



**Advisory Brochure  
(Part 2A of Form ADV)**  
for  
**Columbia Management Investment Advisers, LLC**  
290 Congress Street  
Boston, MA 02210

columbiathreadneedleus.com

[December 2, 2024, 2024]

**This brochure provides information about the qualifications and business practices of Columbia Management Investment Advisers, LLC. If you have any questions about the contents of this brochure, please contact us at (800) 225-2365. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Columbia Management Investment Advisers, LLC is an SEC-registered investment adviser. This registration does not imply a certain level of skill or training. Additional information about Columbia Management Investment Advisers, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Columbia Threadneedle Investments is the global brand of the Columbia and Threadneedle group of companies, which includes Columbia Management Investment Advisers, LLC.**

PURSUANT TO AN EXEMPTION FROM THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE PERSONS, THIS BROCHURE IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE U.S. COMMODITY FUTURES TRADING COMMISSION. THE U.S. COMMODITY FUTURES TRADING COMMISSION DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A TRADING PROGRAM OR UPON THE ADEQUACY OR ACCURACY OF A COMMODITY TRADING ADVISOR DISCLOSURE. CONSEQUENTLY, THE U.S. COMMODITY FUTURES TRADING COMMISSION HAS NOT REVIEWED OR APPROVED THIS TRADING PROGRAM OR BROCHURE.

### **Material Changes Summary**

The Columbia Management Investment Advisers, LLC Advisory Brochure (Part 2A of Form ADV) (the “Brochure”), dated [December 2, 2024], has been updated to reflect important information related to changes in our business practices regarding Custody (specifically for our RELI accounts, as defined herein), from our last Brochure dated April 24, 2024.

There have been no material updates to report from the previous amendment.

A copy of our current Brochure may be requested from your client relationship manager, your financial professional, or by calling (800) 225-2365. Upon request we will provide you with a new Brochure at any time, without charge.

Additional information about Columbia Management Investment Advisers, LLC is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Columbia Management Investment Advisers, LLC who are registered, or are required to be registered, as investment adviser representatives of Columbia Management Investment Advisers, LLC.

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## **ADVISORY BUSINESS**

Columbia Management Investment Advisers, LLC (“Columbia Management Investment Advisers”), through its predecessors, was organized in Minnesota in 1985 and is a subsidiary of Ameriprise Financial, Inc. (“Ameriprise Financial”), which owns 100% of the voting interests of the firm. This Brochure describes the investment advisory services offered by Columbia Management Investment Advisers and the words “we,” “our,” “us,” “the firm,” “our firm” and similar words mean Columbia Management Investment Advisers. We are providing this Brochure to persons who receive or who may receive investment advisory services from us in order to ensure compliance with the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

### ***Our General Services***

We offer professional advisory services on a discretionary or non-discretionary basis and related services including trading, cash management and reporting. In addition to traditional advisory services, the services we provide may include asset-liability management, investment accounting, credit-analysis, and asset allocation services. Nearly all of the advisory services we provide involve continuous investment advice based on the stated investment objectives and policies of each client. Our firm does not specialize in any one particular type of advisory service. In certain cases, we hire other investment advisers to provide discretionary advisory services to our clients in a subadvised capacity. The subadvisers we hire may be affiliated or non-affiliated. Moreover, while we do not offer financial planning services, we do prepare market updates that are made available to our clients and to our affiliate that provides financial planning services, Ameriprise Financial Services, LLC (“Ameriprise Financial Services”). We also provide information that is used by Ameriprise Financial Services in developing certain asset allocation and financial planning tools. The advisory services we offer are provided to non-affiliated clients and to our affiliates, including Ameriprise Financial and its subsidiaries.

The discretionary advisory services we offer are available directly to clients who have an investment management agreement with us. The investment management agreement incorporates investment restrictions and guidelines developed in consultation with each client as well as any additional services required by the client. These restrictions and guidelines customarily impose limitations on the types of securities that may be purchased and the percentage of account assets that may be invested in certain types of securities. Clients may also choose to restrict investment in specific securities or groups of securities for social, environmental or other reasons. As of December 31, 2023, the amount of client assets managed (reported as Regulatory Assets Under Management) on a discretionary basis was \$426.3 billion and the amount of client assets managed on a non-discretionary basis was \$783.6 million. In addition, we provide investment advisory services to over \$35.1 billion assets within various model delivery programs.

Prospective clients or investors may also choose to obtain our services indirectly by purchasing a securities product that we or an affiliate advise or subadvise, such as a Private Fund (as defined under “Types of Clients” and which, depending upon its strategy, may be referred to as a hedge fund), a collective trust fund, an exchange traded fund (“ETF”), a collateralized loan obligation (“CLO”), a Non-U.S. Fund (as defined under “Types of Clients”) or open-end or closed-end investment company (each a “Fund”), rather than establishing a direct investment advisory relationship with us. This is common in the case of retail investors, who typically access our services indirectly by investing in certain of the Funds we manage, but may also be an attractive investment option for institutional clients.

Clients or prospective clients who are eligible for multiple products or services should consider whether similar or comparable services are available at a lower overall cost through a different product or service type. Prospective clients may also wish to consider the different levels of liquidity and transparency of underlying holdings, as well as the different tax attributes that may be associated with certain products and services. Clients or investors should consider these product features and their own specific needs and circumstances in identifying the most suitable investment vehicle or investment services from the available alternatives.

### ***Services Provided to Non-U.S. Clients***

We may also act as an investment adviser or subadviser and may conduct marketing activity with respect to clients and prospective clients domiciled in foreign jurisdictions in some instances without maintaining regulatory licenses or registrations in those jurisdictions to the extent permitted by applicable law. Clients and prospective clients in these jurisdictions should consider whether the regulatory framework of their own jurisdiction as it applies to them imposes restrictions on hiring an investment adviser that does not hold local regulatory licenses or registrations. Clients and

prospective clients should also consider whether the regulatory framework we are subject to provides sufficient protections given that we may not be subject to the regulatory framework they are familiar with in their own jurisdiction.

### ***Global Asset Management***

As we seek to enhance our investment capabilities and the support services provided to our clients, we may utilize services from, and provide services to, some of our U.S. affiliates (“U.S. Advisory Affiliates”) and non-U.S. affiliates (“Non-U.S. Advisory Affiliates”).

For example, we engage certain of our U.S. Advisory Affiliates and Non-U.S. Advisory Affiliates that engage in investment advisory services (collectively, “Advisory Affiliates”) to provide (jointly or in coordination with us) services relating to client relations, investment monitoring, account administration, investment research, trading and discretionary investment management (including portfolio management and risk management) to certain of our clients and accounts we manage, including certain Funds and separately managed accounts. In some circumstances, an Advisory Affiliate may delegate responsibility for providing those services to another Advisory Affiliate. In addition, we provide certain similar services to our Advisory Affiliates for accounts they manage. Under personnel-sharing and other arrangements, our personnel may act on behalf of one of our U.S. Advisory Affiliates for purposes of providing some of those services for that U.S. Advisory Affiliate to its clients, such as funds and/or separately managed accounts, and some of our U.S. Advisory Affiliates’ personnel may act on behalf of our clients, including Funds and separately managed accounts. Certain of our employees and officers are also officers of certain U.S. Advisory Affiliates, and employees and officers of our U.S. Advisory Affiliates are also officers of ours.

We believe that harnessing the collective expertise of our firm and our Advisory Affiliates benefits our clients. In this regard, we have certain portfolio management, trading, research, distribution and client servicing teams at both our firm and certain of our Advisory Affiliates (through subadvisory, delegation or other intercompany arrangements) operating jointly to provide a better client experience. These joint teams use expanded and shared capabilities, including the sharing of research and other information by investment personnel (e.g., portfolio managers, analysts and traders) relating to economic perspectives, market analysis and equity and fixed income securities analysis. The joint teams also have expanded capabilities to provide services in various local or regional markets.

To facilitate the collaborative approach noted above, we have entered into subadvisory agreements, delegation agreements, intercompany agreements and “participating affiliate” arrangements with certain of our Non-U.S. Advisory Affiliates, including Threadneedle International Ltd. (“TINTL”), Threadneedle Asset Management Ltd. (“TAML”), Threadneedle Management Luxembourg S.A. (“TMLSA”), Threadneedle Investments Singapore (Pte.) Limited (“TIS”), Threadneedle Investments Services Limited (“TISL”), Columbia Threadneedle Management Limited (“CTML”), Columbia Threadneedle Fund Management Limited (“CTFML”), Columbia Threadneedle Investment Business Limited (“CTIBL”), Columbia Threadneedle Netherlands B.V. (“CTNL”), Pyrford International Ltd (“Pyrford”), Thames River Capital LLP (“Thames”) and Ameriprise India, LLP (“Ameriprise India”), each of which, like us, is a direct or indirect wholly-owned investment advisory subsidiary of Ameriprise Financial. Each of TINTL, TAML, TMLSA, TIS, CTML, CTIL, CTFML, CTIBL, CTNL, Thames and Pyrford is registered with the appropriate respective regulators in their home jurisdictions and Ameriprise India is exempt from such registration. In addition, each of TINTL, CTML, and Pyrford is also registered with the SEC as an investment adviser and TINTL is also registered with the United States Commodity Futures Trading Commission (“CFTC”) as a commodity trading advisor.

