US\$645bn



The bridge to Sommarøy from Tromsø, Norway, with the midnight sun

⁴ Columbia Threadneedle Investments, as at 31 December 2024.
⁵ We consider ESG factors that could have a significant positive or negative effect on an issuer’s value or performance and therefore could be material to our consideration of investment risk and returns in the client portfolios we manage. To help us identify and prioritise such issues for engagement, we consider generally accepted industry frameworks.

CHAPTER 2

ESG Integration

As a research-driven, active manager, we believe that the integration of ESG considerations into our investment processes can help us build a fuller picture of the risks and opportunities of the issuers in which we invest our clients’ capital.

While our investment approaches and styles vary depending on the product and strategy, our investment professionals share a common belief that companies demonstrating a resilient business model, organisational stability, and the ability to evolve are best placed to deliver long-term value for our clients, support economic growth, and serve broader prosperity. Financially material ESG factors are therefore integrated at different stages of our investment processes as outlined below:

Research

We believe the consideration of financially material ESG factors provides an important perspective to our research. Consideration of financially material ESG factors is incorporated within investment research and ongoing portfolio monitoring at stock, industry and thematic level. These factors could affect an investment’s valuation by helping assess future investment risk and unlocking potential new investment opportunities.

In late 2024, we moved our Sustainability Research analysts into the central fundamental research team, in order to embed consideration of ESG factors alongside other financially material factors in our research function. These analysts, covering a spectrum of ESG issues, work on themes such as energy transition and demographic change. Within these themes, we identify issues or sectors where we believe there are material investment risks, or opportunities, such as specific energy technologies. Our research sets out the macro-level view on the policy and economic environment, and the relative positioning of companies in terms of their ability to respond to changes in such environments.

Although RI research is made available to all Columbia Threadneedle Investment portfolio managers, each portfolio management team makes its own investment decisions. Depending on fund or mandate requirements, teams may place more, less or no emphasis on such research in any given investment decision.



Solar power station
with the modern city
buildings of Pudong in
Shanghai, China



ESG integration tools

Extensive data and sophisticated analytical tools are available on our research and trading systems, designed to enhance and inform the integration of ESG factors into investment research, investment risk monitoring, and are utilized in portfolio construction where consistent with client objectives.

Our ESG integration tools include:

Controversies – We monitor companies for involvement in significant controversies and research potential risks. We seek to identify potential breaches of international standards.

ESG Materiality Ratings – A proprietary tool that provides a key input into our research – a real-time view on how issuers are managing industry-specific financially material ESG risks and opportunities.

Exclusions framework – Conduct or product-based exclusions, with revenue thresholds. May be aligned with fund labels or other regulatory frameworks.

Good Governance Model – Highlights issuers with practices which indicate poor governance related to board structure, employee relations, remuneration or tax management.

Net Zero alignment – Assesses issuers’ alignment with a net zero trajectory based on our methodology. Supports the implementation of net zero targets for those of our clients who have adopted these.

Principal Adverse Impact Model (PAIs) – Utilising the PAI framework under the EU Sustainable Finance Disclosure Regulation (SFDR), the model identifies issuers at risk of causing significant adverse impacts on the environment or society.

Sustainable Development Goals (SDGs) – Maps issuers’ revenue streams to the SDG targets as positive, negative, or neutral. Enables us to monitor and report on our products’ sustainability characteristics.

We utilise external data providers to support our in-house research and tools. Examples include MSCI, RepRisk, FactSet, ISS and Glass Lewis. We prefer to use the raw data provided by these vendors and to incorporate this data into tools that best support our insights. We regularly review data providers to ensure that we are selecting high-quality data sources . For more information on our vendors, including selection and monitoring, please refer to Chapter 7.

Our ESG integration tools are available across our Investments Department and are used as a starting point for research and analysis. However, not all of the above mentioned ESG integration tools are used by our portfolio managers for the funds or mandates that they manage; this list represents the range of tools available to equity, fixed income, multi-asset and real estate teams globally. The extent to which these are used will vary according to the client mandate and the strategy objectives. Data limitations may also mean that there may be incomplete portfolio coverage.

Portfolio construction

Portfolios are constructed consistent with client guidelines, including, where specified, client directions regarding the degree to which we actively manage ESG factors. Any mandate-specific ESG parameters (for example exclusions, tilts, or net zero commitments) are factored into the portfolio's buy/sell discipline. For mandates with no specific ESG parameters, ESG risks or opportunities may influence how we size a position, and our buy/sell discipline.

Stewardship

We believe that continuous monitoring, targeted RI engagement, and proxy voting can help enhance research insights, and/or encourage consideration of in management practices and alternatives at investee companies. Therefore, stewardship, in the form of RI engagement with issuers and proxy voting, is conducted across investment portfolios taking into account differing client mandate requirements and regional legal requirements. See Chapter 3 for our RI engagement approach and examples.

Governance and Investment Mandate Control

Please refer to Chapter 6 for information on how we govern our responsible investment approach. The oversight of ESG within the investment process and, where appropriate, the ESG characteristics within a portfolio, are monitored through our standard investment governance framework comprised of three lines of defence:

- 1. Investment teams
- 2. Investment risk and mandate/compliance monitoring teams
- 3. Risk & Control Services (internal audit)

In addition to the traditional three lines of defence, our Investment Consultancy & Oversight team sits within the first line of defence alongside the investment team in order to hold the investment team accountable for the integrity of the investment strategies they employ. They engage with our portfolio managers to review their performance, discuss their decision-making, and analyse their processes, ensuring we remain aligned to clients' objectives and identify opportunities to continually improve. This consultancy process is designed to facilitate continuous improvement, while maintaining portfolio manager autonomy. We believe this contributes towards our ability to deliver repeatable investment outcomes whilst ensuring that each investment team adheres to its philosophy and process.

Nuances in ESG integration

Strategy and Products

It is important to distinguish between our various approaches to managing clients’ investment portfolios. The consideration

of financially material ESG issues forms part of our overall investment research process and ongoing portfolio monitoring for risk management purposes. However, we also offer products to meet the preferences of certain clients, primarily located in Europe, the Middle East and Africa (EMEA) that have clear, specific and binding ESG objectives in their investment guidelines alongside financial objectives. These include products with an elevated level of ESG factor incorporation and potentially sector/security exclusion, as well as funds that invest entirely in sustainable investments and have both a financial return objective and target environmental and/or social outcomes or impacts.

Asset class

The extent of ESG integration varies based on asset class, given risk exposures, liquidity of instruments and the length of time we may be invested, which is determined by clients’ investment time horizons. Asset class nuances also impact the way we conduct our stewardship activities. For example, the ownership structure and typically close relationships with management within private equity investment may allow for more material engagement relative to what may be achieved through engagement with sovereign issuers. We may also choose to prioritise engagement where the portfolio management team's investment horizon is longer or aligns with a specific ESG factor, rather than engaging where a holding period is shorter, and that factor is unlikely to impact the value of the investment.

For example, for asset class specific tools and frameworks, e.g. for Alternatives they include EPC and Flood risk ratings, Evora SIERA energy and carbon analysis, GRESB data and analytical tools, and Private Equity ESG Ratings.

Geography

As part of our approach, we also take account of geographic variations. We recognise that ESG standards, the level of investor engagement, and responsiveness to thematic ESG factors may be influenced by the country or region the issuer operates in. For example, an emerging market issuer may have lower regulatory standards on certain ESG factors versus a European issuer. Governance structures may vary based on the market; for example, a greater prevalence of state-owned enterprises in some markets, or unique approaches like the two-tiered board systems as seen in Germany. To be effective, we must consider ESG factors in the context of these regional nuances.

Consideration of financially material ESG factors is incorporated within investment research and ongoing portfolio monitoring

Examples of ESG integration

Equities: Prysmian

Electrical Equipment

Italy

ESG Integration elements included: sustainability research.

Background: Prysmian Group is a global leader in the design, manufacture, and supply of cables and systems for energy and telecommunications. The issuer operates in a variety of sectors, providing solutions that enable the transmission of power and data.

Action: We expect the issuer to be one of the major beneficiaries of electrification and digitalisation megatrends from a significant need to upgrade power grids to accommodate more renewables, due to the growth in wind offshore and interconnections of grids. Prysmian is the market leader in renewable transmission projects and power grid, with high barriers to entry for long

distance and high voltage cables – installation capability is very complex. Utility companies have strict qualification and certification requirements, and require providers to have a proven track record, making it difficult for new entrants to break into this market. We believe Prysmian is at the forefront of innovation here, with cutting edge technologies to support the growth in the transmission of renewable energy.

Outcome: Following discussion across the desk, the European equities team decided to invest. The issuer returned over 50% during 2024.

We believe that targeted RI engagement, and strategic voting can help enhance research insights

as well as strong profitability and liquidity. CaixaBank scored particularly well in sustainability, with strong and targeted support for small and medium-sized enterprises and those facing barriers to housing across Spain in less affluent areas with targeted funding. The way they measure their impact for social bonds is leading the way in Europe. On climate risk, CaixaBank have made good progress in measuring risks and helping the economy to decarbonise, which is embedded in their underwriting process. They have announced interim targets across a large proportion of their highest emitting corporate sectors and have recently launched an innovative mortgage product for making second hand residential properties more efficient. They also indicated that they are considering making more concrete commitments to social bond issuance levels.

Outcome: Following our engagement, we concluded that CaixaBank have built a strong sustainability model, helping local and less affluent regions to flourish, and have made progress supporting the Spanish economy on its path to decarbonising its corporate sector. As a result, we upgraded the position of CaixaBank in our fundamental ranking, which is a key input into the portfolio construction of our funds. Issuers further up the fundamental rank will typically receive further consideration by portfolio managers to initiate a position or increase an existing holding given our stronger conviction in the name.

Multi-asset: investment trusts

ESG Integration elements included: Screening, net zero tool, sustainability research

Background: For our sustainable multi asset strategy that invest in investment trusts (ITs) with real assets, we require certain minimum criteria to be met by those underlying ITs. These include certain exclusions such as weapons and tobacco exposure, as well as a general commitment to ESG integration and alignment to positive sustainable investment trends.

Action: During 2024, as part of their investment decision-making process, the Multi Asset team sent pre-investment ESG and net zero questionnaires to potential new investment trust opportunities. They also sought updates on existing holdings’ sustainability and net zero strategies, as part of their ongoing review process.

Outcome: The Multi Asset team did not make any investment decisions based primarily on ESG factors during 2024. However, existing holdings’ updated responses to the ESG and net zero questionnaires provided useful insight into the trusts’ sustainability strategies and ensured ongoing compliance with our minimum criteria.

Alternatives: Real Estate

19 Optima Park

United Kingdom

ESG Integration elements included: Tools and frameworks in Alternatives

Background: In June 2024, the tenant vacated 19 Optima Park – an industrial unit we own in Crayford.

Action: Following the tenant vacating the unit, we carried out a full refurbishment to include roof and cladding repairs and clean, complete internal decoration and repair and installation of LEDs throughout, an EV charger and PV panels.

Outcome: The refurbishment created local employment opportunities and improved the energy performance certificate (EPC) from a C to an A+, which is enabling us to market the unit at a higher rent than previously.



Managing climate risks

Our [2024 Climate Report](#) details how we manage climate-related risks and opportunities, and report in-line with the Taskforce on Climate-related Financial Disclosures (TCFD) framework. During 2024 we continued to publish product-level TCFD reports for a broad range of our products, covering our UK-domiciled funds and many of our EU-domiciled funds.

We are committed to delivering long-term financial returns for clients, which includes, where agreed, understanding and managing climate-related risk, while supporting a constructive transition to a low-carbon economy. We also recognise that this transition is complex and requires consideration of different regulatory approaches and unique market characteristics of the issuers and assets in which we invest for our clients.

We integrate climate assessments into our investment research process and increasingly assess the transition pathways of the different sectors and geographies in which we invest. This means engaging with issuers to understand and manage risk, and where appropriate, encouraging consideration of actions that we believe could help drive shareholder value and contribute to a more resilient and sustainable global economy. We offer a broad choice in investment strategies for individual and institutional clients with differing priorities, including solutions that meet client demand for climate-aware investment opportunities.

We have net zero methodologies across a number of asset classes, which have been applied on a fund-by-fund basis, working in partnership with our clients and in line with their mandates. Our methodology for listed equities and corporate bonds is available [here](#). We report on our AUM coverage and progress in our annual Climate Report.

CHAPTER 3

Engagement

We interact with issuers with a view to understanding their strategic priorities and, where appropriate, identifying opportunities for their consideration that may enhance issuer performance, viability, and resiliency, all with a goal of creating long-term economic value for our clients.

Targeted Responsible Investment (RI) engagement with issuers that aligns with our clients’ investment goals is an important part of our investment approach, as it can help create future value. We believe that engagement on ESG issues in certain cases can have a positive impact on corporate performance and investment returns.

How we engage with issuers

We define any engagement with issuers as having constructive dialogue that could have a material impact on financial results. The purpose of our RI engagement is to support the generation of long-term investment returns for our clients by increasing transparency of key ESG risks and opportunities.

Our RI engagement is structured around six themes:



Climate change



Environmental stewardship, including biodiversity



Labour standards



Human rights



Corporate governance



Business conduct



Tokyo business district, Marunouchi. Nightscape around the station. Chiyoda-ku, Tokyo, Japan



Towards the end of 2024 we removed “public health” as the 7th engagement theme, but only as a headline. We continue to engage on public health, as one of several a sub-themes.

We monitor the outcomes of our engagement and report on the results to our clients and through public reporting. These six high level themes and associated sub-themes are in line with the achievement of the United Nations Sustainable Development Goals (SDGs).

Our engagement programme is executed through close collaboration of our Governance and Proxy analysts, Sustainability Research analysts, Fundamental Research analysts and portfolio managers. A wider variety of dialogues with issuers occurs directly through Fundamental Research analysts or portfolio managers.

RI engagement is issuer-focused and predominantly executed for equities and corporate fixed income. Within our Alternatives business, engagement with real estate tenants and other stakeholders within private equity is covered later in this chapter – see ‘Engagement in Alternatives’. We also cover the following asset classes as the need arises: Collateralised Loan Obligations; Asset Backed Securities; Municipal Bonds; and Commodities. During 2024, we continued to refine and test our sovereign engagement programme. For our responsible engagement overlay (**reo**®) clients, engagement covers listed equities and corporate credit.

Commitments and related policies

Our RI engagement approach is informed by international codes and standards, such as the International Labour Organization (ILO) Core Conventions, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights, the UN Global Compact, the Paris Agreement, the

Taskforce on Climate-related Financial Disclosures, the Taskforce on Nature-related Financial Disclosures, and national corporate governance principles and codes of business best practice. Our key expectations on good practice are outlined in our [corporate governance guidelines](#), and [environmental and social practices statements](#). However, we will always consider any issuer’s specific circumstances in formulating our approach towards engagement with them and voting on proposals advanced for shareholder approval.

Engagement identification, prioritisation and process

We identify and prioritise issuers for engagement based on the following:

- Client preferences, mandates, policies and guidelines
- Client holdings
- Analysts’ coverage, judgement and expertise
- Material risks and opportunities identified by the research and engagement conducted related to our six high level themes and sub-themes.
- Potential systemic risks, including geopolitical, regulatory, financial conditions, and sustainability risks.
- Event-driven, such as annual general meetings or unscheduled controversies.
- Regulatory or jurisdictional considerations and requirements

Additional considerations may be brought in as new information and knowledge is acquired during our engagement with issuers, clients and policy makers. Also, we will utilize specialist data sources to identify issuers subject to a specific risk we are focusing on.

Conducting RI engagement

Our preferred approach to conducting engagement is to use constructive, confidential dialogue, typically interacting one-to-one with issuers and building a relationship of trust over time as long-term investors.

Our engagement with issuers is always structured. We set specific engagement objectives (“Objectives”) and track progress against these (“Milestones”) and determine next steps.

Details of all meetings are recorded, including date, participants, objective of the meeting and, as appropriate, the outcome of the engagement. Often, we meet with an issuer multiple times a year, engaging with different individuals (executive management, board members, sustainability leadership). We track issuers over time to inform our understanding of issuer risks and opportunities, and to inform our proprietary sustainability exposure ratings.

