

Case Study: Columbia Threadneedle Social Bond Funds

UK Social Bond Fund

The Columbia Threadneedle UK Social Bond Fund was launched in January 2014 as the first daily liquid, fixed income fund to offer ordinary people, as well as institutional investors, an opportunity to invest for both a social and financial return. The Fund was developed as a partnership between [Big Issue Invest](#), the social investment arm of The Big Issue, and [Columbia Threadneedle](#), one of the UK's largest asset managers.

The Fund aimed to capitalise on the unique position of bonds as a well-placed financial instrument to deliver socially beneficial activities. Bonds are particularly suited to deliver long-term, place-based social and environmental outcomes as they provide the opportunity to raise finance for a specific purpose and can target particular outcomes with a precision that is difficult to achieve with equities.

The Fund is actively managed and invests in selected listed bonds assessed to support socially beneficial activities and balanced economic development primarily in the UK. Since its launch, it has won a string of innovation awards, including the Innovative New Idea Award, Finance for the Future Awards 2014 and the European Pensions Innovation Award, 2015.

Our Role

The Good Economy initially led the design of the social performance assessment methodology for the UK Social Bond on behalf of Big Issue Invest. The Good Economy acted as the social advisor to the Fund from its launch in 2014 until 2020, when the role was taken back by Big Issue Invest. During our time as social advisor, we sat on the fund's Social Advisory Committee, and monitored and assessed its social performance over time. A key element of this role involved producing the fund's annual impact report, which included detailed analysis regarding the fund's contribution to its eight core social outcome areas.



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"This fund couldn't have happened without The Good Economy's commitment to social change and intellectual rigour in creating the social assessment methodology."

- Nigel Kershaw OBE, Executive Chair, Big Issue Invest

Global Social Bond Fund

Following the success of its UK Social Bond Fund, Columbia Threadneedle launched a [Global Social Bond Fund](#) in June 2023. The Columbia Threadneedle Global Social Bond Fund (the "Fund") is the

latest addition to Columbia Threadneedle's innovative social impact range, which includes Social Bond strategies focused on the UK and Europe. The new Fund has been designed to take advantage of a developing global universe in specific use of proceeds labelled bonds that has grown to \$3.5 trillion.



CT Global Social Bond Fund

A fund built to make a positive impact. Both socially and financially.

Launched on 28 June 2023, the CT Global Social Bond Fund complements our existing UK and European strategies, providing your clients with a wider choice of geographical remit for their social bond exposure.

As with the existing strategies, bond investments are only included in the CT Global Social Bond Fund if we are confident in their likelihood to deliver both a financial return and a positive social impact.

Our Role

For the newly launched Fund, The Good Economy serves as Columbia Threadneedle's social partner on the Fund's Social Advisory Committee. The Committee periodically reviews, assesses and monitors the Fund's social impact, ensuring the social intensity of its investments, as well as set the Fund's social targets.

In line with the other social bond strategies, an annual impact report will be published for the fund. This counsel, in addition to Columbia Threadneedle's robust methodology and heritage in social investing, should ensure the fund's investments deliver targeted social impact alongside financial returns.