As part of any “participating affiliate” arrangements, certain employees of our Non-U.S. Advisory Affiliates serve as “associated persons” of ours when providing certain of these services to our clients, including placing orders for trade execution, and in this capacity are subject to our oversight and supervision. To the extent that we so engage one or more of our Non-U.S. Advisory Affiliates in this manner, we remain responsible for and oversee the services provided by employees of such Non-U.S. Advisory Affiliates(s) to our clients.

In addition to relationships with our Non-U.S. Advisory Affiliates, we have entered into subadvisory agreements, personnel-sharing agreements, delegation agreements and/or other intercompany arrangements for portfolio management and certain investment-related services, which may include placing orders for trade execution and/or research sharing with certain of our U.S. Advisory Affiliates, including Columbia Wanger Asset Management, LLC (“Columbia Wanger”), Lionstone Partners, LLC (“Lionstone”), and Columbia Cent CLO Advisers, LLC (“CCCA”), each of which is an SEC-registered investment adviser.

In addition, we may provide certain investment-related support services to Advisory Affiliates and their clients. These Advisory Affiliates may also provide certain similar services to us and our clients. Such support services include, but are not limited to, traditional “middle office” and utility functions, such as trade processing, valuation, proxy voting administration and client and regulatory reporting.

### ***Retail Managed Account Program Services***

We also provide discretionary and non-discretionary investment advisory services in connection with wrap fee programs, including dual contract programs, and other arrangements in which a registered investment adviser retains us to provide such services to the adviser or its clients (“RIA Arrangements”) (collectively, “Retail Managed Account Programs”). The Retail Managed Account Programs we participate in may be sponsored by affiliated or non-affiliated entities and may involve strategies of other outside managers in addition to our own (each, a “Program Sponsor”). In these arrangements, the Program Sponsor typically has primary responsibility for client communications and service.

In wrap fee programs, Program Sponsors provide bundled services to clients for a specified fee not based directly upon transactions in a client’s account. The client enters into an advisory agreement with the Program Sponsor, and the Program Sponsor enters into an agreement with us. We do not have an agreement directly with the wrap fee program client. We provide discretionary and non-discretionary advisory services through wrap fee programs.

In dual contract programs, Program Sponsors generally provide bundled services (aside from investments management) and impose fee structures in a manner similar to other wrap fee programs. The client enters into an investment management agreement directly with us and a separate agreement with the Program Sponsor. We provide discretionary investment advisory services through dual contract programs.

In RIA Arrangements, we may serve as subadviser to a registered investment adviser (“RIA”) for an investment strategy listed in the Retail Managed Account Program Appendix that has been selected by the RIA or its client. We do not have an agreement directly with the RIA client. We provide discretionary and non-discretionary advisory services through RIA Arrangements. All disclosures in this Brochure relating to Retail Managed Accounts are applicable to RIA Arrangements, including, without limitation, “BROKERAGE PRACTICES – Retail Managed Account Trades”.

When we provide non-discretionary investment advisory services in a Retail Managed Account Program, we deliver investment strategies in the form of investment models (“Model-Delivered Strategies”) to The Program Sponsor and/or another investment adviser retained by the program sponsor, commonly referred to as an “overlay manager”. The Program Sponsor or the overlay manager exercises discretion over client accounts in the Retail Managed Account Program. In these programs, we provide periodically updated Model-Delivered Strategies to the overlay manager and/or Retail Managed Account Program Sponsor who then exercises discretion and decides whether and how to implement the Model-Delivered Strategy in a client account which may be made up of other separately managed account strategies and/or securities products. Therefore, the sponsor or overlay manager may or may not utilize the specific holdings or changes imbedded in our Model-Delivered Strategies as and when received from us in connection with their management of their client accounts. In these arrangements, we do not typically have discretion to implement the changes imbedded within our Model-Delivered Strategies; however, some overlay managers and Program Sponsors, pursuant to our contract with them, may be required to implement our services exactly as provided, while maintaining discretion with respect to brokerage. We do not have an adviser-client relationship with clients participating in these Retail Managed Account Programs when providing non-discretionary advisory services, nor do we have access to the identity of clients or the composition of a client’s account. For any Retail Managed Account Program through which we provide Model-Delivered Strategies, we cannot and do not provide any investment services that are intended to be individualized or suitable or fiduciary in nature for any specific account within the program.

Any changes in a separately managed account strategy provided to the sponsor or overlay manager through a Model-Delivered Strategy may also reflect investment recommendations we have made to our other clients for whose accounts we do have investment discretion and we may be trading at the same time, or before or after the sponsor or overlay manager acts on changes to a separately managed account strategy we have provided. As a result, our clients or the

overlay manager's clients may be advantaged or disadvantaged in the marketplace due to execution timing, price movements, large orders or thinly traded securities.

We may also participate in "hybrid" arrangements that have one or more aspects of these types of Retail Managed Account Programs.

Clients in Retail Managed Account Programs and other client accounts following a strategy with the same name managed by the same portfolio management team may be managed differently. For example, a strategy designed for Retail Managed Account Programs may be structured to hold fewer securities positions than would be held in another client account following a strategy with the same name managed by the same portfolio management team. Also, the Program Sponsor may impose investment restrictions or administrative requirements upon us in managing accounts that could cause those accounts to be managed differently from other client accounts in the same strategy managed by the same portfolio management team that were not subject to those restrictions or requirements. For example, if a Program Sponsor or client imposes investment restrictions on an account for which we provide discretionary advisory services which prohibits investment in a security that is held in the selected strategy, the security will not be replaced with a comparable security and the client's account will hold a larger cash position than other clients in that strategy. Finally, as described in the section entitled "Trade Aggregation, Allocation and Partial Fills on a Trading Desk", there are differences in the trading procedures for accounts in a Retail Managed Account Program compared to other accounts.

Where we provide investment management services in Retail Managed Account Programs that include mutual funds or other products that are also advised by us, we will provide such services to the extent permitted by applicable law, including the Employee Retirement Act of 1974 ("ERISA"). As a result of applicable laws, including ERISA, we may be limited in the scope and timing of our advice, including potentially restricting our ability to provide advice that we would otherwise seek to implement. Furthermore, when we deliver our investment models on a non-discretionary basis to financial intermediaries for their consideration, we do not intend to act, and are not acting, as a fiduciary to those intermediaries or any clients of such intermediaries unless we have specifically agreed otherwise. We generally do not have sufficient information to be a fiduciary in such situations.

Retail Managed Account Program clients, with assistance from the Program Sponsor or their financial adviser, may select us to provide investment advisory services for their account (or a portion thereof) for a particular strategy. When we have investment discretion, we normally rely on information provided by the Program Sponsor or financial adviser about a client's individual needs and financial situation when accepting clients into a strategy.

The Program Sponsor pays us a portion of the fee it receives from its clients for our services. More information about Retail Managed Account Program fees we receive can be found in the "Fees and Compensation" section that follows. A list of the wrap fee programs and wrap fee Program Sponsors we have arrangements with can be found in Part 1A of our Form ADV.

For more information about potential conflicts of interest in providing advisory services through retail Managed Account Programs that include Columbia funds please see "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading - Products Sold or Managed by Us in Which We Have an Interest".

### **Global Investment Solutions Services**

Our Global Investment Solutions offering uses a consultative approach to deliver multi-asset solutions tailored to specific client needs and objectives. Each account is designed as a bespoke solution managed by a dedicated team of portfolio construction specialists, manager research experts and asset allocation professionals. Our investment process aligns the source of return with different types of risk and time horizons, and utilizes three investment components – Strategic Asset Allocation, Tactical Asset Allocation and Manager Selection - in the construction and design of our multi asset solutions. Global Investment Solutions has a research-driven philosophy that applies research intensity across the range of opportunities, combined with an open architecture approach and sophisticated portfolio construction. We cover all global asset classes, with both internally and externally managed strategies. Our capabilities include active, passive, traditional, alternative, and real asset investments in both public and private formats. Information regarding the fees for this service can be found in the "Fees and Compensation" section. A specific application of Global Investment Solutions is Fiduciary Management/OCIO where an asset owner delegates overall investment authority to our Global Investment Solutions team.