Our meeting information, Objectives and ratings are accessible to all research analysts, traders and portfolio managers through internal systems. These systems allow us to produce engagement activity reports for internal use, clients, or the general public, e.g. our Stewardship Report.

When it is more effective to take a collaborative approach to enhance our understanding of an issuer, we may participate with other investors, non-governmental organisations (NGOs) or industry groups, where we believe this will be in our clients’ best long-term economic interests, and subject in all cases to such participation being in full compliance with the requirements of applicable law and/or regulation. We are a member of several investor coalitions.⁶

Public policy engagement

We recognise that action by governments or regulatory intervention may be needed to create a level playing field for investors and corporates to achieve meaningful results for all involved stakeholders. To that end, we contribute to public policy development through engagement with policymakers and regulators to the extent we believe it would be in the best interests of our clients to do so. We seek to bring a constructive investor voice to standard settings, and we believe that policy and regulatory change is often the catalyst for improved corporate behaviour that can help drive long term shareholder value.

Escalation

Consideration of escalation takes place in collaboration between teams within Columbia Threadneedle to ensure agreement on the need for escalation and alignment on potential avenues to pursue. See p31 for more information.

Transparency

Clear accountability and transparent communication are key elements of our RI engagement programme. We report periodically on the number of engagements, engagement outcomes, as well as our public policy engagement. We do this via quarterly and annual stewardship reports that we make publicly available on our website. We also publish research and thought leadership pieces on specific engagement activities and topics; and ESG profile and impact reports for a number of funds, which have a specific ESG related investment mandate, containing information on engagement.

RI engagement in 2024

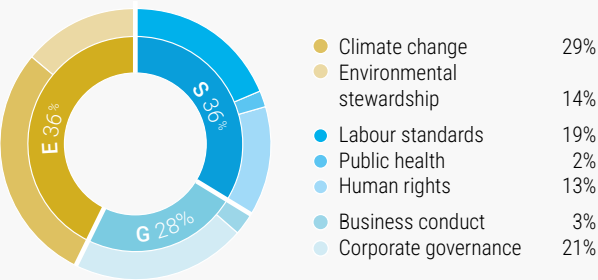


Source: Columbia Threadneedle Investments, 31 December 2024
* KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK)3000, over selected data indicated. Please see page 72-75 for more details. The limited assurance should be read in conjunction with our [Reporting Criteria document](#), which outlines our approach to the classification, calculation and reporting of stewardship data.

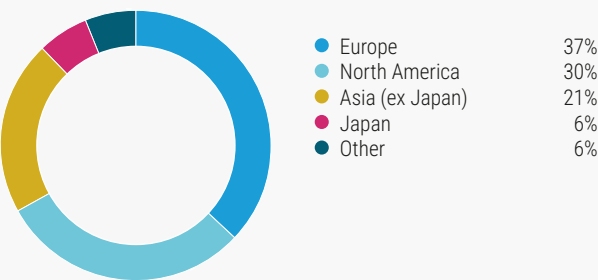
⁶ These memberships and initiatives may change over time and the current list is disclosed in Chapter 5.

RI engagement breakdowns

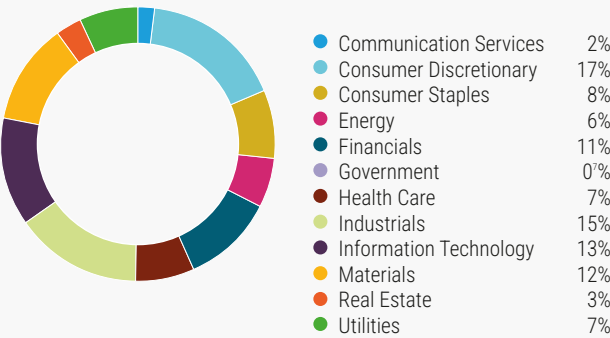
Engagements by theme



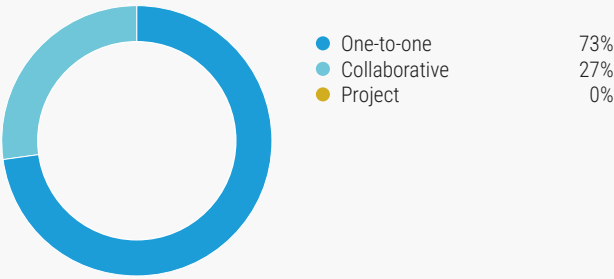
Issuers engaged by area



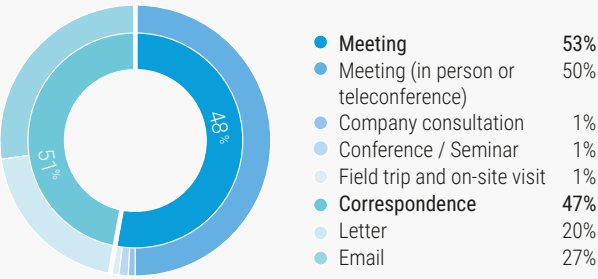
Engagements by Sector



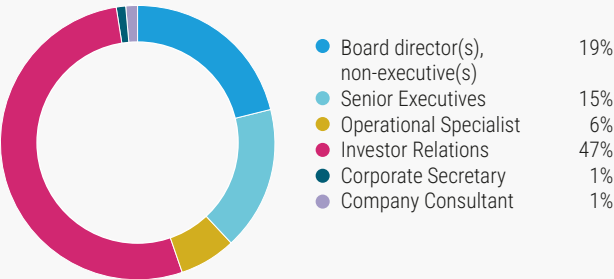
Engagement Intensity



Engagement by method



Engagement by leadership level



⁷ Due to rounding, the metric is 0. We had engagement with sovereign agencies.
Source for all charts: Columbia Threadneedle Investments, as at 31 December 2024. Rounding may result in chart figures not equalling 100%.

Engagement examples

The following examples reflect RI engagement in listed equities and fixed income. These are conducted by Sustainability Research analysts, who are sometimes joined by other Fundamental Research analysts, and/or members of relevant investment teams. See chapter 6 for more information on how we resource stewardship. The insights gained from these engagements are made available to investment desks to support their research and investment decision-making.

Waste Connections

Industrials

United States

Theme: Environmental stewardship

Subtheme(s): Pollution impact, Sustainable waste management

SDG:



SDG Target(s): 12.4 – Manage chemical usage and waste throughout their life cycle; 12.5 – Reduce waste through prevention, reduction, recycling and reuse; 13.2 – Integrate climate change plans into policies and strategies

Background

Waste Connections (WCN) is the third-largest waste manager in the US, with a large presence in rural America. It has a key role in enabling a circular economy and mitigating environmental impacts like emissions and plastic pollution, which may also lend itself to certain commercial opportunities. We engaged with the VP of Engineering & Sustainability to discuss Waste Connections’ net zero strategy, recycling initiatives, commercial opportunities, and approach to managing PFAS (a large, complex group of synthetic chemicals that are widely used in consumer products, they are also known as “forever chemicals”) exposure.

Action

We were keen to assess the issuer’s emissions management strategy, including their view on expanding their Renewable

Natural Gas (RNG) processing capabilities. We were interested to discover that the issuer is exploring technologies to better model and capture fugitive emissions from landfills. We learned that WCN is spending aggressively on RNG facilities for enhanced biogas generation. Additionally, we discussed earnings opportunities available from recycling, as well as PFAS-related regulations which are expected to be enforced in the US. We expressed our view that WCN’s de-prioritization of recycling may prove to be a missed earnings opportunity. It was encouraging to note that WCN is partnering with wastewater treatment plants and vendors on the use of foam fractionation technology in order to improve PFAS management. We believe this is a potential commercial opportunity for the issuer and will monitor its progress.

Outcome

In our view, an ambitious environmental strategy could benefit WCN in meeting their public environmental and recycling commitments as well as developing new revenue streams. WCN expects to achieve its sustainability targets through enhanced modelling, the capturing of fugitive emissions, and the electrification of their fleet. RNG facilities are also expected to enhance revenues and generate carbon offsets. Although expansion of their recycling offering is currently muted, we will continue to encourage more activity in this area. WCN is unique in setting targets on leachate treatment on-site – we will monitor progress on this as well.

Clear accountability and transparent communication are key elements of our RI engagement programme

Vale SA

Materials

Brazil

Theme: Climate change; Human rights

Subtheme(s): Energy transition; Community relations

SDG:



SDG Target(s): 13.2 – Integrate climate change plans into policies and strategies; 6.3 – Improve water quality by reducing pollution

Background

Vale is a diversified global mining company, headquartered in Brazil, producing iron ore, nickel, copper, coal, and other minerals and metals. We have engaged the issuer consistently in the last two years on the remediation and mitigation efforts following the catastrophic tailings dam collapses at Brumadinho in 2019 and Samarco in 2015. Both events resulted in loss of life, environmental damage, and widespread community impacts. A variety of legal consequences, and multi-billion USD fines and compensation payments ensued.

Action

We met with Vale’s Climate and Social lead in Q2 2024. We spoke about how the issuer is improving its risk management practices and, crucially, what Vale is doing to restore its social license to operate. We also asked for an update on compensation to those impacted by the dam failures. We learned that Vale has been prioritizing the elimination of its highest-risk tailings dams, while building out new global safety standards. The issuer is also making progress on compensating victims and restoring communities, though the Samarco reparations process remains complex, with lawsuits still threatening the issuer’s bottom line. On the environmental front, Vale is taking firm steps towards net-zero, announcing \$6-8 billion in investments to achieve its Scope 1 and 2 emissions targets and is evaluating approaches for Scope 3 emissions.

Outcome

While Vale still has significant work ahead, we have appreciated the issuer’s openness and its expressed intent to learn from the disasters. Enhancing governance transparency, tightening safety oversight, and prioritizing environmental resiliency are crucial to regaining investor confidence. In our view, Vale’s community engagement and victim compensation programmes will be critical to fully restore its social license. Proactive management of emerging legal cases and social risks will remain an area of focus for the issuer. We will continue monitoring Vale’s progress through ongoing engagement.

Analog Devices

Information Technology

United States

Theme: Corporate Governance

Subtheme(s): Executive Compensation, Succession Planning, Human Capital Management

SDG: N/A

Background

Analog Devices Inc (Analog) is a multinational semiconductor company that designs and manufactures analogue, mixed signal, and Digital Signal Processor (DSP) integrated circuits used for data conversion, signal processing, and power management. We engaged with several operational specialists at the issuer to discuss the proposed changes to their remuneration policy, such as annual short term incentive measurements, more challenging short term incentive targets, and reduction of maximum payout. These changes were in response to broader investor feedback delivered to Analog earlier in the year after shareholder dissent at its AGM.

Action

We discussed these changes to the remuneration policy during our engagement and appreciated the issuer’s responsiveness to investor feedback as the improvements made to the remuneration practices are a positive step in our view. We provided additional feedback, such as changes to the vesting schedule and change-in-control provisions. We also discussed the issuer’s succession planning processes, which signalled a strong awareness of risk management and capitalizing on opportunities.

Outcome

Analog’s proactive approach to addressing investor concerns and implementing changes to its remuneration policy demonstrates a commitment to good corporate governance practices. The issuer’s responsiveness to investor feedback and willingness to engage on remuneration and succession planning issues are positive developments. We will continue to monitor the implementation of the proposed changes as well as Analog’s alignment with best practices in executive compensation and talent management that we see across the market.



Electronics worker holding silicon wafer by cutting machine in clean room

Engagement examples – Alternatives

A highly detailed macro shot of a CPU wafer placed in a laboratory, showcasing the intricate semiconductor design.

Private equity

Private equity investors can help encourage ESG best practices within companies; as private equity investors we typically hold significant stakes on behalf of our clients and maintain close relationships with management. Stewardship is therefore a large part of our investment strategy within private equity.

We invest into private equity funds and directly into companies which are operating within the European and North American mid-market. We engage on ESG issues informally – through meetings, site visits, AGMs and Advisory Committees – and formally, through our Annual ESG Survey. This tool collects over 70 ESG metrics with results published within our [Annual Private Equity ESG Report](#). The breadth of our portfolio provides us with

an extensive ESG database spanning geographies, sectors and size. We leverage this information to engage with our managers and provide relevant and timely feedback on how they can best develop their ESG proposition – to keep up with the market and their peers. We then work with our managers to produce an ESG Improvement Roadmap and continue to measure and report on their developments annually.

Real estate

Within our Real Estate business in the UK and Europe, we have a framework for engaging with our investors, tenant occupiers, property managers, environmental advisors and our supply chain.

Our Real Estate teams can attend to physical buildings to help control ESG characteristics, and they can talk to tenants to seek aligned interests or try to encourage sustainable behaviour, which can be formalised through green leases. For example, our Real Estate business has committed to achieving net zero carbon emissions across its managed direct commercial real estate investment business in the United Kingdom by 2050 or sooner, working in partnership with our clients.

To help achieve this commitment, the Real Estate team is encouraging the use of green lease clauses; pursuing robust tenant engagement strategies through methodical outreach and

targeted dialogue to seek landlord and tenant-aligned interests around renewable energy sources; and increasing the use of research and technology to help capture data and drive decision making. Each of these functions requires us to develop effective partnerships. During 2024, the Real Estate team continued its involvement with the Institutional Investors Group on Climate Change (IIGCC) real estate working group, with a focus on carbon pricing mechanisms. The team also extended its industry involvement through the Association of Real Estate Funds' (AREF) ESG & Impact Investing Committee, with speaker contributions to webinars and podcasts covering biodiversity and social value.

Private equity engagement example: KKA Partners

We invested into **KKA Value Fund II** in June 2023 and hold a seat on the LP Advisory Committee. **KKA Partners (KKA)** is an emerging manager focused on enabling technology investments within traditional German Mittelstand SMEs. Following KKA's initial results in our ESG Survey in 2023, we conducted a Deep Dive ESG Engagement Exercise. We worked bilaterally with the manager to establish an ESG Action Plan, which subsequently improved its ESG Rating the following year.

ESG Action Plan and Outcomes:

1 Formalise Commitments and Policies
Become a signatory to a market-leading ESG body such as the UN-supported industry network Principles for Responsible Investment to ensure best practices. Create and implement a formal D&I Policy across the firm and portfolio companies.

Outcome: KKA is now a signatory to the UN PRI. Additionally, a formal D&I policy has been introduced across its portfolio.

2 Investment Process
Incorporate an ESG due diligence summary within investment papers as standard.

Outcome: ESG analysis is now outlined within a dedicated section in all investment papers and discussed as a separate agenda item at all Investment Committee meetings.

3 Increase Active Ownership
Initiate ESG improvements across the portfolio e.g. using analytics to reduce energy consumption or ESG-linked loans.

Outcome: Numerous ESG initiatives implemented across the portfolio. One investee company deployed an analytics tool that calculated carbon emissions for reporting purposes.

4 Diversity & Inclusion (D&I)
Recruitment focus aimed at increasing female representation on the investment team. Implement a mentoring programme to increase diversity through new female junior hires.

Outcome: KKA had an all-male investment team in 2023 but hired two females in 2024 taking representation to 25%.

5 ESG Reporting and Monitoring
Track and monitor core ESG KPIs (e.g., in line with ESG Data Convergence Initiative). Improve ESG reporting and articulate success stories e.g., through an Annual ESG Report.

Outcome: ESG metrics now tracked across the portfolio and published within KKA's Annual ESG Report.



RI engagement outcomes – Milestones

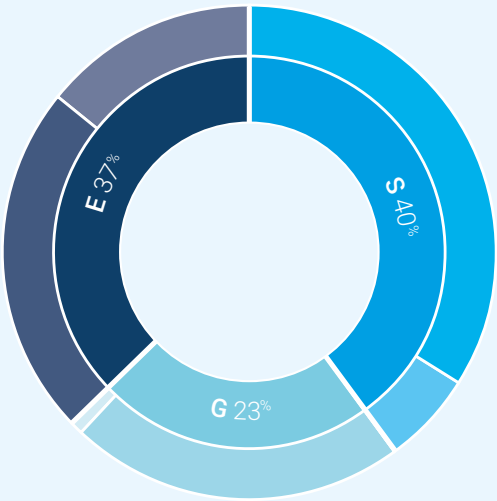
We record Milestones when companies make tangible progress in their policies and practices in alignment with our engagement Objectives. This may or may not be because of discussions with us and other investors.

