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31 July 2023

Dear Investor,

Important changes to:

- **CT American Fund**
- **CT American Select Fund**
- **CT European Select Fund**
- **CT European Smaller Companies Fund**
- **CT Global Equity Income Fund**
- **CT Global Focus Fund**
- **CT Global Select Fund**
- **CT UK Fund**

(each a “Fund”, together the “Funds”)

We recommend that you read this letter, but no action is required.

As a shareholder in one or more of the Funds, we would like to let you know about certain changes being made to the Funds’ investment policies. These changes reflect the integration of a range of responsible investment measures into the investment decision-making process, as well as our commitment to the Net Zero Asset Managers Initiative (“NZAMI”).

The changes, which take effect on 2 October 2023 (the “**Effective Date**”), will:

- **Introduce a set of Environmental, Social and Governance (ESG) exclusions**, that will prevent the Funds from investing in companies that:
 - fail to follow good governance practices;
 - derive revenue from certain activities or industries (e.g. coal, tobacco and conventional weapons) above stated thresholds;
 - are considered to be in breach of accepted international standards and principles on human rights, labour standards, and anti-corruption.
- **Establish a “positive ESG tilt” to the portfolio**: i.e. the investment manager will aim for the portfolio to compare favourably against its benchmark index¹ over rolling 12-month periods, when assessed using Columbia Threadneedle’s own ESG Materiality Rating model. This model gives a rating to

¹ The benchmark index (which comprises a group of companies) is representative of the type of companies in which the Fund is likely to invest (against which financial performance is also compared over time).

companies, indicating how well they are managing material ESG risks and opportunities, with our investment approach favouring companies with stronger ratings.

- **Highlight our engagement with companies**, in particular those with poorer ESG materiality ratings, with a view to influencing management teams to address ESG risks and improve their ESG practices, ranging from carbon emissions to board independence and diversity.
- **Highlight that Columbia Threadneedle Investments is a signatory to the Net Zero Asset Managers Initiative (“NZAMI”)**, which means that we have committed to an ambition to reach net zero greenhouse gas emissions² by 2050 or sooner for a range of assets, including the Funds.

A comparison of the current and updated investment objective and policy for each Fund is contained in the enclosed booklet. In addition to the above changes, we have also taken the opportunity to make some minor enhancements to the Funds’ descriptions.

Why are we making these changes?

We believe that making the changes will align the Funds to existing and rapidly increasing investor demand for funds with clearly defined environmental and social characteristics.

Please note we do not expect these amendments to result in any significant changes to the way in which the Funds are currently managed, or their risk profiles.

Why has Columbia Threadneedle Investments signed up to NZAMI?

At Columbia Threadneedle, we are committed to delivering both long-term financial returns for our clients, which includes managing the risks presented by climate change, and supporting the transition to a low-carbon economy. As such, we are a signatory to NZAMI, which is an international group of asset managers committed to supporting the goal of net zero greenhouse gas emissions (“net zero”), and working in partnership with our clients, we aspire to reach net zero by 2050 or sooner across all our assets under management, including the Funds.

Full details of the commitment made by NZAMI signatories can be found at the following website address: www.netzeroassetmanagers.org/commitment/

What does the commitment to NZAMI mean for my investment?

Primarily, we actively engage with companies within our portfolios to influence them to lower their carbon emissions³. Our current aim is for each Fund to hold at least 70% of its portfolio emissions in net zero aligned or engaged companies, but this is not a binding target.

This approach is complemented by Columbia Threadneedle’s engagement focus list, where the goal is to work constructively with globally significant high-emitting companies to encourage them to align with a net zero trajectory. However, this could result in the divestment of a small number of these companies if they are held in the Funds, if after a period of engagement they fail to meet minimum expectations in relation to their climate policies.

More immediately, the Funds will no longer be able to invest in companies that derive over 30% of their revenue from coal or that make new investments in coal mining or power generation projects. These exclusions are included in the updated investment policy of the Funds.

² Net zero means cutting greenhouse gas emissions (gases that trap heat from the sun) from human activity to zero overall.

³ Carbon emissions mean the release of greenhouse gases – especially carbon dioxide into the atmosphere.

Whilst net zero will become a continuing ambition of the Funds, it is not an outcome which is guaranteed, nor is any guarantee given that progress towards this ambition for the Funds will necessarily result in better returns for investors. A Fund's progress towards this ambition may impact the performance of the Fund positively or negatively.

Costs

The investment manager is required to sell shares in any companies that do not comply with the new investment exclusions in favour of alternative investments. However, we do not anticipate that any realignment of the Funds' existing portfolios will be necessary as a result of the changes. All administrative costs associated with making the changes will be paid by Columbia Threadneedle Investments.

What do I need to do?

You do not need to do anything as a result of these changes, which will take effect automatically on the Effective Date.

What can I do if I disagree with the changes?

You have a number of options. Should you disagree with the changes you can choose to redeem your shares, or you can switch your investment, free of charge, into another fund(s) in our UK range⁴. Should you decide to redeem or switch your shares, it may trigger a taxable event. We are unable to provide tax advice and we therefore suggest you seek advice from your tax adviser about any potential tax implications before you take any action.

Further information

If you have any questions, comments, or complaints regarding your investments with us, please contact us on 0800 953 0134* and for investors outside the UK, please call +44 1268 444 321*. Our team is available from 8:00am to 6:00pm, Monday to Friday (UK time). Further information on our funds, including Key Investor Information Documents, is available at columbiathreadneedle.com.

If you are unsure about your investment you should speak to a financial adviser. If you are based in the UK, you can find one in your area by visiting www.unbiased.co.uk – please note we do not endorse the advisers on the site.

Yours sincerely,



James Perrin
Chief Operating Officer Distribution, EMEA
Columbia Threadneedle Investments

*Calls may be recorded.

⁴ Only funds managed by Threadneedle Investment Services Limited (TISL) (part of the Columbia Threadneedle group of companies), are currently available for this purpose. A fund's prospectus or Key Investor Information Document (KIID) (available on our website) will provide this information, or please contact us on 0800 953 0134 if you require help establishing the alternative funds available to you.