Client portfolios are customized to specific investment policy statements and portfolios are managed toward specific return and volatility objectives.

### ***Offering Brands***

In marketing our services to prospective clients, we use Columbia Threadneedle Investments, the global brand of the Columbia and Threadneedle group of companies.

We may also use various other offering brands. Columbia Threadneedle Investments North America is the operating division within our firm that we market to institutional clients. Columbia Threadneedle Investments North America and Columbia Management Capital Advisers claim compliance with the Global Investment Performance Standards (GIPS®). Columbia Management Capital Advisers is the operating division within our firm that we market to Retail Managed Account Programs. In accordance with GIPS®, all fee-paying discretionary (as defined by GIPS®) accounts within Columbia Threadneedle Investments North America and Columbia Management Capital Advisers are included in one or more composites that consist of accounts with similar objectives, strategies and risk tolerances. GIPS® also sets forth requirements for calculating and presenting investment manager performance in a fair and consistent manner. We also market certain strategies and products under the Seligman brand, and from time to time we may market Seligman Investments as an offering brand within Columbia Threadneedle Investments North America.

### ***Potential Conflicts of Interest***

Except in circumstances where an Advisory Affiliate is performing investment management, trading services, back or middle office services or legal or compliance support for our accounts or we are providing similar services or support for an Advisory Affiliate's accounts, we do not otherwise share trade information with our Advisory Affiliates. Similarly, we do not coordinate or allocate trading activities with the accounts of an Advisory Affiliate unless such affiliate is providing trading services for our accounts or we are providing trading services for the Advisory Affiliate's accounts. As a result, it is possible that we and our Advisory Affiliates may trade in the same instruments at the same time, in the same or opposite direction or in different sequence. Additionally, in circumstances where trading services are being provided on a coordinated basis for our accounts and the accounts of one or more Advisory Affiliates in accordance with applicable law, it is possible that the allocation opportunities available to our accounts may be decreased, especially for less actively traded securities, or orders may take longer to execute.

As further detailed below under "Methods of Analysis, Investment Strategies and Risk of Loss", we maintain an internal centralized research function for both equity and fixed-income strategies. Investment research we generate is shared with certain of our Advisory Affiliates at the same time that research is distributed internally. In connection with the sharing of relevant investment research among our Advisory Affiliates and, in providing services described above under "Global Asset Management," investment personnel may have access to nonpublic holdings information of our clients and certain of our Advisory Affiliates' clients. Portfolio managers of those Advisory Affiliates may decide to act on such research before our own portfolio managers do. The sharing of this information may also lead us and certain of our Advisory Affiliates to place orders in the same securities at the same or different times, if we and those Advisory Affiliates do not have a collaborative arrangement in place for the relevant client accounts.

We have adopted policies and compliance controls that seek to ensure that our clients are treated fairly and equitably with respect to trading and sharing of information among Advisory Affiliates. More information about how we identify, mitigate and manage conflicts of interest can be found throughout this Brochure, and in particular, under "Our Approach to Conflicts of Interest" and "Other Conflicts of Interest".

## **FEES AND COMPENSATION**

Our investment management fees are generally based on an annual percentage of the value of assets under management, as determined by us in good faith or by a client's custodian or other administrator. While we seek to reconcile valuations with client custodians and administrators, in situations where fees are calculated based on valuations established by these third parties, it is possible for fees to be higher or lower than the level we would have assessed had we been responsible for calculating the fees based on our internal valuations. Certain clients receiving investment accounting services may pay fees based on a calculation involving book values rather than market values. Policies relating to our fee practices and representative fee schedules for different types of clients are described below.

## ***General Fee Policies***

### **Ability to Negotiate Fees**

We may negotiate and charge different fees for different accounts. For example, we may offer discounted fee schedules to certain clients based on the totality of their (and/or their affiliates') relationship with us and/or our affiliates. The number of accounts managed, the size or asset level of the account(s), the nature of services rendered, the country of domicile, and any special requirements of the account(s) managed are factors typically taken into consideration in making this determination. For clients with whom we have agreed to give the lowest fee rate charged to any other similarly situated client, all of these factors, including the totality of our relationship with a client and/or its affiliates, may be taken into consideration in determining whether a client is similarly situated to another. We may also consider the impact such arrangements could have on agreements that have previously been entered into with other clients. From time to time we may enter into fixed-fee or minimum fee arrangements with certain clients, such as a situation where we have decided to waive an account minimum. In addition, we may enter into performance fee arrangements with our clients.

When deciding whether to negotiate a particular fee, we may also consider our capacity to manage assets in a particular strategy. In addition, we may offer or make available to certain clients a specified asset level or capacity maximum that we will allow them to invest in a given strategy. The amount of capacity offered may impact fee negotiations. The negotiation of fees may result in similarly situated clients paying different fees for comparable advisory services. When we establish new representative fee schedules for a given client type or strategy, we generally do not renegotiate fees with existing clients.

### **Billing Methodology**

Under our standard investment advisory contract, fees are billed quarterly in arrears, though we may negotiate other billing terms at a client's request, including advance billing arrangements. The pooled vehicles we manage or Retail Managed Account Programs through which we provide advisory services typically have different billing arrangements based on the methodology established by the product sponsor or administrator. We typically invoice clients, but in certain cases we may invoice the client's custodian when directed by the client to do so.

### **Fee Policy for Discretionary Investments in Funds**

In some cases (to achieve greater portfolio diversification or to meet a particular client need) and where authorized by the client, we may invest all or a portion of a client's assets in one or more Funds. The management fees for such Funds are described in the Fund's prospectus or other offering document. Assets invested in a Fund managed by us or an affiliate for which we or an affiliate receive a fund-level advisory fee typically will bear no separately managed account level advisory fee. However, this would not impact any account level fees we might collect for providing asset allocation or fund selection services to a client account based on the client's guidelines.

In addition to the Funds, client assets may be invested in other managed products such as REITs, business development companies, ETFs, collateralized investment pools and limited partnerships.

Certain expenses such as management and brokerage fees and custodian expenses are incurred by Funds and other investment vehicles in which we may invest and are thus indirectly borne by the client in addition to any separately managed account advisory fee that we may charge.

## ***Policies and Representative Fee Schedules for Institutional Clients***

Fees are generally calculated and payable quarterly in arrears based on a month-end average value of the assets under management. However, we may enter into customized billing arrangements with clients upon request. Additions or withdrawals made prior to a valuation date may or may not be factored into the calculation of our fee, depending on the terms of a client's contract. We do not ask clients to pay fees in advance although some clients may choose to do so.

Under our standard investment advisory contract, either party may terminate the investment advisory contract upon 30 days' written notice to the other party. However, we may negotiate customized termination provisions with certain clients during the contracting process. Fees are pro-rated upon termination; however, performance fees, to the extent accrued but not yet paid, are generally not pro-rated, unless otherwise agreed with the client. To the extent we receive any prepaid fees for a period following a client's termination date, the fees will be refunded to the client on a pro-rata basis. Where fees are payable in arrears, they are not refundable.

Our affiliates who receive institutional advisory services from us, including our Advisory Affiliates, may pay fees based on a transfer pricing methodology that varies depending on the level of services provided by us or based on the allocated cost incurred in providing the services.

Additionally, our affiliates who provide institutional advisory services to us, including our Advisory Affiliates, may charge fees based on a transfer pricing methodology that varies depending on the level of services provided to us or based on the allocated cost incurred in receiving the services.

Fees are designed to cover investment advice, account servicing, and access to personnel who are knowledgeable about the management of the account. Except as otherwise provided by contract (for example, with respect to Retail Managed Account Programs), our fees also include trading services provided to accounts including the selection of brokers or other financial intermediaries to execute client orders. However, clients pay for all transaction costs such as brokerage commissions and other account and service charges, including fees for custody service (we do not act as custodian, although our affiliates may). More information about brokerage fees and other transaction costs can be found in the “Brokerage Practices” section that follows.

#### Separately Managed Account Institutional Client Fees

Representative fee schedules used for separately managed account strategies with institutional clients are provided below. In addition to the fee schedules listed below, there are historical fee schedules in effect that may differ from those applicable to new clients.