To record Milestones, we use a three-star rating system. One star is awarded for a smaller change to ESG practices; two stars are awarded for meaningful updates/changes to ESG practices; and three stars are awarded for material changes of significant ESG importance.

* KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK)3000, over selected data indicated. Please see page 72-75 for more details. The limited assurance should be read in conjunction with our [Reporting Criteria document](#), which outlines our approach to the classification, calculation and reporting of stewardship data.

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Milestones recorded in 2024



- Climate change 23%
- Environmental stewardship 14%
- Human Rights 34%
- Labour Standards 6%
- Public Health 0%
- Corporate governance 22%
- Business conduct 1%

Source: Columbia Threadneedle Investments, as at 31 December 2024

Milestone examples

Barclays

United Kingdom

Financials

Theme: Climate change

SDG:



Target: 13.2 – Integrate climate change plans into policies and strategies

Milestone: ★★

Strengthen climate change risk management

We have engaged several times with Barclays on its climate risk management. The issuer provided significantly enhanced climate risk management in their latest climate updates. The issuer introduced additional financed emissions targets for agriculture, commercial real estate, and aviation. They also provided updates to their residential real estate target. The issuer became the first UK bank to publish a transition finance framework. They also updated their climate change statement introducing restrictions and tightened conditions for financing to the oil and gas sector. We viewed these changes as significant as Barclays has historically lagged in these specific areas and faced reputational risks as a result.

Starbucks

United States

Consumer Discretionary

Theme: Labour standards

SDG:



Target: 8.8 – Protect and promote safe working environments for all workers

Milestone: ★★

Agrees to develop collective bargaining agreements framework

The issuer has agreed to start discussions with the Workers United labour union to develop a framework designed to achieve both collective bargaining agreements for represented stores and partners, and the resolution of litigation between the union and the issuer. Furthermore, the issuer has reversed its position on benefits for unionised partners to include them equally, including credit card tipping. While we recognise that this is just a first step, we believe that it represents a critical and meaningful change in approach to industrial relations. We have engaged the issuer multiple times on this issue since early 2022, including speaking with the chief executive and, supporting a shareholder proposal requesting an independent assessment of the issuer's adherence to freedom of association.

Nintendo Co Ltd

Japan

Information Technology

Theme: Corporate governance

SDG:



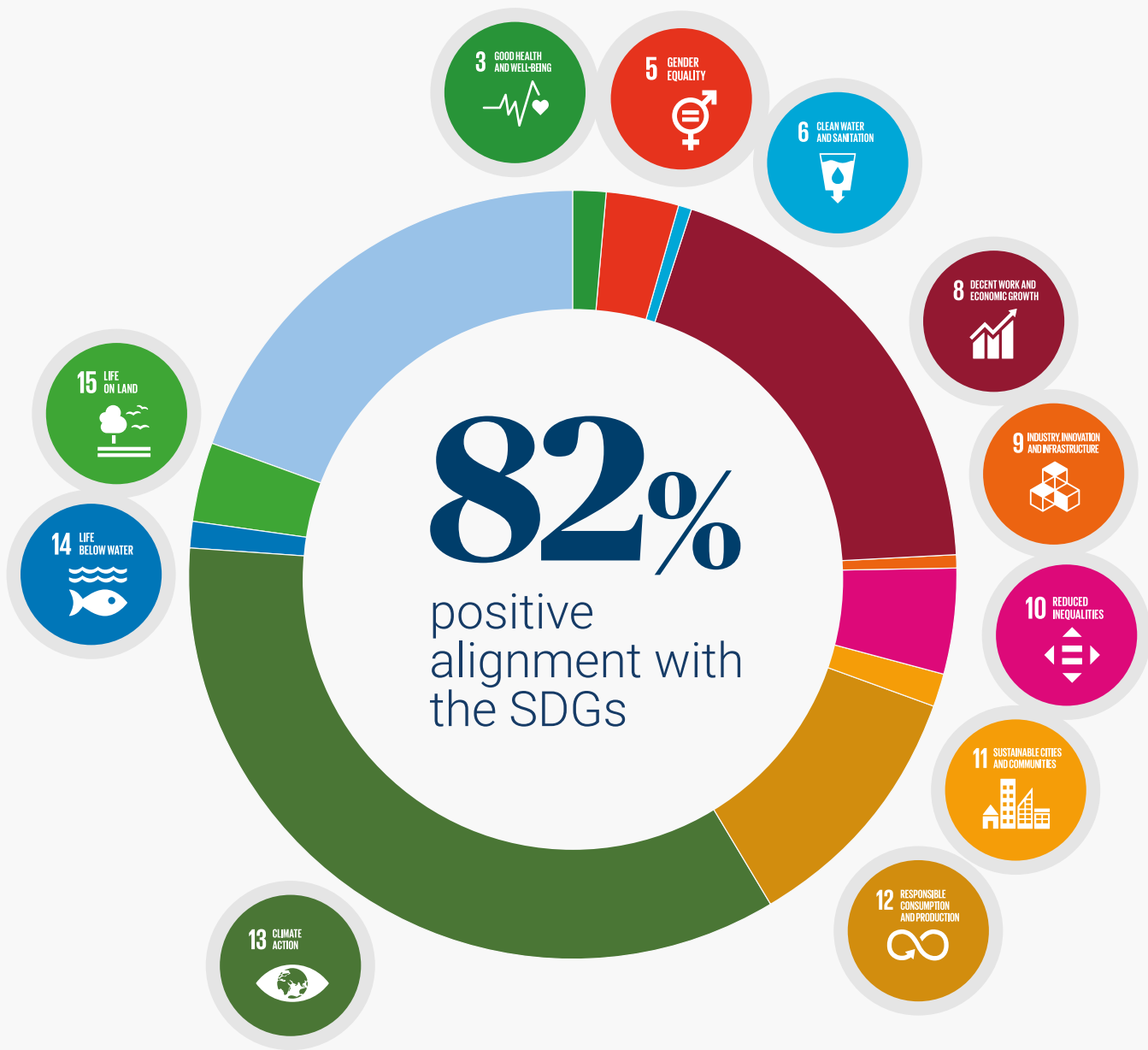
Milestone: ★

Disclosed capital efficiency efforts

After discussions with Nintendo via email around disclosing capital efficiency efforts in line with the Tokyo Stock Exchange's guidance, the issuer has published an updated Corporate Governance Report that includes this information.

Engagement and the Sustainable Development Goals (SDGs)

We believe the 17 SDGs and underlying targets provide a useful tool for companies and investors to be able to contribute towards achieving a better and more sustainable future.



Source: Columbia Threadneedle Investments, as at 31 December 2024. Only targets >0.5% aligned are shown on the table.

The SDG framework has created a common language between stakeholders, and we are seeing that this framework is having a positive impact within our engagement. Our engagement database includes the 169 SDG targets, all related to the 17 SDGs, which allows us to log interactions, progress and results to this granular level where relevant. The main exception to this is our corporate governance engagement, which we do not map to the SDGs (with the exception of board diversity, which is mapped to SDG 5 and relevant targets).

Alignment breakdown

● SDG 3: Good Health and Well-Being	1.6%	● SDG 12: Responsible Consumption and Production	11.0%
3.8 Access to medicines and health-care	1.5%	12.2 Sustainably manage and make efficient use of natural resources	2.1%
● SDG 5: Gender Equality	2.9%	12.5 Reduce waste through prevention, reduction, recycling and reuse	0.7%
5.1 End all forms of discrimination against women and girls	1.4%	12.6 Encourage companies to adopt sustainable practices and enhance ESG reporting	7.9%
5.5 Ensure full equality of opportunity for women, including at leadership levels	1.5%	● SDG 13: Climate Action	34.6%
● SDG 6: Clean Water & Sanitation	0.7%	13.1 Strengthen adaptive capacity to climate-related events	0.6%
No targets > 0.5% aligned		13.2 Integrate climate change plans into policies and strategies	33.2%
● SDG 8: Decent Work and Economic Growth	19.1%	13.a Address climate change mitigation for developing countries	0.5%
8.2 Achieve greater productivity through innovation	0.5%	● SDG 14: Life Below Water	1.1%
8.5 Achieve full and productive employment for all	1.7%	14.1 Prevent and reduce marine pollution of all kinds	0.9%
8.7 Eradicate forced labour, modern slavery & human trafficking	15.2%	● SDG 15: Life on Land	3.4%
8.8 Protect and promote safe working environments for all workers	0.7%	15.1 Ensure sustainable usage of terrestrial freshwater ecosystems	1.5%
● SDG 9: Industry, Innovation and Infrastructure	0.6%	15.2 Promote the implementation of sustainable management of forests	1.2%
No targets > 0.5% aligned		15.5 Take urgent action to reduce degradation of natural habitats	0.5%
● SDG 10: Reduced Inequalities	4.3%		
10.2 Empower and promote inclusivity for all	3.6%		
● SDG 11: Sustainable Cities and Communities	1.4%		
11.5 Reduce social and economic losses caused by disasters	0.6%		
11.6 Reduce the negative environmental externalities of cities	0.5%		

Source: Columbia Threadneedle Investments, as at 31 December 2024. Only targets >0.5% aligned are shown on the table.

Collaborative engagement

How we participate in collaborative engagement

As stated previously, our preferred approach to conducting engagement is to interact one-to-one with issuers and maintain a relationship of trust over time as long-term stewards of our clients’ assets. However, in certain instances Sustainable Research analysts participate in collaborative engagement with other investors and stakeholders, either directly or through industry working groups. This can enhance our stewardship of client capital by allowing investors to communicate their concerns more effectively with corporate management of certain issuers where individual engagement may have proved less effective on its own. We will not collaborate with third parties if their approach or agenda for engagement is not aligned with our own. A list of our key RI memberships and affiliations is shown in Chapter 5⁸.

RI engagement conducted by Sustainability Research analysts can be broken down to report how much was done collaboratively. In 2024, this was 27%. Please see examples below.

⁸ When undertaking any collaborative engagement activity, we ensure that we act at all times in accordance with the requirements of competition law, including but without limitation, prohibitions on concerted practices between firms.

Air Liquide SA

Materials

France

Background

As a leading industrial gases company, Air Liquide faces unique challenges in achieving gender diversity, particularly in operational roles that traditionally require significant physical strength. The issuer has been working to address these challenges through both technological innovation and policy measures to create a more inclusive workplace.

Action

We engaged with the issuer’s Investor Relations as part of a collaborative effort with the 30% Club France Investor Group. The issuer demonstrated concrete steps toward improving gender diversity, including a pilot program featuring technological advances to assist with heavy lifting operations, though challenges persist at the delivery-end. The issuer has embedded gender diversity KPIs into executive compensation and cascaded these expectations throughout the organization. Notably, Air Liquide has implemented a global 14-week maternity leave policy, exceeding market standards in some regions.

Outcome

Air Liquide shows strong commitment to advancing gender diversity through both practical innovations and policy measures. The issuer’s approach to addressing physical barriers through technology while simultaneously strengthening organizational policies demonstrates a comprehensive strategy. The integration of diversity metrics into compensation structures and the implementation of progressive maternity leave policies indicate serious commitment to long-term change. However, continued monitoring will be important to assess the effectiveness of these initiatives, particularly the technological solutions being piloted.

Associated British Foods PLC (Primark)

Consumer staples

United Kingdom

Background

As a major global retailer, Primark faces significant challenges in ensuring fair labour practices across its supply chain. The issuer has been particularly focused on addressing living wage issues in Bangladesh and managing its responsible exit from Myanmar, demonstrating its approach to managing complex social and human rights challenges in different markets.

Action

Through a collaborative engagement via Platform Living Wage Financials (PLWF), we discussed Primark’s approach to living wages in Bangladesh and their exit strategy from Myanmar. The issuer’s participation in global industry initiatives such as ACT (Action, Collaboration, Transformation) shows commitment to addressing wage issues, though recent negotiations in Bangladesh highlighted limitations in the current approach. Regarding Myanmar, conducting business there in accordance with labour and human rights laws was becoming increasingly difficult, therefore Primark chose to discontinue sourcing products in 2022. The issuer implemented a responsible exit framework designed by IndustriALL, demonstrating practical application of its human rights policies.

Outcome

Primark has shown strong commitment to addressing social supply chain challenges through both collaborative industry initiatives and direct action. Their structured approach to the Myanmar exit particularly demonstrates effective implementation of human rights policies. While efforts through ACT for living wages have not fully met expectations, the issuer’s engagement with multiple stakeholders and willingness to participate in industry-wide solutions shows promising direction. Continued monitoring of their approach to living wages and supply chain resilience will be important.

Nestlé SA

Consumer Staples

Switzerland

Background

As the world’s largest food and beverage company, Nestlé’s environmental impact and dependencies are significant. The issuer has been working to assess and address these impacts, particularly focusing on 15 key raw materials representing 90% of total spend, as well as on regenerative agriculture practices, while participating in industry initiatives for nature-related disclosures.

Action

We engaged with Nestlé’s climate and environmental leads through the Nature Action 100 initiative. The issuer has completed impact assessments for these 15 key raw materials, though dependencies assessment remains pending. While confident in regenerative agriculture practices on these focus areas, there is uncertainty over which metrics to report and how to translate the results into action, for example in procurement requirements, as the metrics are more complex than for GHG emissions. The issuer is participating in nature target-setting pilots and supporting TNFD (Taskforce on Nature-related Financial Disclosures) and LEAP (Locate, Evaluate, Assess and Prepare) approaches, while acknowledging the complexity of measuring improvements which can take up to five years to identify.

Outcome

Nestlé demonstrates serious commitment to understanding and addressing its nature-related impacts, particularly through its comprehensive assessment of key raw materials. The issuer’s participation in pilot programs and support for emerging frameworks shows leadership in this space. However, challenges in metrics and measurement, combined with the long timeframes needed to evaluate improvements, present ongoing challenges. We will continue to monitor how Nestlé translates its assessments into concrete actions and measurable improvements.

Our preferred approach to conducting engagement is to use constructive, confidential dialogue

Escalation

Our equity and corporate credit escalation process leverages the unique rights available to holders of equity or corporate credit. Voting rights generally apply to equities and less frequently to credits; therefore, in instances where we hold equity and credit of an issuer, we look to express the view of the investors we represent in terms of how we cast votes. See Chapter 4 for more information on the exercise of voting rights.

We also seek to consistently apply our engagement and escalation approach to corporate issuers, although geographic location or domicile market. Escalation in other core public asset classes, aside from equities and corporate credit, may be more limited due to fewer options being available to security holders. In all cases, to the extent our escalation strategies are not effective, as a last resort, we will consider divestment.

In considering engagement escalation strategies, each quarter end, Sustainability Research analysts make a case-by-case assessment of progress against the Objectives we have set for each issuer, in collaboration with Fundamental Research analysts and portfolio managers. We also annually review how companies have acted during and following our engagement. Both data points feed into the escalation decision, and we escalate accordingly if we deem it appropriate to do so. In selecting an escalation strategy, we consider aspects such as:

- Our clients’ goals and preferences (which will determine whether their holdings participate in any escalation strategy)
- The level of engagement of the issuer
- The materiality of the topic
- Whether the issue is best managed in a private or public forum

- The period in which we would pragmatically expect change
- Any inherent limitations or strategies for affecting change within certain sectors, company structures or geographies, such as the ability to file shareholder resolutions or the need to tailor how we engage to ensure compliance with local law and/or regulation.

Where we think it necessary to escalate our engagement in the best interests of our clients, we carefully consider which route to take. See examples below:

Collaborative engagement⁹: We generally prefer to engage issuers in private to enable open, and frank discussions to take place. However, we will support collaboration with other investors if we deem it to be an impactful engagement or escalation strategy to ultimately help create and protect shareholder value. Given ownership of an issuer is often dispersed, collaborative engagement may be required to give shareholders’ voice sufficient weight to address issues effectively at the issuer or industry level.

Example:

Inner Mongolia Yili Industrial Group Co Ltd
Consumer Staples
China

Background

Yili is a global producer mainly of dairy products based in Hohhot, in China’s Inner Mongolia province. It sources raw milk primarily

from suppliers on the Chinese mainland. We engaged to assess the oversight of supply chain labour standards. The agriculture sector is at high risk of labour exploitation due to its informal and fragmented nature and low visibility. In addition, China is itself considered a high-risk area for labour exploitation. Yili is a signatory to the UN Global Compact but is lacking disclosure on how it operationalises the Principles. A clear due diligence program to identify materials risks, implement monitoring, and prepare to proactively support suppliers would provide safeguards and transparency relating to labour standards.

Action

We wrote to the issuer in 2022 to advocate for disclosure of its supplier labour standards requirements, a robust due diligence process, and mechanisms that can provide remedy in case of breaches of human or labour rights. The initial response was formulaic. As members of Asia Research & Engagement’s Sustainable Proteins Platform (ARE), we continued to ask for disclosure and progress towards supply chain monitoring in 2023, providing examples by issuer peers. In the January 2024 call, we were able to meet the new sustainability director who has demonstrably strengthened the issuer’s know-how. Our commitment to an ongoing dialogue also demonstrates how long-term and supportive engagement can provide access to operational specialists which can also deepen our understanding of the issuer and the challenges it faces. We learnt that Yili had joined Sedex, a respected supply chain transparency platform, and started labour standards audits at key suppliers. We also learnt that the issuer’s sustainability team had increased its engagement with its sourcing team and started looking at reducing supplier numbers which we believed could increase monitoring effectiveness.

Outcome

Looking back at the response to our 2022 letter asking for disclosure of policy and due diligence, we believe that Yili has come a long way both in terms of action taken and the richness of dialogue. Whilst Yili joining the Sedex platform is not a panacea, we believe it is a very important step towards formalising supply chain monitoring and continuing the learning process. While we hope to see more public disclosure on policy and outcomes, we believe the monitoring now commenced will lead to greater confidence in what is achievable for suppliers in the short-term.

Public statements: For both equity and corporate credit escalation we have the additional option to issue a public statement outlining disagreement with management’s approach and setting out ESG best practices that we would encourage management to implement. We did not issue any such public statements in 2024.

Filing shareholder resolutions: Filing an equity or bondholder resolution can be a key rallying point to drive creation of

shareholder value. We did not file any shareholder resolutions during 2024.

Annual General Meetings (AGMs): Requesting a shareholder meeting or engaging at an AGM offers the opportunity for direct, public dialogue with boards and top executives. Interventions at AGMs can also trigger further dialogue with an issuer, paving the way to more in-depth engagement on an issue. We had several examples throughout 2024, one of them further below.

Example:

CTBC Financial Holding Co. LTD
Financials
Taiwan

In Taiwan, companies can nominate a legal entity as a non-independent director, often referred to as a “statutory director”. These legal entities can change their representatives on the board without shareholders’ approval, although shareholder approval would be consistent with international best practice. We noted that five of the directors on the board of CTBC Financial were statutory directors. In May 2024, we emailed the issuer about the board’s decision to replace two statutory directors without shareholders’ approval. We recommended the issuer to hold the election for these directors. In June, we attended the issuer’s hybrid AGM virtually, to understand how the AGM is conducted. We asked if the board planned to nominate individuals as directors on the board, instead of legal entities, to follow corporate governance best practice. We learned that the issuer planned to allocate the board seats based on the key shareholder’s holding at the issuer. The issuer only addressed questions from virtual shareholder attendees after it disclosed the voting results. We will continue to engage and monitor the issuer’s corporate governance structure.

Proxy voting: Voting against management on key resolutions sends a clear signal to issuers. Examples of votes against management can be found in Chapter 4, as well as in links to our public voting disclosure.

Partial or complete divestment: Where appropriate for client portfolios (taking into account clients’ differing investment goals), reducing a position or selling a holding outright to reflect the investment risk of poor ESG practices can be a powerful signal of dissatisfaction in response to inadequate progress against objectives set collaboratively by Sustainability Research analysts, Fundamental Research analysts, and portfolio managers. We did not partially or completely divest from any holdings solely due to poor ESG practices in 2024.

⁹ Collaborative engagement is not exclusively used for escalation purposes but can also be used as standard engagement with other investors. Any collaborative engagement undertaken for escalation purposes will always be taken in full compliance with the requirements of applicable law and/or regulation including, but without limitation, prohibitions on acting in concert with other parties and restrictions around not seeking to exercise influence or control over any issuer and its operations.

CHAPTER 4

Voting and corporate governance

Well-governed companies are better positioned to manage risks, identify opportunities, and deliver sustainable growth and returns for our clients.

Over the past decade or more, we have supported the development of corporate governance codes by international investor associations and local market bodies, with best practice guidance for companies on key governance topics, from board composition to shareholder rights. Our [Corporate Governance Guidelines](#) cover these topics for portfolios managed by Columbia Threadneedle Investments for its clients, as well as for our **reo**® clients, helping to crystallise our global stewardship philosophy and underpin our approach to voting at the shareholder meetings of our investee companies. We implemented these guidelines along a newly harmonised process – outlined in our [Proxy Voting Policy](#), which was published in January 2024 and updated in March 2025.

We expect companies to have:

- Empowered and effective board and management structures and effective systems of internal control and risk management
- Commitment towards creating a culture of transparency and accountability and sound business ethics
- Remuneration policies that reward the creation of long-term shareholder value
- Systems to identify, assess and manage risks

We have supported the development of corporate governance codes by international investor associations and local market bodies



Qingdao Jiaodong International Airport at sunrise

We seek to exercise voting rights on our clients' behalf at all shareholder meetings associated with the holdings of the investment mandates we manage. This provides the opportunity to promote good practice at issuers, or express our views identified through research and engagement.

We explain our understanding of good governance and our approach to voting to our key investee companies. We believe our approach increases the potential to generate better long-term, risk adjusted returns for our clients. While we aim to exercise voting rights on all securities we manage for clients, that may not always be possible due to market-specific issues such as share blocking or power of attorney requirements.

Disclosure

We are committed to transparency in our voting activity. We publish our full voting record. Our disclosures list the issuer name, meeting date, proposal name and how we cast the vote.

Different legal entities – while under the same globally harmonised policy – currently disclose voting activity separately:

- [Columbia Management Investment Advisers \(CMIA\)](#)
- [Columbia Threadneedle Management Limited \(CTML\) and Threadneedle Asset Management Limited \(TAML\)](#)

We disclose voting rationales to clients upon request.

Custom policy

Our Corporate Governance Guidelines form the basis of our custom voting policy. The principles describe our views on key issues used to inform our monitoring and assessment of issuers and support the approach we use to make our voting decisions consistent across the firm. We follow internal regional voting policy benchmarks to adhere to local norms and regulations. Together with our internal research insights, this provides the framework within which custom voting policy recommendations are applied, and flags issues and informs discussions between our Sustainability Research – including Corporate Governance and Proxy Voting – analysts, Fundamental Research analysts, and portfolio managers making the voting decisions.

Amendments to custom policy

Each year our Proxy Voting and Corporate Governance analysts lead a review of our custom voting policy, with a view to updating, where necessary, the principles that form the basis of our custom policy.

The custom policy review is informed by multiple inputs, including: (i) regulatory changes, (ii) voting trends or voting

We are committed to transparency in our voting activity

results, (iii) observations from our experience researching issues and implementing votes, (iv) commentary from portfolio managers and analysts, and (v) feedback from clients.

Subject to any escalations as discussed below, final voting decisions are made under a process informed by: (i) our custom voting policy, (ii) prior research and engagements, (iii) our voting watchlists, and (iv) our Proxy Voting and Corporate Governance analysts working in collaboration with portfolio managers and Fundamental Research analysts. Our Proxy Voting and Corporate Governance analysts serve as the central point of oversight of all votes cast and have responsibility for the implementation of our custom voting policy, including any matters requiring escalation as detailed below.

We use a risk-based approach to execute voting rights on behalf of our clients while delivering comprehensive coverage of a wide portfolio of stocks.

Portfolio managers hold final vote authority regardless of issues to be voted on, holdings size, or the market in which votes will be cast (as outlined below acting through engagement with our Proxy Voting and Corporate Governance analysts and, if necessary, through their representatives on the Proxy Voting Working Group (PWG)).

For matters of escalation and where diverging client interests exists and no consensus can be reached for a specific vote, cases can be escalated to the PWG which includes portfolio manager and RI team representation. In 2024, there were 18 escalations to the PWG on a proposal level, covering seven different companies. Sixteen of the 18 escalations resulted in a split vote.

The Proxy Voting and Corporate Governance analysts cast votes on a proxy voting platform hosted by ISS. In addition, proxy advisory firms Glass, Lewis & Co., Institutional Voting Information Service (IVIS) (in the UK) and ISS provide proxy research services and context, data and differing perspectives on voting matters. Our firm undertakes due diligence and regular monitoring of our third-party service providers, as detailed in Chapter 6.

To supplement our internal research and proxy advisor research, we may also use additional research from non-governmental organisations, industry associations, academic institutions, or brokers.



The proxy voting system is used to identify forthcoming company meetings, based on the receipt of ballots from custodians. From this an automated log is compiled of upcoming outstanding votes, which is used to verify that all requested voting decisions are inputted to the proxy voting system in time for them to be communicated to the custodian/ investee company and registered at company meetings.

To assist in accommodating variances in our approach to a specific issuer, region, sector or bespoke list of companies (often as a result of engagement), we are able to use watchlists loaded onto the voting platform to flag a meeting of importance. These allow us to systematically flag various

issues for different funds, regions or geographies as considered necessary. Issuers flagged on a watchlist undergo additional analysis by our Sustainability Research analysts, who make voting recommendations to portfolio managers and Fundamental Research analysts.

We also include issuers forming part of our RI engagement projects within our priority watchlists. The above voting guidelines are applied to all shareholder meetings outside of our Conflicts of Interest Policy. ISS voting policy and recommendations are applied to meetings where we are deemed to be conflicted. Please see Chapter 8 for further details.

How we voted in 2024

Fish farm on Lake Stechlin part of the fresh water ecology and institute of inland fisheries

› 7,655*
Company meetings voted

› 80,346*
Total proposals voted

› 12%*
Votes against management

Management and shareholder proposals voted:

Management-sponsored proposals	Shareholder-sponsored proposals
78,221 87% For	2,125 54% For

Environmental	Social	Governance	Mixed ESG
214 29% For	553 68% For	79,348 87% For	231 49% For

Voting in fixed income

Bondholder meetings are less frequent in comparison to shareholder meetings but are often the result of a significant corporate event, such as restructurings and reorganisations of issuers’ capital structures.

We believe that active consideration of creditors’ interests in engagement helps investors to address the issue of short-termism. Namely, by taking a “universal investor” approach to an issuer that encompasses both debt and equity perspectives, unduly risky behaviour that promotes short term gains for shareholders – at the expense of creditors – might be discouraged. At the same time, investors should encourage a more balanced, sustainable corporate strategy and financial policy that is better positioned to stand the test of time.

Therefore, in our engagement as a bondholder, we foremost encourage companies to manage these risks actively to protect their underlying credit quality and financial strength.

During 2024 there were 131 voting proposals for 19 corporate credit issuers on which we either provided consent or exercised voting rights as bondholders of securities held in our corporate investment grade or high yield portfolios, and we were supportive of the proposed actions on the vast majority of proposals.

Voting in multi-asset

Our multi-asset business largely invests in underlying Columbia Threadneedle equity and fixed income products, as well as equity and fixed income securities, and alternatives, all of which reflect to differing degrees our approach to integrating our approach to stewardship. For investments in externally managed funds, we exercise ownership rights through our operational due diligence activities during the selection phase, which includes a questionnaire on ESG governance, strategy,

implementation and reporting. Where applicable, we apply our Columbia Threadneedle proxy voting policy.

Voting in other asset classes

In 2024 we did not cast any votes in respect of assets held in non-corporate asset classes.

Client-directed voting

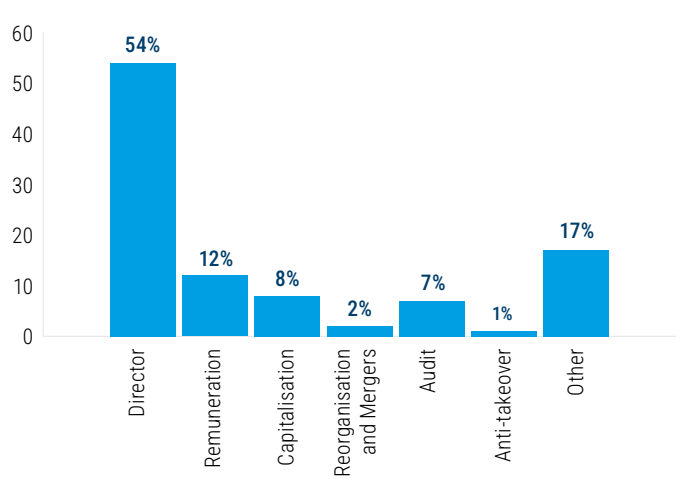
Voting in segregated accounts is governed by the terms of clients’ investment management agreements. In nearly all instances, clients vest voting authority with us, although some may reserve the right to withdraw delegation of proxy voting authority and instead direct a vote in limited circumstances (including an override of our custom policy). In certain instances, clients may wish to retain voting authority on all matters.

We vote all shares in pooled funds and do not presently have a mechanism to gather input and efficiently vote in accordance with individual shareholders’ wishes. We believe clarity on industry standards of practice applicable to a shareholder ‘expression of wish’ is necessary to facilitate the evolution of market practice. We will, therefore, continue to engage with vendors and the investor community to seek to develop standards, guidelines, and best practices to facilitate progress across the industry.

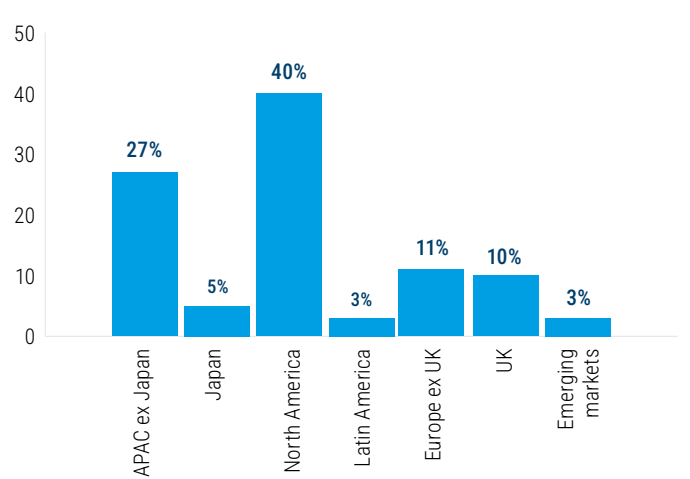
Managing stock lending/recalls for voting

During 2024, we undertook stock lending activities on one particular group of funds we manage in North America in line with client requirements, but this is not widely practiced across our business. Clients may also participate in stock lending programmes in segregated mandates. Where clients provide for it, and upon their request, we may engage with them to seek the recall of stock loaned out for proxy voting purposes. There were no client-directed stock recalls during 2024.

Voting activity by topic



Voting activity by region



Source: Columbia Threadneedle Investments, as at 31 December 2024. Rounding may result in chart figures not equalling 100%.
* KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK)3000, over selected data indicated. Please see page 72-75 for more details. The limited assurance should be read in conjunction with our [Reporting Criteria document](#), which outlines our approach to the classification, calculation and reporting of stewardship data.

Significant votes and outcomes and the Shareholder Rights Directive II

Below are some examples of our votes and AGM outcomes during 2024.

Burberry Group Plc

Luxury Retail

UK

AGM date: 16 July 2024

Vote matter: Remuneration Report

How we voted: Prior to the AGM, we engaged with the Remuneration Committee Chair highlighting concerns with pay for performance alignment and overall board oversight in holding management to account for the issuer’s lagging share price. At the AGM, we decided to oppose the issuer’s remuneration report as the restricted share scheme had no performance conditions attached and there was no incentive to improve the share price performance.