<b>Institutional Separately Managed Account Equity Strategies</b>	<b>Fee Schedules</b>
<b>U.S. Large Cap Equity</b>	
Columbia Contrarian Large Cap Core Columbia Dividend Opportunity Columbia Dividend Value Columbia Focused Large Cap Core Columbia Focused Large Cap Growth Columbia Focused Large Cap Value Columbia Large Cap Growth Columbia Large Cap Growth Opportunity Columbia Large Cap Value	0.65% on the first \$25 million 0.50% on the next \$25 million 0.40% on the next \$50 million Negotiable over \$100 million
Columbia Integrated U.S. Large Cap Core Columbia Integrated U.S. Large Cap Growth Columbia Integrated U.S. Large Cap Value Columbia Integrated Focused U.S. Large Cap Core Columbia Integrated U.S. Dividend Income	0.55% on the first \$25million 0.50% on the next \$75 million 0.40% on the next \$100 million Negotiable over \$200 million
Columbia Integrated U.S. Low Volatility Columbia Disciplined Large Core Columbia Disciplined Large Growth Columbia Disciplined Large Value	0.35% on the first \$25million 0.30% on the next \$75 million 0.25% on the next \$100 million Negotiable over \$200 million
Columbia Large Cap Index	0.10% on the first \$25 million 0.08% on the next \$50 million 0.06% on the next \$75 million Negotiable over \$150 million
<b>U.S. Mid Cap, Small and Mid Cap, Small Cap and Micro Cap</b>	
Columbia Focused Mid Cap Growth Columbia Focused Mid Cap Value	0.80% on the first \$25 million 0.70% on the next \$25 million 0.65% on the next \$50 million Negotiable over \$100 million

Columbia Mid Cap Index	0.15% on the first \$25 million 0.13% on the next \$50 million 0.11% on the next \$75 million Negotiable over \$150 million
Columbia Integrated U.S. Small and Mid Cap Core	0.80% on the first \$25million 0.65% on the next \$50 million 0.55% on the next \$75 million Negotiable over \$150 million
Columbia Small Cap Growth Columbia Small Cap Value I Columbia Small Cap Value II Columbia Focused Small Cap Value	0.90% on the first \$25 million 0.70% on the next \$50 million 0.60% on the next \$75 million Negotiable over \$150 million
Columbia Integrated U.S. Small Cap Core Columbia Integrated U.S. Small Cap Growth Columbia Integrated U.S. Small Cap Value	0.85% on the first \$25million 0.70% on the next \$50 million 0.60% on the next \$75 million Negotiable over \$150 million
Columbia Small Cap Index	0.15% on the first \$25 million 0.13% on the next \$50 million 0.11% on the next \$75 million Negotiable over \$150 million
Columbia Integrated U.S. Micro Cap	Flat 1.00%
<b>Global/ International Equity</b>	
Columbia EAFE Core Columbia EAFE Value Columbia Global Large Cap Value Columbia Japan Equity Columbia Threadneedle EAFE Columbia Threadneedle Global Equity Income Columbia Threadneedle Global Focused Equity	0.70% on the first \$25 million 0.60% on the next \$25 million 0.50% on the next \$50 million Negotiable over \$100 million
Columbia Integrated EAFE	0.60% on the first \$25 million 0.50% on the next \$50 million 0.45% on the next \$75 million Negotiable over \$150 million
<b>Emerging Markets/ China Equity</b>	
Columbia Emerging Markets Equity Columbia Emerging Markets Opportunity Columbia Emerging Markets ESG Equity Columbia Greater China Equity	0.90% on the first \$25 million 0.70% on the next \$50 million 0.60% on the next \$75 million Negotiable over \$150 million
<b>Sector/ Specialty Equity</b>	
Seligman Tech Spectrum Seligman Healthcare Spectrum Strategy	Base Fee: 1.5% Performance Fee: 20% using high watermark methodology
Columbia Global Technology Growth Columbia Seligman Global Technology Growth Columbia Seligman Technology Growth	0.90% on the first \$25 million 0.70% on the next \$50 million 0.60% on the next \$75 million Negotiable over \$150 million
Columbia Seligman Semiconductor and Technology	0.70% on the first \$50 million 0.65% on the next \$50 million Negotiable over \$100 million
Columbia Commodities	0.75% on the first \$100 million 0.65% on the next \$100 million Negotiable over \$200 million
Columbia Convertible Securities	0.70% on the first \$25 million 0.60% on the next \$25 million 0.50% on the next \$50 million Negotiable over \$100 million
<b>Strategic Beta Equity</b>	

Columbia Emerging Markets ex-China Strategic Beta	0.49% on the first \$100 million Negotiable over \$100 million
Columbia U.S. Research Enhanced Core Strategic Beta	0.15% on the first \$100 million Negotiable over \$100 million
Columbia U.S. Research Enhanced Value Strategic Beta	0.19% on the first \$50 million 0.15% on the next \$50 million Negotiable over \$100 million
<b>Institutional Separately Managed Account Fixed Income Strategies</b>	<b>Fee Schedules</b>
<b>Taxable Fixed Income</b>	
Columbia Short Duration Columbia Ultra Short Term	0.20% on the first \$25 million 0.12% on the next \$50 million 0.10% on the next \$75 million Negotiable over \$150 million
Columbia Corporate Limited Duration Fixed Income Columbia Global Investment Grade Corporate Fixed Income Columbia Investment Grade Corporate Fixed Income Columbia Investment Grade Corporate Long Duration Fixed Income Columbia Long Government/Credit Columbia Catholic Values Intermediate Bond	0.35% on the first \$25 million 0.30% on the next \$25 million 0.25% on the next \$50 million Negotiable over \$100 million
Columbia Core Fixed Income Columbia Core Fixed Income - Government/Credit Columbia Core Plus Fixed Income Columbia Intermediate Fixed Income Columbia Liability Driven Investing Columbia U.S. Government Mortgage	0.30% on the first \$25 million 0.20% on the next \$50 million 0.15% on the next \$75 million Negotiable over \$150 million
Columbia Bank Loan Strategy Columbia Emerging Markets Fixed Income Columbia High Quality High Yield Fixed Income Columbia Institutional High Yield Fixed Income Columbia Short Duration High Yield	0.50% on the first \$50 million 0.40% on the next \$50 million Negotiable over \$100 million
Columbia Multisector Fixed Income Columbia Structured Credit	0.40% on the first \$25 million 0.35% on the next \$50 million 0.30% on the next \$75 million Negotiable over \$150 million
Columbia U.S. Treasury Index	0.10% on the first \$25 million 0.08% on the next \$50 million 0.06% on the next \$75 million Negotiable over \$150 million
<b>Strategic Beta Fixed Income</b>	
Columbia Multisector Fixed Income Strategic Beta	0.28% on the first \$50 million 0.25% on the next \$50 million Negotiable over \$100 million
Columbia Multisector Municipal Fixed Income Strategic Beta	0.23% on the first \$50 million 0.20% on the next \$50 million Negotiable over \$100 million
Columbia Short Duration Bond Strategic Beta	0.25% on the first \$50 million 0.22% on the next \$50 million Negotiable over \$100 million

<b>U.S. Tax-Exempt Fixed Income</b>	
Columbia Short Term Municipal Columbia Ultra Short Term Municipal	0.20% on the first \$25 million 0.12% on the next \$50 million 0.10% on the next \$75 million Negotiable over \$150 million
Columbia Intermediate Municipal	0.30% on the first \$25 million 0.20% on the next \$50 million 0.15% on the next \$75 million Negotiable over \$150 million
Columbia Long Municipal Columbia Strategic Municipal Columbia Taxable Municipal	0.40% on the first \$25 million 0.30% on the next \$25 million 0.25% on the next \$50 million Negotiable over \$100 million
Columbia High Yield Municipal	0.45% on the first \$25 million 0.35% on the next \$25 million 0.30% on the next \$50 million Negotiable over \$100 million
<b>Institutional Separately Managed Account Alternative Strategy</b>	<b>Fee Schedules</b>
Columbia Real Estate Loan Investments Strategy	0.65% on the first \$100 million* Negotiable over \$100 million *  *Fee rate calculated based off of the dollar amount of outstanding principal loan balance.

#### Registered Fund Fees

Registered Fund (as defined under “Types of Clients”) advisory fees are set forth in each Registered Fund’s prospectus and statement of additional information. On an annual basis, each Registered Fund’s Board of Directors/Trustees (the Board), including the independent Board members, considers renewal of the Registered Fund’s management agreement, including the advisory fee paid by the Registered Fund to the investment manager. These fees are typically higher than the representative fee schedules shown above.

#### Subadvised Mutual Funds and Other Pooled Vehicle Fees

We serve in a sub-advisory capacity for U.S. and offshore investment companies both registered and unregistered that are managed by third parties. Fees for such services are negotiated with such investment companies’ investment manager and may be set forth in the fund’s registration statement or other similar offering document.

#### Collective Trust Fund Fees

Our affiliate, Ameriprise Trust Company (“ATC”), maintains collective trust funds for which it receives trustee fees relating to certain trustee and investment management services it provides to those funds. We serve as investment adviser to ATC with respect to certain of these collective trust funds and accordingly receive a management fee from ATC for such services pursuant to an intercompany agreement between ATC and us. The trustee fee rates paid by investors in these collective trust funds may be equal to, exceed, or be lower than our institutional management fee schedules or fees paid by the Mutual Funds (as defined under “Types of Clients”), depending on the type of strategy and product. ATC may separately negotiate “side letters” with certain investors without applying terms negotiated with such investors to all investors in the collective trust fund in accordance with applicable law.

#### Private Fund Fees

As investment manager Private Funds (as defined under “Types of Clients”), and subject to the fee waivers and side letters discussed in more detail below, we have entered into investment management agreements with the Private Funds or investment managers to those funds that entitle us to be paid an investment management fee at an annual rate ranging from 0.25%-1.50% of the value of the Private Fund, typically payable on a monthly basis. In addition, depending on the Private Fund, we may receive a performance-based fee of up to 20% of the net realized and unrealized appreciation based

on a high watermark/hurdle rate or benchmark index performance. Additional information regarding fees payable to us by Private Funds is described in the private placement memoranda for the Private Funds.

The Private Funds reserve the right to waive certain conditions and features of an investment in the Private Fund. For example, the Private Funds where we or an affiliate are the sponsor have a policy to discount or waive (i) management fees and performance-based fees for investments made by us or our affiliate in those funds and for our current employees or employees of our affiliates and (ii) performance-based fees for immediate family members of these employees to the extent qualified to invest in the Private Fund.

We and a Private Fund have separately negotiated “side letters” with certain investors without applying terms negotiated with such investors, including terms relating to fees, to all investors in the Private Fund. Although we provide substantial input on the terms and desirability of side letters, their acceptance is ultimately at the discretion of the Private Fund. For Private Funds where our affiliates previously served as a managing member at the time a side letter was established, modifications for such existing side letters were subject to our discretion. Additionally, modifications may, among other things, be based on whether the investor is one of the first investors in the Private Fund, the size of the investor’s investment in the Private Fund or affiliated investment entity, the reputation of the investor, an agreement by an investor to maintain such investment in the Private Fund for a significant period of time, or other commitment by an investor.

Existing investors in the Private Funds have negotiated such side letters. The terms and conditions of these side letters may include, for example, special rights to make future investments in the Private Fund, other investment vehicles or managed accounts, as appropriate; special rights for a reduction of the management fee and/or the performance-based fee; special redemption or transfer rights relating to frequency or notice required of the investor, eligible transferees and/or other terms (with such redemption terms typically extended to all investors in such Private Fund if implicated); rights to receive reports or notifications from the Private Fund or us on a more frequent basis or that include information not provided to other investors; “most favored nation” rights which grant the investor the right to receive any more favorable terms granted to other investors or our similarly situated clients; and such other rights as may be negotiated by the Private Fund or us and such investors.

Some of these preferential terms may also be offered by us to separately managed account clients pursuing strategies similar to the Private Funds. For example, in some cases, we may negotiate fees for separately managed accounts that offer strategies similar to Private Funds using the Private Fund’s published fee rate as the starting point for negotiations. We would typically do this in situations where the separately managed account offers one or more customized features that would justify a different fee rate. Please see *Policies and Representative Fee Schedules for Securitized Asset Funds* for their fees.

#### Retail Managed Account Program Fees

The fees we receive from Retail Managed Account Program Sponsors generally range from 0.12% - 0.65% of the assets in the program to which our services relate. We offer a variety of investment strategies through one or more Retail Managed Account Programs.

Additional information concerning specific Retail Managed Account Programs is available from the Retail Managed Account Program Sponsors. The terms of the client's agreement, including the client's right to terminate our services, will vary from sponsor to sponsor. An updated list of Retail Managed Account Programs in which we participate and the fee arrangement available through each program is available upon request by writing to us at the address set forth on the cover page of this Brochure or calling the phone number that appears on that page.

Typically, clients participating in Retail Managed Account Programs pay a “wrap” fee or “bundled” fee, which generally covers investment advisory, custodial, client servicing, accounting and certain trade execution (i.e. brokerage) services. This fee is described in more detail in each Program Sponsor’s disclosure document. Clients may incur additional fees or charges in connection with their accounts or certain securities transactions. These may include any other execution or service charges, dealer mark-ups and mark-downs, odd-lot differentials, exchange fees, transfer taxes, electronic fund transfer fees, trust custodial fees and any charges mandated by law. In these programs, to the extent we execute client trades other than through the sponsor or other designated broker-dealers having arrangements with the sponsor, separate transaction charges are typically paid by the client. Please see the Retail Managed Account section that follows for more information. Certain Retail Managed Account Program Sponsors may vary the services provided and can provide more

detail on the specific services they offer. Clients participating in RIA Arrangements should contact their Program Sponsor for information on the services provided and related fees and expenses.

Client fees are payable to the Retail Managed Account Program Sponsor, either in advance or arrears on a quarterly or monthly basis, and are typically based on an annual percentage of the value of assets in the account. A portion of the fee paid by the client is then paid to us for the investment advisory services we provide to the client, although in situations where we are providing Asset Allocation Model Portfolios, we may or may not receive a portion of the fee paid by the client. In wrap fee programs, the portion of the fee allocated to us is based on the percentage fee rate that is typically described in a separate agreement between us and the Program Sponsor. In dual contract programs, the fee paid to the sponsor does not include a fee for investment advisory services. In these arrangements, an investment advisory fee, generally ranging from 0.12% to 0.65% and paid either in advance or arrears on a quarterly or monthly basis, is payable directly to us by the client.

Agreements with Retail Managed Account Program Sponsors in which we provide non-discretionary advisory services typically can be terminated at the written request of either the client or the Program Sponsor upon up to 90 days' notice. To the extent we receive any prepaid fees for a period following a termination date, the fees will generally be refunded.

#### Global Investment Solutions Services Fees

We provide Global Investment Solutions using a consultative approach to deliver multi-asset solutions tailored to specific client needs and objectives. For OCIO, service fees come in two structures at the choice of the client. In one structure, a basis point of assets OCIO overlay fee is charged and all underlying investment manager expenses are passed through to the client. In the second structure, a maximum fee cap is negotiated that incorporates the OCIO overlay fee as well as underlying manager fees. Under this structure, the maximum fee cap may not include trading and other costs. Fees for such services are individually negotiated. The number of accounts managed, the size or asset level of the account(s), the nature of services rendered, and any special requirements of the account(s) managed are factors typically taken into consideration in making this determination.

#### 529 Plan Fees

We provide investment advisory services to 529 Plans (as defined under "Types of Clients") sponsored by state governments. Fees for such services are negotiated with the state government sponsoring the plan and, in certain cases, the plan administrators. More information about the management or administrative fees paid to us as the investment manager of a 529 Plan can be found in each individual plan's program brochure.

#### ***Policies and Representative Fee Schedules for Securitized Asset Funds***

As the collateral manager to several special purpose vehicles often referred to as, CLOs ("collateralized loan obligations"), we receive a collateral management fee as set forth in the offering document for each vehicle we manage on a discretionary or non-discretionary basis, which is generally assessed based on the size of the portfolio being managed and which may vary by vehicle. We may also receive a subordinated and/or deferred fee that is contingent upon the vehicle's performance. Fees are pro-rated upon termination; however, performance fees, to the extent accrued but not yet paid, are not pro-rated or refunded. Fee rates are typically negotiated on a case-by-case basis; however, depending on the vehicle, senior collateral management fees are typically paid at an annual rate that ranges currently between 0.10% - 0.20% of the aggregate principal amount of the collateral assets; subordinated fees at an annual rate that ranges currently between 0.15% - 0.30% of the aggregate principal amount of the collateral assets; and performance fees, generally payable based upon the achievement of specified internal rates of return, at a percentage of the available excess residual cash flow. We may also negotiate fee discounts for investors in the lowest tranche of a CLO (often referred to as equity investors because they typically assume any first losses that are incurred by a CLO). Other or alternative fees may apply as well, such as a fee that may be charged in connection with the structuring, warehousing and co-management of a new CLO where we act in a subadvisory, non-discretionary capacity.

#### ***Policies and Representative Fee Schedules for Asset-Liability Management Clients***

Fees for asset-liability management services are negotiated on a case-by-case basis, but we will generally use our standard institutional fee schedules as a starting point. Ameriprise Financial and its affiliates receiving asset-liability management services may pay fees based on the allocated cost of providing the services. However, Ameriprise Certificate Company ("ACC"), our affiliated face-amount certificate company that receives asset-liability management services from us, pays a monthly fee equal on an annual basis to a percentage of net invested assets of ACC based on the following schedule:



- 0.35% on the first \$250 million of ACC net invested assets (valued on a GAAP basis)
- 0.30% on the next \$250 million of ACC net invested assets (valued on a GAAP basis)
- 0.25% on the next \$500 million of ACC net invested assets (valued on a GAAP basis)
- 0.20% on the amount over \$1 billion of ACC net invested assets (valued on a GAAP basis)

Loans originated by banks or investment banks are excluded from the computation of ACC's net invested assets. ACC pays us an annual fee of 0.35% for managing and servicing these loans. Our investment advisory agreement with ACC provides for termination by either party upon sixty days' written notice to the other.