Outcome: At the AGM, approximately 13% of shareholders voted against the remuneration report. In addition, one day before the AGM, the issuer announced a change in leadership with a new CEO joining and receiving a share award with performance conditions attached.

We believe our approach to voting and engagement increases the potential to generate better long-term, risk adjusted returns for our clients

BYD

Automobiles

China

AGM date: June 6, 2024

Vote matter: Approve Report of the Board of Directors

How we voted: We voted against management’s proposal to approve the Report of the Board of Directors, citing insufficient evidence of effective human rights risk management in operations and supply chain. BYD is exposed to high risks of forced labour in its supply chain (which is concentrated in China). We believe that the issuer does not have adequate risk mitigation measures in place that could expose them to increased regulatory scrutiny and reputational damage. It also materially lags peers in this regard. Our vote against management signalled our expectation of companies to improve human rights risk assessment and due diligence efforts.

Outcome: Management’s proposal was approved.

Norfolk Southern

Industrials

United States

AGM date: May 9, 2024

Vote matter: Proxy contest

How we voted: During 2024, Ancora Holdings Group, a dissident shareholder, advocated for substantial board change at Norfolk Southern, owing to concerns over the issuer’s leadership and operational performance following a train derailment in Ohio in February 2023, and a subsequent derailment in Pennsylvania in March 2024. Ancora presented a compelling case for this change, but the underlying performance and safety concerns did not rise to a level suggesting that a change in board control was immediately necessary. Ultimately, we supported dissident nominees William Clyburn, Sameh Fahmy, John Kasich, Gilbert Lamphere, and Allison Landry. We also voted in support of management nominees John Huffard, Claude Mongeau, Alan Shaw, Richard Anderson, Philip Davidson, Francesca DeBiase, Marcela Donadio, and Christopher Jones, and we withheld our vote for three management nominee directors, Jennifer Scanlon, Amy Miles (the Board Chair), & John Thompson (the Chair of Human Capital Management and Compensation Committee).

Outcome: The dissident, Ancora, won three board seats. Lamphere, Fahmy, & Clyburn (three of the five dissident directors we supported) who were elected over management nominees Scanlon, Miles and Thompson.

Cars parked at the international cargo terminal China



CHAPTER 5

Promoting well-functioning markets

As a large, global asset manager, we take our responsibility to promote a well-functioning financial system seriously and work collaboratively with others to improve how markets function. In the long run, we believe that this benefits us in our investment activities, our clients, and society.

During 2024, inflation was reduced and interest rates began to decline. However, geopolitical tensions escalated, while the frequency of extreme weather events continued to pose market-wide risks too.

Systemic risks are considered as part of strategic oversight of our business led, by the Global Executive Group (GEG). More information on our governance processes can be found in Chapter 6.

Here we give examples of two areas of systemic market risk, climate change and conflict, and how we have mobilised our research and engagement capabilities to respond.

Areas of thematic research by sustainability analysts in 2024 included the impact of AI on power demand growth; the decarbonisation of steel production; the US energy policy regime; and the future of transportation in a lower-emissions world



Climate change and energy transition

Climate change can have systemic impacts across the economy and financial markets. Transition risks to our investee companies include policy risk, technology risk and changing consumer preferences, which can affect operating costs and shift demand patterns. Physical risks can result from acute climate events (e.g. storms, floods, or hurricanes) or long-term changing weather patterns (e.g. implications from rising temperatures). If not effectively managed by the companies in which we invest, these events can have severe consequences, including asset damage, supply chain disruption, reduced water availability and quality, food security, employee health & safety, changing consumption patterns, rising costs (energy, raw materials, insurance) or capital expenditure (for climate resilience/mitigation/adaptation). All of these risks could have a material adverse impact on the financial returns we are responsible for generating for our clients, which is why factoring them into our independent research into issuers is critical.

The energy transition, driven by government policies and technological advancements, creates both opportunities and risks. Our Sustainability Research analysts work with our wider fundamental research team to embed these opportunities and risks into our investment process. Areas of thematic research by Sustainability Research analysts in 2024 included the impact of AI on power demand growth; the decarbonisation of steel production; the US energy policy regime; and the future of transportation in a lower-emissions world.

As potential real-world impacts of climate change become more apparent, attention is being directed to the physical risks and the need to appraise the resilience of issuers to these risks. One area of focus in 2024 was on the impact for the real estate sector, where our Sustainability Research analyst and credit risk team published joint research on the impact of physical climate risk on insurers and real estate companies.

As we research these topics and build our understanding of how companies are positioned in relation to the risks and opportunities, we engage on energy transition and decarbonisation goals and strategies, to understand how they

Systemic risks are considered as part of strategic oversight of our business

are navigating these changes, and to encourage the adoption of robust strategies that are viable for such companies to implement whilst sufficiently addressing relevant risks and opportunities that could have a financially material impact on the company. More broadly, we seek to reflect our engagement objectives in our assessment of companies in material sectors. We will also engage with policymakers, where appropriate and aligned to meet our clients’ needs, to help promote policies which help mitigate, and/or adapt to, climate change and ensure a smooth energy transition. Information on our approach to climate risk management can be found in our [2024 Climate Report](#).

Conflict risk

During 2024, we continued to engage companies on conflict risk, participating in collaborative engagement calls as part of the Investor Alliance on Human Rights (IAHR) Conflict Risk Collaborative Initiative. To mitigate financial, regulatory, litigation and reputation risks, we encouraged companies with exposure to conflict-affected and high-risk areas (CAHRAs) to proactively understand how the potential conflict could impact their investment risk by mapping their business activities and value chains. In our view, companies would also benefit from conducting heightened human rights due diligence to mitigate the potential risks of conflict, enabling them to proactively identify red flags and to have action plans in place ahead of potential conflict.

We participated in a collaborative call with Siemens Energy (“Siemens”) to outline the IAHR project’s expectations and outcomes. Through the project, we aim to better understand Siemens’ heightened human rights due diligence process, its oversight process and measures to approach past, present and emerging conflicts. During the call, it was clear that Siemens is already addressing conflict risk. We expect that further dialogues will help us to better understand nuances of specific risks and will be beneficial to understanding the rationale for Siemens’ actions.

Cisco requested our involvement in a collaborative call to discuss their approach to conflict risk. We agreed and explained the purpose of IAHR and, through that process, we also gained more insight into the issuer’s policies, oversight and management of conflict risk and human rights due diligence in conflict affected and high- risk areas. We were encouraged by the level of the detail the issuer provided on its conflict risk approach. During a follow up call with Cisco and other investors, as part of the IAHR Conflict Risk Collaborative Initiative, the issuer provided insights into its risk assessment process, sales due diligence, collaboration with stakeholders and third parties on CAHRA and assessment of the uses of its products, including for military purposes. We encouraged Cisco to consider CAHRA as a salient risk in its Human Rights Policy, which Cisco communicated they would take into consideration.



Public policy

During 2024, we continued to play an active role in public policy development through engagement with policy makers and regulators on key issues, seeking to be a constructive investor voice in standard setting.

We predominantly engaged through industry bodies and collaborative engagement initiatives. We believe that this ultimately helps promote well-functioning financial markets.

Country/region	Issue	Initiative	Overview of the collaboration	Our involvement	Outcomes
The Netherlands	Public health	Access To Medicine Foundation	Access To Medicine Foundation is an independent, non-profit organisation working to stimulate and guide the pharmaceutical industry. Produces the Access to Medicine Index, Antimicrobial Resistance Benchmark, Access to Vaccines Index.	As an investor signatory we participated in a consultation on the relevance of the Global Access to Medicine Index and the AMR Benchmark to investors. We stressed the need for more quantitative and financially material data to support investors.	Stakeholder input will be used to inform the Foundation's work. The results from the consultation on the global index will be communicated at a later stage.
Japan	Corporate governance	Annual Survey on the state of Corporate Governance in Japan	Annual Survey on the state of Corporate Governance in Japan	As a global investor in Japanese companies, we participated in an annual survey to provide our views on policies and regulations in the region.	This survey is the largest of its kind in Japan. Results are used to convey investor expectations to companies and encourage them to take further steps to improve.
Japan	Corporate governance	METI Ministry of Economy, Trade and Industry	METI is a government ministry in Japan focused on the development of economy, economic relationships and industry.	Through the ACGA, we participated in a meeting with METI to discuss recent corporate governance changes in Japan. We aimed to promote and share the views of foreign investors on further areas for improvement in Japanese corporate governance.	These views are taken into consideration by METI as they continue their work of economic development.
South Korea	Corporate governance and capital management	Asian Corporate Governance Association (ACGA)	Asian Corporate Governance Association (ACGA) is an independent, non-profit membership organisation dedicated to working with investors, companies and regulators towards the implementation of effective corporate governance practices throughout Asia.	We participated in a collaborative engagement through ACGA with the Chair of the Board of Samsung Electronics to discuss the Board's priorities on oversight, the inclusion of more independent directors, and how the Group Chair contributed to the company.	We shared our views on Board oversight and capital management and gained deeper insight into Samsung's approach to these topics.

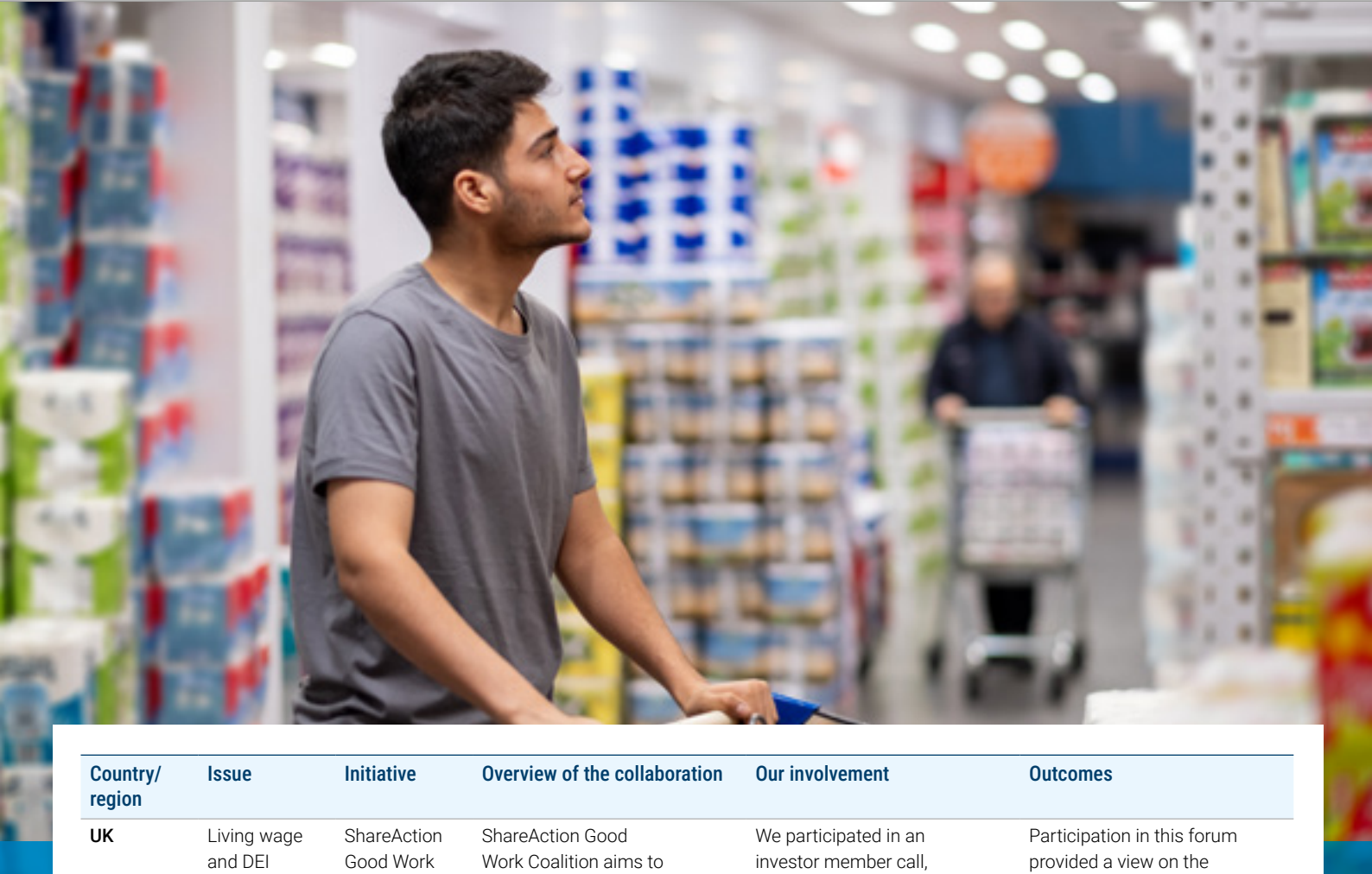
Country/ region	Issue	Initiative	Overview of the collaboration	Our involvement	Outcomes
Japan	Corporate governance	Asian Corporate Governance Association (ACGA)	Asian Corporate Governance Association (ACGA) is an independent, non-profit membership organisation dedicated to working with investors, companies and regulators towards the implementation of effective corporate governance practices throughout Asia.	We co-signed a letter sent by the ACGA to Japanese companies encouraging them to improve their capital efficiency by unwinding cross-shareholdings and implementing more robust board oversight of the capital allocation process.	The letter was co-signed by many investors and was a powerful statement to Japanese companies around the importance of effective capital management.
South Korea	Corporate Governance	Financial Supervisory Service (FSS)	Financial Supervisory Service (FSS) is South Korea's financial regulator responsible for the supervision of financial institutions.	Through the ACGA, we participated in a collaborative engagement with the South Korea Financial Supervisory Service (FSS) to discuss the recently launched (voluntary) Value Up Program, which aims to unlock value for minority investors in Korea. We highlighted that structural changes were needed to make the program effective, including amending the Commercial Code and altering the tax structure for inheritance and dividends in order to encourage participation by conglomerates.	The FSS appreciated our questions and feedback and expressed hopes for continued engagement on this topic.
India	ESG assurance requirements	Securities and Exchange Board of India (SEBI)	Securities and Exchange Board of India (SEBI) is the securities market regulator in India, ensuring transparency and protecting investors interests.	We contributed to ACGA India's consultation response to the Securities and Exchange Board of India (SEBI) on the relaxation of their ESG assurance requirement, sharing insights from our experience of how other markets (such as Taiwan) had imposed ESG assurance requirements as well as Indian corporate reaction to the implementation.	The consultation response is taken into consideration by SEBI as the regulator continues efforts to shape effective ESG policy in India.
Japan	Corporate governance and gender diversity	Asian Corporate Governance Association (ACGA)	Asian Corporate Governance Association (ACGA) is an independent, non-profit membership organisation dedicated to working with investors, companies and regulators towards the implementation of effective corporate governance practices throughout Asia.	We met with the Japanese Cabinet Office to discuss recent efforts to enhance gender diversity amongst the senior management of Japanese companies and provided feedback on how they will seek to support companies in meeting higher levels of gender diversity through additional policy measures.	We appreciated the discussion with the Japanese Cabinet Office and will continue to assess policy developments in addressing gender diversity.



Morning commuters arriving at Marunouchi business district in Tokyo, Japan

Country/ region	Issue	Initiative	Overview of the collaboration	Our involvement	Outcomes
Japan	Corporate governance	Financial Services Agency (FSA)	The Financial Services Agency (FSA) is a regulator responsible for ensuring the stability of the financial system of Japan.	Through the ACGA Japan Working Group, we participated in a meeting with the FSA on Japanese corporate governance reforms. They have made positive progress and were keen to understand foreign investor views on next steps.	Our feedback and comments will be taken into consideration as the regulator continues efforts to enhance corporate governance reform in Japan.
UK	Modern slavery	Find it, Fix it, Prevent it	Find it, Fix it, Prevent it is an investor collaboration working to address forced labour in global supply chains and seeking meaningful, effective action by companies in response to the Modern Slavery Act.	As lead investor for two companies, we provided insights aligning with our long-standing engagement addressing modern slavery risks. We also provided input into future projects and received updates on developments in the UK government's approach and industry innovations to address systemic issues around migrant worker recruitment risk.	These dialogues and insights into the UK government's approach to modern slavery risk support us in assessing and engaging on modern slavery with investee companies where relevant.
Hong Kong	Corporate governance	Hong Kong Stock Exchange	Hong Kong Stock Exchange is a regulator and one of the largest global stock exchanges	We responded to the Hong Kong Corporate Governance Consultation to support enhancement of proposed corporate governance rules and to promote the alignment of shareholder's interests.	Our responses are taken into consideration as the regulator seeks to enhance the corporate governance rules and codes in the Hong Kong market.

Country/ region	Issue	Initiative	Overview of the collaboration	Our involvement	Outcomes
United Kingdom	Shareholder rights	International Corporate Governance Network (ICGN)	International Corporate Governance Network (ICGN) is an investor led organisation advancing the highest standards of corporate governance and investor stewardship worldwide in pursuit of long-term value creation.	We co-signed an investor statement alongside 52 asset managers and asset owners raising concerns with changes to UK Corporate Governance standards and shareholder protections as we seek to uphold the highest standards of corporate governance in the UK.	The letter was released publicly with the regulator requesting a meeting with the investor group to discuss these concerns.
UK	Social metrics	International Sustainability Standards Board (ISSB)	International Sustainability Standards Board (ISSB) is the standard-setting body that creates and develops sustainability-related financial reporting standards.	We provided feedback on the effects of human rights and human capital issues on financial statements, reiterating the value of quantitative and qualitative social metrics in investment decisions. We contributed views on the regulatory landscape and recommended reporting disclosure standards.	ISSB will engage with different stakeholders to conclude whether such a standard is indeed necessary.
United Kingdom	Incentivisation of UK water utilities	Investor Forum	The Investor Forum supports stewardship activities and collaboration among institutional investors seeking to escalate material issues with the Boards of UK-listed companies.	We participated in a small group meeting with Ofwat to discuss the performance incentives for UK water utilities, including indicators related to serious pollution incidents, biodiversity, and water quality. We also discussed and shared views on their approach to the upcoming reviews of company proposed 5-year business plans.	The regulator provided useful additional information on their approach to reviewing the industry's 5-year business plans and how they are approaching the challenge of balancing the need to attract capital to secure the required enhancement to the UK's water infrastructure, while also taking account of water affordability and vulnerable customers.
Global	Environmental stewardship	Nature Action 100	Nature Action 100 is a global investor-led initiative focused on supporting greater corporate ambition and action to reverse nature and biodiversity loss.	We attended COP16 to launch the inaugural NA100 benchmark, which rates nature management at the global top 100 companies by nature impact. We participated in multiple panels to promote the benchmark and encourage investors to align their stewardship approaches on nature with NA 100.	Improved understanding of corporate nature management.
Global	Living wages	Platform Living Wage Financials (PLWF)	Platform Living Wage Financials (PLWF) is an investor alliance engaging companies on enabling living wages in their global supply chains.	As Chair of the Garment Working Group, we assessed and engaged multiple companies as well as participated in the improvement of the assessment methodology in line with the evolving regulatory landscape, contributing to the annual report and using these insights in our risk mapping for the companies.	In-depth analysis of companies' living wage strategies and progress and engagement for addressing gaps.



Country/ region	Issue	Initiative	Overview of the collaboration	Our involvement	Outcomes
UK	Living wage and DEI	ShareAction Good Work Coalition	ShareAction Good Work Coalition aims to improve the integration of employment standards into investment decisions and coordinate collaborative engagement.	We participated in an investor member call, contributing to the strategic direction of the living wage engagement as well as recommending appropriate language to be used in shareholder proposals.	Participation in this forum provided a view on the investor group's interest in collaborative action on living wage and flagging potential shareholder resolutions on the topic.
Taiwan	Corporate governance and shareholder rights protection	Taiwan Stock Exchange (TWSE) Financial Supervisory Commission (FSC)	Taiwan Stock Exchange (TWSE) is the primary stock exchange in Taiwan. The Financial Supervisory Commission (FSC) is the securities markets regulator in Taiwan.	We engaged with both regulators on governance issues including the prohibition placed on foreign investors to cast live votes, the lack of election integrity in the cumulative voting system and the permitting of legal entities to be elected as company directors, as well as the delay of ESG report publication.	The FSC confirmed that it is seeking a solution to the postponement of ESG reports as well as to the issues surrounding live voting at virtual meetings.
UK	Labour standards	The FAIRR Initiative	The FAIRR Initiative is a collaborative investor network that focuses on material ESG risks and opportunities within animal protein supply chains.	We co-led an engagement call with Cranswick on its labour practices including processes for setting wages and benefits, workforce dialogue, and workforce impact considerations in automation and climate adaptation strategies.	Analysis of company practices and advocacy for addressing gaps. We supported the company with feedback and evolving strategies to address labour standards which have an impact on worker health and the integrity of a key part of the global food system.

Drone point of view at the solar power station on the top of the mountain at sunset FuJian, China

Industry initiatives

During 2024, we collaborated in industry initiatives to help inform our understanding of emerging ESG issues as well as share our learnings with the broader industry. These include

collaborative engagement initiatives. Examples of specific collaborative engagements can be found in Chapter 3.

Initiative	Overview of the collaboration	Our involvement	Outcomes
30% Club France Investor Group	Investor-led group aiming to boost the number of women in board seats and executive leadership of companies in the SBF 120 index.	Member of the investor coalition, leading and supporting several engagements.	We participated in a collaborative engagement with Air Liquide with the 30% France Club to discuss their diversity, equity and inclusivity targets and their achievements through integration of DEI in their recruitment, benefits and allowances, technology and executive compensation strategy. We were encouraged by their progress on this front, especially around their continued inclusion of DEI metrics as part of executive compensation and their maternity leave policy of 14 weeks, that significantly outperforms market expectations in some geographies.
30% Club UK Investor Group	Investor-led group aiming to boost the number of women in board seats and executive leadership of companies in the FTSE 350 index.	Member of the investor coalition, supporting several engagements.	No engagements

Initiative	Overview of the collaboration	Our involvement	Outcomes
30% Club Germany	Investor-led group aiming to boost the number of women in board seats and executive leadership of companies in the DAX40 and MDAX	Member of the investor coalition, supporting several engagements.	Throughout 2024, we participated in several collaborative engagements with the 30% Club German to discuss their approach to diversity, equity, and inclusion. The overarching aim of the collaborative group is to boost the number of women in board seats and within the executive leadership of DAX 40 and MDAX companies in Germany, with the belief that supervisory and management boards that genuinely illustrate cognitive diversity, as manifested through appropriate gender representation and a broader spectrum of skills and experience, are more likely to achieve better long-term outcomes for investors. We encouraged companies to share information around the governance and oversight of their DEI programmes, including how these were integrated into different aspects of their human capital strategy.

We engage with policymakers, where appropriate and aligned to meet our clients’ needs

Initiative	Overview of the collaboration	Our involvement	Outcomes
Access to Medicine Foundation	Independent, non-profit organisation working to stimulate and guide the pharmaceutical industry. Produces the Access to Medicine Index, Antimicrobial Resistance Benchmark, Access to Vaccines Index.	Member of the investor coalition, supporting several engagements.	No engagements
Access to Nutrition Index	Independent, non-profit organisation producing the Access to Nutrition Index. Benchmark evaluates the world's largest food and beverage manufacturers' policies and performance related to the world's most pressing nutrition challenges: obesity and undernutrition.	Engagement on public health and the role of food and beverage producers in providing healthier choices for consumers.	No engagements
Asia Corporate Governance Association (ACGA)	An independent, non-profit membership organisation dedicated to working with investors, companies and regulators in the implementation of effective corporate governance practices throughout Asia.	Member of the investor coalition, leading and supporting several engagements.	We joined 5 collaborative engagements this year organized by ACGA and signed on to 1 investor letter on behalf of an ACGA sub group. The meetings spanned a range of ESG topics like corporate governance, climate strategies and human rights issues. A notable example of engagement included a meeting with the CEO of Japan Exchange Group and Tokyo Stock Exchange's listing department to discuss corporate governance reforms in Japan following their new capital efficiency efforts and their efforts to further remove barriers to foreign investments in Japanese corporates. We also joined its quarterly membership and country working group (China, Japan and Korea) meetings to discuss engagement focus and market trends.
Asia Research & Engagement (ARE) – Energy Transition Platform	Organisation that structures, implements and assembles investor collaborative engagement programmes across Asia. Performs in-depth industry and company research that provides strategic insight into key ESG issues to underpin engagement work.	Member of the investor coalition, supporting several engagements.	As active participants in Asian Research & Engagements' Energy Transition Platform, we engaged with 8 Asian financials, 3 Asian utilities, and 1 Asian consumer discretionary to discuss how they were managing climate-related risks. We had a number of positive discussions with these companies. In particular, we see several of the financial institutions enhancing their climate risk management and accelerating the implementation of their financed emissions targets, for example through the provision of transition finance and through engagement with their clients. We are also seeing increasing transparency and disclosures via Taskforce for Finance Related Climate Disclosures (TCFD) Reporting, which is promising. These are topics that have formed a key part of the collaborative engagement with these companies, and it is positive that we are starting to see progress. We also participated in four engagements in ARE's Sustainable Proteins Platform which strives to improve sustainability in protein production including climate, biodiversity, animal welfare, and labour standards. During this year we saw improvements among some companies around deforestation policies and implementation via enhanced supply chain traceability measures and progress in implementation of decarbonisation strategies. Animal welfare continues to be an area receiving less attention.

Initiative	Overview of the collaboration	Our involvement	Outcomes
Carbon Disclosure Project (CDP)	Non-profit organisation that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.	Member of the investor coalition, supporting several engagements.	We participated in the Carbon Disclosure Project (CDP) 2024 Non-Disclosure Campaign to engage with those companies that have not submitted responses to the CDP survey. It is key that companies disclose detailed information on their exposure to and management of environmental factors to enable investors to understand and manage risks, to prepare for regulation, and identify performance improvements. The campaign targeted companies that are yet to disclose to CDP by having investors co-sign letters to board members or senior executives. We sent a request to 59 companies to submit a response to the 2024 survey, and will follow up on this request in any one on one engagement we have with the company.
Climate Action 100+	Investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change.	Member of the investor coalition	We participated in 10 engagements and 1 site visit as part of the CA100+ initiative. The focus of the engagements was to assess progress on companies' transition plans. We explored topics like climate-aligned lobbying.
Council for Institutional Investors (CII)	Non-profit organisation promoting effective corporate governance policies that enhance long-term value for institutional asset owners and their beneficiaries.	Member	No engagements
Eumedion	Non-profit organisation aiming to promote good corporate governance and sustainability policies at Dutch listed companies and to promote engaged and responsible shareholdership by its members.	Member, participate in collaborative engagement	No engagements
FAIRR	Collaborative investor network that focuses on ESG risks and opportunities around animal agriculture.	Member of several collaborative engagement initiatives	Within the Working Conditions collaboration initiative, we led one engagement with a consumer staples company discussing workforce management, including wages, sick pay, and impacts of automation and climate adaptation. We were encouraged to see progress on several fronts, including development of strong channels to improve workforce engagement and progress towards payment of living wages, resulting in reduced staff turnover.
Institutional Investor Group on Climate Change (IIGCC)	IIGCC works with business, policy makers and investors to help define the investment practices, policies and corporate behaviours required to address climate change.	Member, leading and supporting on several engagements.	As part of our membership with IIGCC, we sent out co-written investor letters to several airline companies outlining our expectations on airline management of non-CO ₂ impacts from aircraft contrails. A lot of the companies followed up with written responses or meetings to discuss their strategies in this regard. We were encouraged to see that despite some challenges, a lot of the companies were partnering with researchers to study non-CO ₂ emissions and slowly progressing towards implementing contrail management into flight planning. We also discussed other decarbonisation levers with airline companies like the use of sustainable aviation fuels, climate policy engagement and capex and opex plans to support this.

Initiative	Overview of the collaboration	Our involvement	Outcomes
Interfaith Centre on Corporate Responsibility (ICCR)	Coalition of faith- and values- based investors using shareholder advocacy to press companies on environmental, social, and governance issues.	Member, participating in collaborative engagements.	Enhanced focus for companies on the importance of addressing ESG issues. Increased impact in addressing human rights risks associated with business activities. As part of the collaborative investor group, we wrote a joint letter to a garment brand to encourage further improvement to the company's human rights due diligence approach., including responsible recruitment, transparency around audit findings, and responsible purchasing practices.
International Corporate Governance Network (ICGN)	Investor-led organisation advancing the highest standards of corporate governance and investor stewardship worldwide in pursuit of long-term value creation.	Member	No engagements
Investment Association (IA)	UK industry body; facilitates the monitoring and responding to ESG policy and regulatory changes impacting our activities.	Member	No engagements
Investment Company Institute (ICI)	US Industry body; facilitates the monitoring and responding to industry and policy issues, as well as regulatory developments	Contribution to the development of industry positions and submissions on regulatory reforms in the US, UK and EU.	No engagements
Investor Action on Antimicrobial Resistance (AMR)	A coalition between the Access to Medicine Foundation, the FAIRR Initiative, the Principles for Responsible Investment and the UK Government Department of Health and Social Care to galvanise investor efforts to address global antimicrobial resistance.	Member. We participate in industry education and advocacy.	No engagements
Investor Forum (UK)	The Forum helps investors to work collectively to escalate material issues with the Boards of UK-listed companies.	Member; we participate in collaborative engagement.	During 2024, we actively participated in collaborative engagements with other investors on specific company issues. Primarily, these company engagements sought to discuss water pollution management strategies of UK utilities, including their performance in the Environmental Agencies’ assessments. We were encouraged to see good progress.
Investor Policy Dialogue on Deforestation	Collaborative investor initiative set up to engage with public agencies and industry associations in selected countries on the issue of deforestation. The goal is to coordinate a public policy dialogue on halting deforestation.	Member of the investment coalition.	No engagements
Investor Tailings Safety Initiative & Investor 2030 Mining Agenda	Investor-led initiative aimed at driving safety in the mining sector after the disaster at Brumadinho, Brazil, where a tailings storage facility failed, killing 270 people, and causing environmental damage.	Member of the engagement collaboration.	No engagements

Initiative	Overview of the collaboration	Our involvement	Outcomes
Know the Chain – Investor Expectations on Addressing Forced Labour in Global Supply Chains	A resource for companies and investors to understand and address forced labor risks within their global supply chains.	Signatory	No engagements
Nature Action 100+	Investor-led collaborative engagement programme to engage with companies and policymakers on nature.	Founding member. We will engage companies in key sectors to try to halt and reverse biodiversity loss by 2030.	No engagements
Net Zero Asset Managers Initiative	Public commitment to initiative. International group of asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5 degrees Celsius; and to supporting investing aligned with net zero emissions by 2050 or sooner.	Signatory	No engagements
Platform Living Wage Financials	Coalition of financial institutions that encourages and monitors investee companies to address the non-payment of living wage in global supply chains.	Member	During 2024, we engaged with 5 companies, out of which we were lead engagers for 3, as part of the Platform Living Wage Financials. The engagements centered around assessing progress by garment companies on the payment of living wages in their own workforce and supply chains. We were encouraged to note progress in areas like greater integration of responsible purchasing practices and greater supply chain transparency. However, effective grievance mechanisms and assessment by garment companies of the effectiveness of their living wage strategies continue to be key areas for improvement.
Principles for Responsible Investment (PRI)	Global responsible investment association, membership is a pre-requisite for many clients.	Signatory; Member of Listed Equities Advisory Committee, PRI Advance collaborative initiative on Human Rights.	No engagements
ShareAction Good Work Coalition	Investor engagement initiative aimed at driving up standards in the workplace. Engagement focus on labour standards, living wage standards, accreditation, transparency of the FTSE350, extention to DEI with a focus on ethnic diversity.	Member	No engagements

The energy transition, driven by government policies and technological advancements, creates both opportunities and risks



Colorful Saloma bridge at night in Kuala Lumpur, Malaysia

Initiative	Overview of the collaboration	Our involvement	Outcomes
Transition Pathway Initiative	A PRI sponsored initiative, this is an asset-owner led initiative which assesses companies' preparedness for the transition to a low carbon economy. It is supported by London School of Economics, a research-driven initiative on high-emitting sectors' carbon transition and strategic/management commitment to address climate transition.	Supporter	No engagements
UK Sustainable Investment Forum (UKSIF)	Facilitates the monitoring and responding to ESG policy and regulatory changes impacting our activities	Member	No engagements
Votes Against Slavery 2021	Investor collaboration engaging with FTSE 350 companies on their compliance with the Modern Slavery Act 2015.	Member	For the 2024 campaign, we participated in the initiative to engage FTSE 350, and for the first time also AIM listed, companies to uphold the requirements of section 54 of the UK Modern Slavery Act 2015. Companies meeting one or more of the below criteria were included: – an outdated Modern Slavery Act statement – a statement not approved by the full board – lack of a Director's signature on the statement – missing a link to the statement on the company's homepage. Through this initiative we are encouraging companies to meet both the spirit and letter of the law.
Workforce Disclosure Initiative (WDI)	Investor initiative aimed at improving corporate transparency and accountability on workforce issues. Provide companies and investors with comprehensive and comparable data.	Signatory	No engagements

During 2024, we focused on those initiatives, where we see the most opportunity to gain inputs into our investment analysis that we would not otherwise be able to gain effectively, if at all, through engagement with companies on a one-on-one basis. We therefore discontinued membership or participation in the following initiatives:

- Human Capital Management Coalition
- 30% Coalition
- Find it, Fix it, Prevent it
- ShareAction Chemicals Working Group
- Global Network Initiative
- Corporate Governance Forum

We continue to evaluate our participation in existing and new initiatives.