### ***Compensation for the Sale of Investment Advisory Services, Securities and Other Investment Products***

Our employees and our affiliates who refer investment advisory business to us may be compensated on the basis of a percentage of the management fees we earn on such referrals. Similar compensation is available to these employees when they are successful in selling securities products in their capacity as representatives of our affiliated broker-dealer. These securities products may include Funds managed or sub-advised by us or an affiliate. The compensation paid by us to our employees is based on a percentage of management fees in accordance with a commission schedule. Where employees of ours and our affiliates are selling Funds through our affiliated broker-dealer, compensation is paid to these individuals by that broker-dealer and the commission schedule may be different.

Client service and sales personnel may receive incentive compensation attributable to solicitation activities based on a percentage of management fees collected in the first three years following the sale.

As noted previously, some of our employees may be licensed representatives of our affiliated broker-dealer, and in that capacity may receive compensation from that entity for the offer and sale of securities and other investment products, including asset-based charges or service fees from the sale of Funds. We do not charge commissions or mark ups to our separately managed account clients.

Employees of our affiliated broker-dealer who provide wholesale support for Retail Managed Accounts through affiliated and non-affiliated Program Sponsors may be compensated on the basis of a percentage of the gross sales into Retail Managed Account Program investment strategies in accordance with an established commission schedule. These commissions are paid monthly. The commission schedule is the same for similar product types, but can vary by distribution partner. In addition to commissions, wholesalers are eligible for quarterly and annual incentive awards.

### ***Portfolio Manager Compensation***

Portfolio manager direct compensation is typically comprised of a base salary, and an annual incentive award that is paid either in the form of a cash bonus if the size of the award is under a specified threshold, or, if the size of the award is over a specified threshold, the award is paid in a combination of a cash bonus, an equity incentive award, and deferred compensation. Equity incentive awards are made in the form of Ameriprise Financial restricted stock, or for more senior employees both Ameriprise Financial restricted stock and stock options. The investment return credited on deferred compensation is based on the performance of specified Columbia Funds (as defined under "Types of Clients"), in most cases including the Columbia Funds the portfolio manager manages.

Base salary is typically determined based on market data relevant to the employee's position, as well as other factors including internal equity. Base salaries are reviewed annually, and increases are typically given as promotional increases, internal equity adjustments, or market adjustments.

Under the firm's annual incentive plan for investment professionals, awards are discretionary, and the amount of incentive awards for investment team members is variable based on (1) an evaluation of the investment performance of the investment team of which the investment professional is a member, reflecting the performance (and client experience) of the funds or accounts the investment professional manages and, if applicable, reflecting the individual's work as an investment research analyst, (2) the results of a peer and/or management review of the individual, taking into account attributes such as team participation, investment process followed, communications, and leadership, and (3) the amount of aggregate funding of the plan determined by senior management of Columbia Threadneedle Investments and Ameriprise Financial, which takes into account Columbia Threadneedle Investments revenues and profitability, as well as Ameriprise Financial profitability, historical plan funding levels and other factors. Columbia Threadneedle Investments revenues and

profitability are largely determined by assets under management. In determining the allocation of incentive compensation to investment teams, the amount of assets and related revenues managed by the team is also considered alongside investment performance. Individual awards are subject to a comprehensive risk adjustment review process to ensure proper reflection in remuneration of adherence to our controls and Code of Ethics.

Investment performance for a Fund or other account is measured using a scorecard that compares account performance against benchmarks, custom indexes and/or peer groups. Account performance may also be compared to unaffiliated passively managed ETFs, taking into consideration the management fees of comparable passively managed ETFs, when available and as determined by the firm. Consideration is given to relative performance over the one-, three- and five-year periods, with the largest weighting on the three-year comparison. For individuals and teams that manage multiple strategies and accounts, relative asset size is a key determinant in calculating the aggregate score, with weighting typically proportionate to actual assets. For investment leaders who have group management responsibilities, another factor in their evaluation is an assessment of the group's overall investment performance. Exceptions to this general approach to bonuses exist for certain teams and individuals.

Equity incentive awards are designed to align participants' interests with those of the shareholders of Ameriprise Financial. Equity incentive awards vest over multiple years, so they help retain employees.

Deferred compensation awards are designed to align participants' interests with the investors in the Columbia Funds and other accounts they manage. The value of the deferral account is based on the performance of Columbia Funds. Employees have the option of selecting from various Columbia Funds for their deferral account, however portfolio managers must (other than by strict exception) allocate a minimum of 25% of their incentive awarded through the deferral program to the Columbia Fund(s) they manage. Deferrals vest over multiple years, so they help retain employees.

To the extent we use the services of employees of an Advisory Affiliate, we pay our affiliate fees based upon an agreement between our affiliate and us; the compensation paid to employees of our Advisory Affiliate is paid by the affiliate and not directly by us. Compensation practices of our Advisory Affiliates with respect to their employees differ from ours.

For all employees the benefit programs generally are the same and are competitive within the financial services industry. Employees participate in a wide variety of plans, including options in Medical, Dental, Vision, Health Care and Dependent Spending Accounts, Life Insurance, Long Term Disability Insurance, 401(k), and a cash balance pension plan.

## **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

### ***Performance-Based Fees***

Qualified clients may negotiate performance-based fees in compliance with Advisers Act requirements with respect to accounts managed by us. For example, we may receive a performance-based fee of up to 20.0% of the net realized and unrealized appreciation based on a high watermark/hurdle rate or benchmark index performance. The performance on which performance-based compensation is calculated will typically include unrealized appreciation and depreciation of investments that may not ultimately be realized.

We believe that performance-based fee arrangements align our interests with the interests of our clients who are subject to those fees. We recognize the structure of these arrangements can create an incentive to favor these accounts in allocating investment opportunities or to make investments that are more speculative than would be the case in the absence of performance-based compensation. We have adopted policies and related controls that seek to mitigate certain conflicts presented by our performance-based fee arrangements.

### ***Management of Multiple Accounts and Multiple Strategies***

Because we manage multiple accounts that have varied investment guidelines and restrictions, from time to time portfolio management teams make differing investment decisions related to the same security. We have adopted a number of policies designed to mitigate these potential conflicts between accounts. The principles governing these policies prohibit a portfolio management team from taking an inconsistent view of the same security for inappropriate purposes (e.g., to seek

a profitable trade for one account at the detriment of another) and prohibit front-running and the use of information about one account's activities (e.g., an upcoming long sale) to benefit another account.

As stated in "Global Asset Management" above, certain of our accounts and the accounts of our Advisory Affiliates may be jointly managed by the same portfolio management team consisting of our employees and one or more employees of an Advisory Affiliate in accordance with client guidelines and applicable law. In these circumstances, lead portfolio managers on the same team but responsible for different client accounts from time to time take an inconsistent view of the same security with respect to our client accounts and the accounts of our Advisory Affiliate.

### **TYPES OF CLIENTS:**

We provide investment advisory services to the types of clients listed below.

- pension, profit sharing, employee savings funds, and Taft-Hartley pension funds;
- foundations and endowments;
- corporate clients, including tax-exempt and not-for-profit organizations;
- state, municipal or other governmental entities;
- high-net-worth individuals, including trusts and estates;
- other investment advisers registered with the SEC or with regulators in other countries;
- open-end investment companies registered with the U.S. Securities and Exchange Commission we or our Advisory Affiliates manage or subadvise ("Mutual Funds"), including those that are branded as "Columbia," and "Columbia Seligman" (the "Columbia Funds");
- closed-end investment companies registered with the U.S. Securities and Exchange Commission (the "Closed-End Funds");
- ETFs that are registered with the U.S. Securities and Exchange Commission ("such ETFs"), together with the Mutual Funds and the Closed-End Funds (the "Registered Funds");
- Mutual Funds that are used as funding vehicles by separately managed accounts for variable annuity contracts and/or variable life insurance policies issued by our insurance company affiliates and third party, unaffiliated insurance companies;
- certain collective trust funds maintained and institutional separately managed accounts managed by our affiliate ATC;
- other collective trust funds and certain common trust funds;
- various private, pooled investment vehicles organized as limited partnerships, limited liability corporations, foreign (non-U.S.) entities or other legal form ("Private Funds");
- non-U.S. entities;
- corporate and other types of institutional clients seeking separately managed accounts that offer strategies similar to the Private Funds or CLOs;
- pooled investment vehicles registered or authorized outside the U.S. ("Non-U.S. Funds");
- structured investment products that invest in high yield bonds;
- various qualified tuition programs formed under Section 529 of the Internal Revenue Code ("529 Plans");
- sponsors of Retail Managed Account Programs and other investment advisers participating in such programs (and in the case of dual contract programs, clients of sponsors who may or may not be high-net worth individuals);
- various special purpose vehicle clients, such as CLOs, that issue securities collateralized by a pool of assets, including bank loans and high-yield bonds, to large institutional investors and/or high net worth individuals;
- Ameriprise Financial and its affiliates including a face-amount certificate company, Ameriprise Certificate Company, Ameriprise Bank, FSB and Ameriprise Financial's insurance company subsidiaries;
- corporate and other types of institutional clients seeking asset-liability management services; and
- Sovereign wealth entities.

### ***Conditions for Managing Accounts***

#### **Institutional Separately Managed Accounts**

To receive discretionary investment advisory services we generally require institutional clients to have a minimum account size of \$25,000,000 for equity investment mandates and \$50,000,000 for fixed income investment mandates. We may impose higher minimums for certain investment mandates. We also reserve the right to waive account minimums in

our sole discretion. Factors we take into consideration in making a determination whether to waive an account minimum may include the number of accounts managed for a client, the nature of services rendered, any special requirements of the account(s) managed and the totality of the relationship between us and our affiliates and the client and/or its affiliates. We may also consider a client's specific needs and circumstances, and a client's future ability to reach our minimum account size by making supplemental contributions. We may also offer to waive an account minimum based on our capacity to manage assets in a particular strategy. Our ability to waive account minimums may result in similarly situated clients being offered different minimums to establish a separately managed account.

### Retail Managed Account Programs

The Retail Managed Account Program client and his or her financial advisor are responsible for determining a suitable asset allocation strategy for the client's investment portfolio and selecting the investment strategies used to implement such asset allocation strategy, in accordance with the client's investment objectives, risk tolerance and financial status. We are responsible solely for making investment decisions in accordance with the Columbia investment strategy selected by the client and his or her financial advisor, including any reasonable investment restrictions established by the client.

Smaller minimum account sizes generally apply to participants in Retail Managed Account Programs. These minimums are described in more detail in each Retail Managed Account Program Sponsor's disclosure document. The Program Sponsor may allow us to waive account minimums in connection with these programs. Where we are provided with this discretion, we are able to apply the same consideration factors described above with respect to institutional separately managed account management in determining whether to waive an account minimum. In dual contract programs, we generally require clients to have a minimum account size of \$1,000,000, which may be waived subject to the aforementioned consideration factors.

We may pay fees from our own resources to certain Retail Managed Account Program Sponsors. These may include program technology fees for use of technology necessary to provide our services to a Program and data analytics fees for information regarding the sale of our services through a Program. See your Program Sponsor for information.

We reserve the right to decline any account where we exercise discretion. We reserve the right to resign as investment adviser to any of these discretionary accounts, subject to the terms of the client contract.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

While individual portfolio managers may emphasize one method of security analysis over another, the primary methods of analysis we employ are fundamental analysis (*i.e.*, the analysis and interpretation of company and industry data) and quantitative analysis (*i.e.*, the analysis and interpretation of numerical, measurable characteristics). We also use other methods of analysis such as technical analysis (charting) and cyclical analysis. The firm maintains an internal centralized research function for both equity and fixed income. Investment analysts who are responsible for centralized research provide their views on specific issuers and securities internally for general consumption by other analysts and portfolio managers, as well as to investment personnel of certain of our Advisory Affiliates (see "Global Asset Management", above). Equity analysts that are tied to specific portfolio management teams or strategies generally do not provide their research internally in this manner but from time to time share their investment views with our investment personnel (including personnel at certain of our Advisory Affiliates) via email or other form of communication. In addition, certain of members of our central research team have portfolio management responsibilities that may create potential conflicts of interest with respect to the allocation of investment research. We have adopted policies and related controls to manage these conflicts.

### ***Methods of Analysis***

The methods of analysis that we employ for registered investment company clients are described in the applicable fund prospectus. Methods of analysis that we employ for Private Funds and alternative investment clients are described in offering materials relating to the product. The methods of analysis we employ in connection with Retail Managed Account Programs are set forth below in "Investment Strategies Offered Through Retail Managed Account Programs" and in the Retail Managed Account Program Appendix.

The primary methods of analysis and the material risks involved for the standard investment strategies that we offer to our institutional clients are set forth in the chart below.

### ***Risk of Loss***

Investing in securities involves risk of loss that clients should be prepared to bear. Each investment strategy is subject to certain specific risks, some are which are material, and others less so. We utilize the investment strategies and methods of analysis to seek to achieve each portfolio's investment objective. The investment decisions we make may not produce the expected returns, may cause the portfolio to lose value or may cause the portfolio to underperform other portfolios with similar investment objectives. There is no assurance that a portfolio's objective will be achieved, and investors could lose money. In addition, there can be no assurance that a specific portfolio manager or other investment professional supporting a particular strategy will continue to support that strategy.

In the chart below, we have listed the material risks for each strategy. Other risks that are not material also apply. Please see the Risk Disclosure Appendix that follows for more detailed information about the material risks as they apply to the institutional separately managed account strategies as listed in the chart below and the strategies listed in the Retail Managed Account Program Appendix, and other challenges and risks associated with the investment management industry including strategy-specific risks and regulatory uncertainty.

Material risks that apply to every strategy include issuer risk and market risk.

Issuer risk is the risk that an issuer of a security in which a portfolio invests or to which it has exposure may perform poorly or below expectations and the value of its securities may therefore decline, which may negatively affect a portfolio's performance. Underperformance of an issuer may be caused by poor management decisions, competitive pressures, breakthroughs in technology, reliance on suppliers, labor problems or shortages, corporate restructurings, fraudulent disclosures, natural disasters, military confrontations and actions, war, other conflicts, terrorism, disease/virus outbreaks, epidemics or other events, conditions and factors which may impair the value of a portfolio.

Market risk is the risk that a client portfolio may incur losses due to declines in the value of one or more securities in which it invests. These declines may be due to factors affecting a particular issuer, or the result of, among other things, political, regulatory, market, economic or social developments affecting the relevant market(s) more generally. In addition, turbulence in financial markets and reduced liquidity in equity, credit and/or fixed income markets may negatively affect many issuers, which could adversely affect a portfolio's ability to price or value to hard-to-value assets in thinly traded and closed markets and could cause significant redemptions and operational challenges. Global economies and financial markets are increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers in a different country, region or financial market. These risks may be magnified if certain events or developments adversely interrupt the global supply chain; in these and other circumstances, such risks might affect companies worldwide. As a result, local, regional or global events such as terrorism, war, other conflicts, natural disasters, disease/virus outbreaks and epidemics or other public health issues, recessions, depressions or other events – or the potential for such events – could have a significant negative impact on global economic and market conditions.

The large-scale invasion of Ukraine by Russia in February 2022 has resulted in sanctions and market disruptions, including declines in regional and global stock markets, unusual volatility in global commodity markets and significant devaluations of Russian currency. The extent and duration of the military action are impossible to predict but could continue to be significant. Market disruption caused by the Russian military action, and any counter measures or responses thereto (including international sanctions, a downgrade in the country's credit rating, purchasing and financing restrictions, boycotts, tariffs, changes in consumer or purchaser preferences, cyberattacks and espionage) could have a severe adverse impact on regional and/or global securities and commodities markets, including markets for oil and natural gas. These impacts may include reduced market liquidity, distress in credit markets, further disruption of global supply chains, increased risk of inflation, and limited access to investments in certain international markets and/or issuers. These developments and other related events could negatively impact a client portfolio's performance.