Thought leadership

We routinely publish thought leadership content on our website to provide publicly available insights on our research relating to ESG issues and to provide transparency around our related stewardship work. Examples of topics we published our thought leadership on during 2024 ranged from decarbonising steel to gender disparity in Asian companies. All thought leadership publications can be found on our [website](#).

CHAPTER 6

Governing and resourcing stewardship

Columbia Threadneedle Investments has a comprehensive governance framework designed to ensure that our internal governance arrangements are operating effectively. This framework can be found in Chapter 7 of our 2023 Stewardship Report.

Our decisions related to global strategy are managed by the Global Executive Group (GEG). The GEG exercises, as part of its responsibilities, strategic oversight of our business. The GEG is chaired by our Chief Executive Officer. This strategic oversight is in addition to the governance arrangements that we have in place across the three regions in which we operate our business: North America, EMEA and APAC. The Board of Directors for each regulated legal entity within Columbia Threadneedle Investments, supported by local governance committees, oversee the management of strategic business decisions and business performance together with the management of risk in line with our enterprise risk management framework, supported by control functions including Operational Risk, Legal and Compliance.



Urban coastline Dalian in Liaoning, China

Governing responsible investment

Senior executives located in each region provide oversight by way of the Investment Oversight Committee (IOC) in North America and the Investment Management Committee (IMC) in EMEA and APAC, and Alternatives Investment Management Working Group (global remit), each of which has representation from the RI team. These committees meet monthly and have responsibilities for Columbia Threadneedle's overarching investment framework, including our RI engagement and proxy voting activities. Our Global Chief Investment Officer (CIO) is responsible for ensuring that information related to environmental, social and governance (ESG) factors is included, where suitable, in our investment research for equities and corporate debt, helping to build a holistic view of the risks and opportunities attached to our holdings and potential investments.

Our **Responsible Investment Council** meets quarterly to align on RI implementation; define firm-wide priorities to achieve our RI vision and mitigate RI risks; and acts as an escalation route to resolve cross-functional dependencies, risks and issues, among other things. Sample agenda items include our firm-wide climate change and net zero approach, and greenwashing risk. Members include representatives from the Executive Group; Investment leadership across equities, fixed income, multi-asset and alternatives; RI team; Distribution; Product; and Legal/Compliance. The Council is chaired by the Global Head of RI.

The **RI Approval Working Group** meets monthly to decide participation of/in new RI-linked memberships, initiatives, public statements or consultations, or regulatory submissions. The group comprises the Global Head of RI, Global Head of Research, Global Head of Equities, Global Head of Fixed Income, and the Ameriprise Corporate Social Responsibility Working Group Chair. It is chaired by the Head of Active Ownership.

The independent **Responsible Investment Advisory Council** meets three times a year and helps us maintain the integrity of the standards by which our range of responsible and sustainable funds are run, providing advice on ethical and sustainability criteria. The insights the Council offers also feed into our broader RI activities. The Council consists of five external members who are leaders in their fields and bring international experience across RI, environmental, social and ethical issues.

Resourcing stewardship activities

We have substantial RI expertise across multiple teams in the Columbia Threadneedle Investments business, with 40+ specialists embedded across global investments. In Q4 2024, we announced updates to the structure of our investment function to help strengthen our global research



capability and better align portfolio management with other areas of investment specialism, including RI. Following this announcement, we restructured our stewardship resourcing into the three main pillars set out below.

- Our **RI team** comprises experts who provide strategic guidance on our RI strategies and commitments; support our ESG integration approach and specialist RI funds; and support our clients with their RI needs.
- Our **Global Research team** includes both Fundamental Research analysts as well as Sustainability Research and Governance analysts with expertise across a range of themes, who undertake engagement, research and proxy voting. There are also two members of the Global Research team focused on ESG Analytics.
- We also have **dedicated ESG analysts** on investment desks, who work closely with the RI team, Sustainability Research analysts and portfolio managers to ensure analysis is being leveraged within the investment decision making process.

Our RI team members have diverse professional backgrounds, including investment, consulting, climate change and corporate governance. They have an average of 13 years

We continually invest in technology to support our research and inform our stewardship activities

of relevant experience and languages currently spoken include English, Punjabi, Spanish, German, Dutch and Japanese. These languages help with client communication and international networking.

The Sustainability Research analysts who execute engagement efforts also speak – in addition to the above – Norwegian. These languages help with engagement efforts. If necessary, we hire translators to make the most of our meetings.

Training

During 2024, training for RI specialists, investment and distribution professionals included:

- Refresher sessions on our RI engagement themes
- UK FCA Sustainable Disclosure Requirements (SDR) topics such as anti-greenwashing, investment labels and naming & marketing rules
- Sustainable investment compliance for portfolio managers with Article 8 funds under the EU Sustainable Finance Disclosure Regulation (SFDR)

Work is underway to publish internal training videos on topics such as an introduction to RI, climate reporting & TCFD, an introduction to net zero and our data tool, and our engagement data. There were also instances where we provided external training for clients – for example, we hosted an educational session around responsible AI for an interested client.

Performance management and incentivising stewardship

Remuneration is driven by team and business performance, assessed through the performance appraisal process, in line with industry practice and applicable regulatory requirements.

During the reporting period, we continued to evaluate investment performance for portfolio managers and research analysts based on scorecards largely focused on three and five-year results. We believe these performance timeframes are directionally aligned with our longer-term focus on stewardship for our clients and delivering on their investment objectives. For RI professionals reporting to the Global Head of RI, performance objectives included the delivery of high-quality RI analysis and activities, including engagement and voting in line with our global RI policies; contributing to building Columbia Threadneedle's RI profile; ESG integration in line with differing client requirements; and contributions to enhanced ESG disclosure.

Since November 2024, to better align with our investment and investment research process, environmental, social, corporate governance and proxy voting analyst newly report into the Global Research function, forming the Sustainability Research team (merging with thematic analysts who were already reporting into Global Research), and the Corporate Governance and Proxy Voting team. All teams closely collaborate.

The way stewardship is incentivised and rewarded for the analysts who moved teams will be aligned with the Global Research approach. All referenced teams operate under the umbrella of the RI policy suite.

Overall, we believe that our ongoing work to integrate our governance, resources, and performance objectives/assessment is enabling effective stewardship at our firm. We continuously aim to not just integrate but improve our systems overall to deliver the results expected by our clients and so maintain their trust.

Investment in systems, process, research analysis and service providers

We continually invest in technology to support our research and inform our stewardship activities.

While we believe in the value of proprietary research as the primary source of analysis, we do leverage external research to support our own analysis and research. We use a variety of providers for what we view to be valuable data and research that facilitates effective management of assets on behalf of clients. These include Aladdin, CorpAxe, MSCI, ISS, and other data providers. Our oversight of external service providers is described in further detail in Chapter 7.

Transparency and reporting

Reporting to clients in a transparent manner remains a highly important aspect of our RI capability. Examples of our reporting include:

- **Stewardship Report:** In-depth information on our stewardship activity to meet the requirements of the UK, Japan, Taiwan and Korea stewardship codes.
- **Climate report:** A report structured in line with the TCFD framework and the requirements of the UK FCA ESG Sourcebook that covers our governance of climate change; strategies to identify and manage risk and opportunities across our investments; and our own operational emissions and those of the investments we manage for our clients.
- **Product-level TCFD reports:** Structured in line with requirements of mandatory reporting in the UK market, these contain key climate-related metrics and, for certain funds and mandates applying a Net Zero methodology, also show metrics relevant to this commitment.
- **Responsible Investment Quarterly Reports:** Available across a broad range of portfolios, capturing key ESG metrics, climate exposure, and highlights of our engagement and voting activity. Voting disclosure: We disclose all our proxy voting activity publicly, including explanations for any votes that do not support management on specific resolutions.
- **Sustainable and Responsible Profile reports:** Annual reports for dedicated responsible/sustainable strategies that demonstrate their sustainability characteristics through analysis of ESG metrics and climate exposure, SDG alignment, and engagement and voting activity.
- **Private Equity Annual ESG Report:** Demonstrates how we invest and conduct engagement across our private equity portfolios.
- **Stewardship Quarterly Review:** Outlines our RI engagement and voting activity during the quarter, including a selection of engagement case studies.
- **Voting disclosure:** We disclose all our proxy voting activity publicly.
- **Thought leadership:** The Central RI team as well as Sustainability Research analysts and on desk ESG analysts publish a range of research and viewpoints on key issues confronting our clients.

Our RI team members have diverse professional backgrounds, including investment, consulting, climate change and corporate governance



CHAPTER 7

Monitoring service providers

As outlined in Chapter 2, we conduct proprietary research on issuers. This is supplemented by data and research from a variety of proxy voting and ESG service providers. Examples of service providers we use in relation to stewardship include Sustainalytics, MSCI, ISS and Glass Lewis.

The determination of which service provider and services will enhance our process is driven by portfolio manager and analyst needs. We use a select group of providers for valuable data and research that supports effective management of investment assets and our stewardship efforts on behalf of clients.

The following actions are taken to monitor and manage ongoing relationships:

- Business owners are responsible for managing and monitoring the vendor relationship and reviewing performance. The evaluation of vendors is defined through a variety of measurements that look at categories critical to the performance levels. Examples include platform availability, accuracy of research and execution, and issue resolution.
- Vendor issues are tracked in a centralised system and monitored to ensure resolution. Business owners escalate issues requiring additional support to our dedicated Vendor Management team. These are issues outside of the business owners’ ability to resolve operationally and are likely contractual issues that may or may not involve a financial impact.
- If an issue is escalated, typically the contract is reviewed, our Legal team may be consulted, and meetings are held with the vendor and business owner(s) so that the issue can be resolved. Senior leadership may be involved depending on the severity of the issue or potential financial impact.
- Vendor relationships are reviewed by internal risk teams on a regular basis, to assess the vendor’s ability to meet our security and business continuity requirements.

We seek to continuously engage with new and existing service providers to evaluate products that could enrich our research process.



Below are two examples of how we engaged with service providers during 2024:

Example 1: Impact data vendors

During 2024, we continued to assess our use of ESG metrics in reporting outputs. We met with prospective vendors to discuss the provision of impact data, to enable streamlined portfolio-level impact metric reporting to enhance our responsible and sustainable fund reporting capability. Issues discussed with vendors included coverage, sourcing and transparency. A trial with a particular vendor allowed us to assess our funds against the data and discuss the methodology in depth with the vendor’s research analysts. This assessment continues into 2025.

Example 2: ISS

Whilst we are regularly in contact with ISS, our proxy voting administrator, we also hold formal quarterly review meetings that provide an opportunity for structured due diligence. These meetings cover standard agenda items, and any ad hoc issues raised by the Proxy Voting analysts or by clients; the issues are discussed and timelines for resolutions are set and then tracked. Ahead of these meetings, ISS provide us with a report against Key Performance Indicators. Areas of focus in the quarterly meetings are detailed in a formalised agenda. Discussion on each agenda item will be based on qualitative (analyst input) and quantitative (management reporting tools) evaluation in addition to specified contractual service level agreements that cover most aspects of the relationship. Areas reviewed include:

- Team update (including ISS client servicing, custom policy and research teams)
- Ballot generation service evaluation
- Vote execution service evaluation

- Account maintenance service evaluation
- Client support – account management and operations service evaluation
- Client reporting – service evaluation on research delivery and quality service evaluation
- Custom policy implementation & timing review vote usage statistics
- AOB including new service offerings

The Proxy Voting analysts regularly audit the votes executed under the voting policy to ensure that our voting policies are applied properly by ISS. In addition, we undertake a voting policy review annually, which involves significant collaboration between research representatives from ISS and RI professionals. This provides the opportunity to ensure that ISS is comfortable implementing any policy changes and that further guidance is provided where necessary. Regarding feedback provided to ISS during 2024, no material concerns were flagged.

CHAPTER 8

Conflicts of interest

We believe that effective stewardship is critical to the health of financial markets and contributes to long-term value creation for our clients. While it is inevitable that conflicts of interest may arise from stewardship activities, we have put in place various controls to identify and either prevent or manage such conflicts and ensure that we treat all our clients equally in our RI engagement and voting practices.

Our policy and approach to the management of conflicts of interest, including in relation to engagement and proxy voting, remains the same as was reported in Chapter 8 of our [2023 Stewardship Report](#).

Managing conflicts of interest relating to proxy voting

During 2024 we had processes in place to identify and manage conflicts of interest relating to proxy voting practices, including:

- **Maintaining a conflicts of interest company watchlist.** Proxy Voting analysts received a list of companies that had an existing business relationship with us and could present a conflict of interest to the firm. The conflicts of interest watchlist was maintained by our Compliance function and took into account, amongst other matters, whether the company was one of our clients, a distributor of our funds, a service provider, or a shareholder in our parent company Ameriprise Financial, Inc. The list was refreshed on a quarterly basis and typically includes 150-170 companies.

Columbia Threadneedle has introduced several controls to identify, manage and prevent conflicts of interest arising



London skyline



Columbia Threadneedle has introduced several controls to identify and either manage or prevent conflicts of interest arising when our investment professionals meet with a company

Warehouse with solar panels on rooftop, China

- **Voting in accordance with custom policy templates.** We maintained custom voting policy guidelines which provided a benchmark for taking voting action for securities held in companies in conflicted situations and on our conflicts of interest company watchlist. Votes were cast by a third-party vendor (ISS) in accordance with our pre-determined custom voting guidelines. If a relevant guideline was subject to case-by-case determination, the proposal would be voted following a recommendation made by the third-party vendor. These practices kept voting in relation to such issuers at arm's length to avoid a voting decision being influenced by a conflict.
- **Voting at meetings of investment funds we manage.** Where voting decisions arise in relation to the governance arrangements for our investment funds, we vote in line with the recommendations of our third-party proxy voting provider (ISS) on matters that may amount to a conflict of interest. Examples where such a conflict may occur include situations where one of our employees is seeking appointment to the board of the investment fund.
- **Voting at a company meeting where investment professionals have different preferences on voting outcomes.** Where there is a lack of consensus between

our portfolio managers, Fundamental Research analysts and/or Sustainability Research analysts on how to vote specific proposals at a shareholder meeting, our Proxy Voting Working Group (PWG) provides a forum for these divergent views to be considered and resolved. This may result in votes being split where this is felt necessary and acts in the best interests of our clients. The PWG Chair may also decide to escalate any disagreement on how to vote a specific proposal to the IMC and/or IOC as appropriate.

- **Voting on a matter at a company meeting with a potential outcome that would favour one of our clients over another.** We take into account all of our clients' individual investment objectives, avoiding situations where their vote may be cast in a way that is not aligned to their best interests. This is achieved by us acting on the same matter at a company meeting differently and splitting voting decisions where necessary.

In January 2024, we reviewed and updated the addendum to our [Responsible Investment Proxy Voting Policy](#), outlining how we deal with conflicts of interests relevant to our proxy voting activities.

Case studies:
Addressing conflicts of interest relating to proxy voting

Specific examples where we addressed conflicts of interest relating to proxy voting during the reporting period include:

- **Split voting decisions where investment professionals have different preferences on voting outcomes.** We had a split voting decision during 2024 for ExxonMobil Corporation. Our portfolio managers in EMEA recommended a vote against a shareholder proposal to report on median gender and racial pay gaps, whereas portfolio managers in North America supported the proposal as their views were that the proposal was not overly prescriptive and should leave room for management to conclude which countries are appropriate to include in the analysis.
- **Proxy voting of a conflicted issuer for a matter involving a director.** Orbia Advance Corporation SAB de CV was included in our conflicts of interest watchlist during 2024. To avoid a conflict of interest based on this arrangement arising, our third-party vendor (ISS) voted on our behalf, applying our custom policy at the 2024 AGM. This resulted

in a vote against management for a proposal on the election of an individual to the board. Our established custom policy is codified to not support the election of directors who are considered overboarded, as we expect directors to hold only a small number of directorships to ensure they have sufficient time to discharge their role properly. ISS executed the recommended vote against the matter for resolution.

Managing conflicts of interest relating to RI engagement

Columbia Threadneedle has introduced several controls to identify and either manage or prevent conflicts of interest arising when our investment professionals meet with a company. The arrangements that we have in place include the following:

- **Engaging with a company that is also a client.** We may engage with an investee company where the company (or a related party such as a sponsored pension scheme) is also a client. Potential conflicts of interest may arise if the engagement objective or expectation is not in line with the issuer's preferred practices. We manage this conflict (unless we are instructed otherwise by our clients) by applying our pre-determined RI policies and processes to all client portfolios (where permissible) in a manner that considers our clients' individual investment objectives and best interests.

We require employees to remove themselves from situations where conflicts may arise from their outside activities

Data Centre with multiple rows of fully operational server racks

- **RI engagement that favours one of our clients over another.** We take into account all of our clients’ individual investment objectives, avoiding engagement with a company where we deem that it would not be aligned with our clients’ best interests. In some instances, however, we may act on the same matter differently for our clients.
- **Investment professionals engaging with a company alone.** Potential conflicts of interest may arise where one of our investment professionals conducts an engagement with a company alone. This approach limits access to the company and sharing of information. We manage this conflict by all investment professionals having a shared calendar which includes information on upcoming issuer meetings and the option to join the meeting. In addition, we have a consultation process where portfolio managers and research analysts can participate in the annual prioritisation exercise on priority issuers, engagement projects and fund/portfolio-specific engagements for the year. Furthermore, there are regular exchanges between our investment professionals to understand and align on respective engagement efforts.
- **Outside business activities.** We require employees to remove themselves from situations where conflicts may

arise from their outside activities. We prohibit employees from holding directorships with a for-profit company or organisation. Directorships with a not-for-profit company and all other outside activities are to be pre-approved by the employee’s line manager and the Compliance department. Requests will only be approved where the activity does not create a conflict of interest.

- **Data confidentiality.** We have strict firewalls to keep client holdings data confidential and secure, separating information on the holdings of clients within managed portfolios from that of our clients who subscribe only to our *reo*® services and who have their holdings managed by a third-party asset manager. By keeping such holdings information confidential, we can avoid favouring the interest of one client over another.
- **Market soundings.** We operate a control framework in EMEA to manage and prevent conflicts of interest that could arise where we engage with an issuer (or a party acting on their behalf) on potential new issues or secondary placings ahead of them being announced to the public as part of a market sounding. Our market sounding framework involves a member of the Compliance team undertaking an independent conflicts assessment to determine whether the investment team may participate

in the engagement. As part of the conflicts assessment, consideration is given to whether any of our existing products managed by the various Columbia Threadneedle entities hold financial instruments of issuers linked to the transaction and could become subject to a trading restriction should we become privy to inside information from the engagement. Such a restriction would limit our ability to trade in a security that we hold until we are deemed to no longer possess the inside information, which may not be in the best interests of our clients. A case study outlining the number of market sounding engagements for the reference period is included below.

The [addendum to our Responsible Investment Engagement Policy](#) was reviewed and updated in January 2024, setting out how we deal with conflicts of interests that may arise from our engagement activities.

Case study: Addressing conflicts of interest relating to outside business activities

Two applications were made by employees during the reporting period to become directors of not-for-profit companies in the charities sectors. The directorships were approved by the Compliance team on the basis that these outside business activities did not create a conflict of interest to Columbia Threadneedle.

Case study:
Addressing conflicts of interest relating to market sounding engagements

During the reporting period we received 194 market sounding approaches by the sell side. The Compliance team carried out a conflicts assessment for 72 potential market sounding engagements and reviewed, amongst other matters, whether our existing investments could not be managed in accordance with the clients’ best interests. The conflicts assessment was unnecessary for the other market sounding approaches given that the market sounding only consisted of confidential information (as opposed to material non-public information), or the timeframe remaining until the anticipated release of the inside information to the public (i.e. cleansing statement) was sufficiently short and posed minimal risks to other impacted clients.

We have strict firewalls to keep client holdings data confidential and secure

CHAPTER 9

Review and assurance

Our Columbia Threadneedle stewardship activities are supported by a breadth of policies on corporate governance, proxy voting, engagement, as well as respective addendums on how to manage potential conflicts of interest.

These documents support and inform our RI engagement and voting activities on behalf of our clients.

- [Corporate Governance Guidelines](#)
- [Proxy Voting Policy](#)
- [Responsible Investment Engagement Policy](#)
- [Environmental and Social Practices Statement](#)
- [Conflicts of Interest Addendum to Engagement Policy](#)
- [Conflicts of Interest Addendum to Proxy Voting Policy](#)
- [Corporate debt and responsible investment guidelines](#)

In July 2024, we also published our [Exclusion Policy on Cluster Munitions and Anti-personnel Mines](#). The policy was harmonised across all legacy entities in December 2024, it is now named “Controversial Weapons Policy”.

Our internal review processes for these policies can be found in [Chapter 9 of our 2023 Stewardship Report](#).

Internal assurance

Risk & Control Services (RCS), our internal audit department, has integrated consideration of sustainability risk and stewardship into the annual

and ongoing risk assessment processes that drive the creation of the internal audit plan. Assurance over sustainability risk and stewardship activities may be achieved through dedicated audits or through integrating these topics into relevant audits.

All of the original actions raised in the December 2023 RCS audit of Responsible Investing were closed in 2024, with one follow-on action being tracked to closure on the monitoring of integration of sustainability risk into the investment process. We believe we have robust processes in place to effectively review, update, and ensure compliance with our policies and procedures. We continue to monitor and enhance our stewardship and approach, ensuring it remains effective and fit for purpose.

External assurance

For this current 2024 Stewardship Report, we have again prepared for assurance by KPMG LLP over selected data points of our 2024 RI engagement and voting metrics. The signed opinion letter is below. This is the third time we have prepared for this assurance, to continue to provide enhanced confidence in the quality and reliability of our data. We expect to continue to seek external assurance for future reporting outputs.

Our approach to review and assurance in Alternatives can be found in [Chapter 9 of our 2023 Stewardship Report](#).



Vauxhall Bridge, a steel arch bridge in central London



Independent Practitioner’s Limited Assurance Report to Columbia Threadneedle Management Limited

KPMG LLP (“KPMG” or “we”) were engaged by Columbia Threadneedle Management Limited to provide limited assurance over the Selected Information described below for the year ended 31 December 2024

Conclusion

We have performed a limited assurance engagement on whether selected information in Columbia Threadneedle Management Limited’s (“Columbia Threadneedle” or the “Company”) Stewardship Report (the “Report”) for the year ended 31 December 2024 has been properly prepared in accordance with Columbia Threadneedle’s Reporting Criteria document as set out at www.columbiathreadneedle.com (the “Reporting Criteria”). The information within the Report that was subject to assurance is indicated with the symbol “*” (the “Selected Information”) and is also listed in Appendix 1.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria.

Our conclusion is to be read in the context of the remainder of this report, in particular the “Inherent limitations in preparing the Selected Information” and “Intended use of our report” sections below.

Our conclusion on the Selected Information does not extend to other information that accompanies or contains the Selected Information and our assurance report (hereafter referred to as “Other Information”). We have not performed any procedures with respect to the Other Information.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (UK) 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (“ISAE (UK) 3000”) issued by the Financial Reporting Council (“FRC”) Our responsibilities under those standards are further described in the “Our responsibilities” section of our report.

We have complied with the Institute of Chartered Accountants in England and Wales (“ICAEW”) Code of Ethics, which includes independence and other ethical requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Ethics Standards Board for Accountants (“IESBA”) International Code of Ethics for Professional Accountants (including International Independence Standards).

Our firm applies International Standard on Quality Management (UK) 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (“ISQM (UK) 1”), issued by the FRC, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.



Inherent limitations in preparing the Selected Information

The nature of non-financial information; the absence of a significant body of established practice on which to draw; and the methods and precision used to determine non-financial information, allow for different, but acceptable, evaluation and measurement techniques and can result in materially different measurements, affecting comparability between entities and over time.

The Reporting Criteria has been developed to assist Columbia Threadneedle Management Limited in preparation of the Selected Information. As a result, the Selected Information may not be suitable for another purpose.

Directors’ responsibilities

The Directors of Columbia Threadneedle Management Limited are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- selecting and developing suitable Reporting Criteria for preparing the Selected Information;
- properly preparing the Selected Information in accordance with the Reporting Criteria; and
- the contents and statements contained within the Report and the Reporting Criteria.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement whether due to fraud or error
- forming an independent limited assurance conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to Columbia Threadneedle Management Limited.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional scepticism throughout the engagement. We planned and performed our procedures to obtain evidence that is sufficient and appropriate to obtain a meaningful level of assurance over the Selected Information to provide a basis for our limited assurance conclusion. Planning the engagement involves assessing whether Columbia Threadneedle’s Reporting Criteria are suitable for the purposes of our limited assurance engagement. Our procedures selected depended on our judgement, on our understanding of the Selected Information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

In carrying out our engagement, we performed procedures which included:

- Selected limited substantive testing of the Selected Information, including agreeing a selection of the Selected Information to corresponding supporting information as defined in the Reporting Criteria including engagements, milestones and voting metrics back to underlying system records;
- Recalculating the total engagement, milestones and voting metrics; and
- Reading the narrative within the Report with regard to the Reporting Criteria, and for consistency with our findings



The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Intended use of our report

Our report has been prepared for Columbia Threadneedle Management Limited solely in accordance with the terms of our engagement. We have consented to the publication of our report in Columbia Threadneedle Management Limited’s Stewardship Report for the year ended 31 December 2024, for the purpose of Columbia Threadneedle showing that it has obtained an independent assurance report in connection with the Selected Information.

Our report was designed to meet the agreed requirements of Columbia Threadneedle determined by Columbia Threadneedle’s needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Columbia Threadneedle for any purpose or in any context. Any party other than Columbia Threadneedle who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG LLP will accept no responsibility or liability in respect of our report to any other party.

Gunjan Narang

for and on behalf of KPMG LLP

Chartered Accountants

15 Canada Square

London E14 5GL

29 April 2025 .

The maintenance and integrity of Columbia Threadneedle’s website is the responsibility of the Directors of Columbia Threadneedle Management Limited; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Selected Information, Reporting Criteria or Report presented on Columbia Threadneedle’s website since the date of our report.



Appendix 1: Selected Information

The Selected Information within Columbia Threadneedle’s Stewardship Report for the year ended 31st December 2024 are listed below. The information in this Appendix needs to be read together with the limited assurance report and the Reporting Criteria.

Metric	Unit	Value
Total engagements	Number	951
Companies engaged	Number	716
Countries covered by engagement	Number	48
Milestones recorded	Number	209
Company meetings voted	Number	7,655
Total proposals voted	Number	80,346
Votes against management	Percentage	12%

Appendices for stewardship codes

Discover how the content of this Stewardship Report aligns with stewardship codes globally.

Please also refer to our [2023 Stewardship Report](#) for further detail on our approach to client and beneficiary needs, disclosure and reporting.

Appendix 1: UK Stewardship Code

Principle	Description	Page(s)
1	Purpose, strategy and culture	4-7
2	Governance, resources and incentives	56-63
3	Conflicts of interest	64-69
4	Promoting well-functioning markets	40-55
5	Review and assurance	70-75
6	Client and beneficiary needs	Please refer to our 2023 Stewardship Report
7	Stewardship, investment and ESG integration	8-13
8	Monitoring managers and service providers	62-63
9	Engagement	14-27
10	Collaboration	28-29
11	Escalation	30-31
12	Exercising rights and responsibilities	32-39

Appendix 2: Principles for Responsible Institutional Investors – Japan’s Stewardship Code

Principle	Description	Page(s)
1	Institutional investors should have a clear policy on how they fulfill their stewardship responsibilities, and publicly disclose it.	4-7
2	Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it.	64-69
3	Institutional investors should monitor investee companies so that they can appropriately fulfill their stewardship responsibilities with an orientation towards the sustainable growth of the companies.	8-13
4	Institutional investors should seek to arrive at an understanding in common with investee companies and work to solve problems through constructive engagement with investee companies.	14-31
5	Institutional investors should have a clear policy on voting and disclosure of voting activity. The policy on voting should not be comprised only of a mechanical checklist; it should be designed to contribute to the sustainable growth of investee companies.	32-39
6	Institutional investors in principle should report periodically on how they fulfill their stewardship responsibilities, including their voting responsibilities, to their clients and beneficiaries.	17-18; 34-36; 60
7	To contribute positively to the sustainable growth of investee companies, institutional investors should develop skills and resources needed to appropriately engage with the companies and to make proper judgments in fulfilling their stewardship activities based on in-depth knowledge of the investee companies and their business environment and consideration of sustainability consistent with their investment management strategies.	56-60; 48-55
8	Service providers for institutional investors should endeavor to contribute to the enhancement of the functions of the entire investment chain by appropriately providing services for institutional investors to fulfill their stewardship responsibilities.	N/A

Appendix 3: Stewardship Principles for Institutional Investors – Taiwan’s Stewardship Code

Principle	Definition	Page(s)
1	Establish and disclose stewardship policies	4-7
2	Establish and disclose policies on managing conflicts of interest	64-69
3	Regularly monitor investee companies	8-13
4	Maintain an appropriate dialogue and interaction with investee companies	14-31
5	Establish and disclose clear voting policies and voting results	32-39
6	Periodically disclose the status of fulfilment of stewardship responsibilities	17-18; 34-36; 60; 70-75



The beautiful sunset over the business area skyline with skyscrapers in Taipei, Taiwan

Appendix 4: Korea Stewardship Report

Principle	Definition	Page(s)
1	Institutional investors, as a steward of assets entrusted by their clients, beneficiaries, etc., to take care of and manage, should formulate and publicly disclose a clear policy to faithfully implement their responsibilities	4-7
2	Institutional investors should formulate and publicly disclose an effective and clear policy as to how to resolve actual or potential problems arising from conflicts of interest in the course of their stewardship activities.	64-69
3	Institutional investors should regularly monitor investee companies in order to enhance investee companies’ mid- to long-term value and thereby protect and raise their investment value.	8-13
4	While institutional investors should aim to form a consensus with investee companies, where necessary, they should formulate internal guidelines on the timeline, procedures, and methods for stewardship activities.	14-31
5	Institutional investors should formulate and publicly disclose a voting policy that includes guidelines, procedures, and detailed standards for exercising votes in a faithful manner, and publicly disclose voting records and the reasons for each vote so as to allow the verification of the appropriateness of their voting activities.	32-39
6	Institutional investors should regularly report their voting and stewardship activities to their clients or beneficiaries.	17-18; 34-36; 60
7	Institutional investors should have the capabilities and expertise required to implement stewardship responsibilities in an active and effective manner.	56-64; 70-75

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