Institutional Separately Managed Account Equity Strategies	Primary Methods of Analysis	Material Risks
Columbia Integrated U.S. Dividend Income	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance while simultaneously providing an attractive above-market dividend yield.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk
Columbia Integrated U.S. Large Cap Equity	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk Growth Securities Risk
Columbia Integrated U.S. Large Cap Growth	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk Growth Securities Risk

Columbia Integrated U.S. Large Cap Value	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk
Columbia Integrated U.S. Micro Cap	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Small-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk Growth Securities Risk
Columbia Integrated U.S. Low Volatility Equity	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk
Columbia Integrated U.S. Mid Cap Growth	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Mid-Cap Stock Risk Quantitative Model Risk Sector Risk Growth Securities Risk

Columbia Integrated U.S. Mid Cap Value	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Mid-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk
Columbia Integrated U.S. Small and Mid Cap Core	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Small-Cap Stock Risk Mid-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk Growth Securities Risk
Columbia Integrated U.S. Small Cap Core	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Small-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk Growth Securities Risk
Columbia Integrated U.S. Small Cap Growth	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Small-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk Growth Securities Risk



Columbia Integrated U.S. Small Cap Value	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Small-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk
Columbia Contrarian Large Cap Core	<ul style="list-style-type: none"> <li>• Contrarian philosophy based on belief that the best investment opportunities can be found where market displays pessimism</li> <li>• Uses fundamental and quantitative research as well as the management team's perspectives for stock selection</li> <li>• Bottom-up analysis drives stock selection</li> </ul>	Active Management Risk Depositary Receipts Risks Foreign Securities Risk Growth Securities Risk Large-Cap Stock Risk Value Securities Risk
Columbia Convertible Securities	<ul style="list-style-type: none"> <li>• Total return through income and price appreciation by actively managing a portfolio of convertible securities</li> <li>• Flexible approach focusing on bottom up security selection identifies convertibles that may outperform in a variety of market environments</li> <li>• 'Balance' at the portfolio level allows the fund to own and benefit from convertible securities that are equity-sensitive and/or credit-sensitive</li> </ul>	Active Management Risk Convertible Securities Risk Credit Risk Foreign Securities Risk High-Yield Investments Risk Interest Rate Risk Liquidity Risk Preferred Stock Risk Prepayment and Extension Risk Rule 144A and Other Exempted Securities Risk Short Positions Risk
Columbia Disciplined Large Core	<ul style="list-style-type: none"> <li>• Uses quantitative analysis to interpret key quality, valuation and catalyst measures such as company assets, historical returns, cash flow, profitability, and momentum measures of large cap U.S. stocks</li> <li>• Focuses on stock-specific risk rather than systemic risk</li> <li>• Maintains characteristics similar to the benchmark for a specified tracking error level</li> </ul>	Active Management Risk Derivatives Risk Derivatives Risk/Futures Contracts Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk
Columbia Disciplined Large Growth	<ul style="list-style-type: none"> <li>• Uses quantitative analysis to interpret key quality, valuation and catalyst measures such as company assets, historical returns, cash flow, profitability, and momentum measures of large cap U.S. stocks</li> <li>• Focuses on stock-specific risk rather than systemic risk</li> <li>• Maintains characteristics similar to the benchmark for a specified tracking error level</li> </ul>	Active Management Risk Derivatives Risk Derivatives Risk/Futures Contracts Risk Growth Securities Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk
Columbia Disciplined Large Value	<ul style="list-style-type: none"> <li>• Uses quantitative analysis to interpret key quality, valuation and catalyst measures such as company assets, historical returns, cash flow, profitability, and momentum measures of large cap U.S. stocks</li> <li>• Focuses on stock-specific risk rather than systemic risk</li> <li>• Maintains characteristics similar to the benchmark for a specified tracking error level</li> </ul>	Active Management Risk Derivatives Risk Derivatives Risk/Futures Contracts Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk

Columbia Dividend Opportunity	<ul style="list-style-type: none"> <li>• Focuses on companies that have historically paid consistent and increasing dividends to generate a high level of current income</li> <li>• Fundamental contrarian analysis-behavioral/sentiment insight</li> <li>• Focuses on valuation and free cash flow yield</li> <li>• Seeks to identify industry and stock level chronic inefficiencies</li> </ul>	Active Management Risk Derivatives Risk Derivatives Risk/Forward Contracts Risk Derivatives Risk/Structured Investments Risk Foreign Securities Risk Large-Cap Stock Risk Preferred Stock Risk Small- and Mid-Cap Stock Risk Value Securities Risk
Columbia Dividend Value	<ul style="list-style-type: none"> <li>• Focuses on free cash flow from operations and ability to sustain and grow dividends</li> <li>• Uses fundamental and quantitative research as well as the management team's perspectives for stock selection</li> </ul>	Active Management Risk Convertible Securities Risk Credit Risk Depositary Receipts Risks Foreign Securities Risk Growth Securities Risk High-Yield Investments Risk Interest Rate Risk Large-Cap Stock Risk Preferred Stock Risk Quantitative Model Risk Sector Risk Small- and Mid-Cap Stock Risk Value Securities Risk
Columbia Emerging Markets Equity	<ul style="list-style-type: none"> <li>• Considers both bottom up and top-down views; individual security selection plays a significant role in determining overall asset allocation</li> <li>• Focuses on "stewards of capital," which are companies that know how to grow their business profitably and in a sustainable fashion</li> <li>• Fundamental screening tools supplemented by proprietary quantitative model</li> </ul>	Active Management Risk Convertible Securities Risk Depositary Receipts Risks Emerging Market Securities Risk Foreign Securities Risk Geographic Focus Risk Global Economic Risk Growth Securities Risk Large-Cap Stock Risk Liquidity Risk Preferred Stock Risk Russia and Russia-related Investment Risk Sector Risk Small- and Mid-Cap Stock Risk Special Situations Risk Value Securities Risk
Columbia Emerging Markets Opportunity	<ul style="list-style-type: none"> <li>• Considers both bottom-up and top-down views; individual security selection plays a significant role in determining overall asset allocation</li> <li>• Focuses on "stewards of capital," which are companies that know how to grow their business profitably and in a sustainable fashion</li> <li>• Fundamental screening tools supplemented by proprietary quantitative model</li> </ul>	Active Management Risk Convertible Securities Risk Depositary Receipts Risks Emerging Market Securities Risk Foreign Securities Risk Geographic Focus Risk Global Economic Risk Growth Securities Risk Preferred Stock Risk Russia and Russia-related Investment Risk Sector Risk Small- and Mid-Cap Stock Risk Special Situations Risk Value Securities Risk

Columbia Emerging Markets ESG Equity	<ul style="list-style-type: none"> <li>• Considers both bottom-up and top-down views; individual security selection plays a significant role in determining overall asset allocation</li> <li>• Focuses on “stewards of capital,” which are companies that know how to grow their business profitably and in a sustainable fashion</li> <li>• Fundamental screening tools supplemented by proprietary quantitative model</li> <li>• Proprietary ESG/Responsible Investing screening and analysis</li> </ul>	Active Management Risk Convertible Securities Risk Depositary Receipts Risks Emerging Market Securities Risk Foreign Securities Risk Geographic Focus Risk Global Economic Risk Growth Securities Risk Preferred Stock Risk Russia and Russia-related Investment Risk Sector Risk Small- and Mid-Cap Stock Risk Special Situations Risk Value Securities Risk ESG Mandate Requirements Risk
Columbia Focused Large Cap Core	<ul style="list-style-type: none"> <li>• Uses fundamental and quantitative research as well as the management team’s perspectives for stock selection</li> <li>• Is constructed to be relatively sector neutral but will take industry and stock-specific positions versus benchmark (S&amp;P 500 Index)</li> </ul>	Active Management Risk Convertible Securities Risk Derivatives Risk Derivatives Risk/Options Risk Exchange-Traded Fund (ETF) Risk Focused Portfolio Risk Foreign Securities Risk Frequent Trading Risk Large-Cap Stock Risk Preferred Stock Risk Sector Risk Warrants Risk and Rights
Columbia Focused Large Cap Growth	<ul style="list-style-type: none"> <li>• Focuses on high quality, high growth companies with market capitalizations above \$3B</li> <li>• Concentrated portfolio of 25-35 companies with high returns on capital and low debt to equity ratios</li> <li>• Fundamental analysis with quantitative judgment drives portfolio construction and risk management</li> </ul>	Active Management Risk Depositary Receipts Risks Focused Portfolio Risk Foreign Securities Risk Growth Securities Risk Large-Cap Stock Risk Sector Risk
Columbia Focused Large Cap Value	<ul style="list-style-type: none"> <li>• Bottom-up, fundamental investment process</li> <li>• Screens companies, focusing on financial analysis, management, valuation assessment</li> </ul>	Active Management Risk Focused Portfolio Risk Large-Cap Stock Risk Sector Risk Value Securities Risk
Columbia Focused Mid Cap Growth	<ul style="list-style-type: none"> <li>• Focuses on companies with sustainable growth prospects, improving margins and high returns on capital with market capitalizations similar to the constituents of the Russell Mid Cap Growth Index</li> <li>• Uses quantitative and fundamental research as well as the management team’s perspectives for stock selection</li> <li>• Bottom-up analysis drives stock selection</li> </ul>	Active Management Risk Convertible Securities Risk Depositary Receipts Risks Foreign Securities Risk Frequent Trading Risk Growth Securities Risk Mid-Cap Stock Risk Preferred Stock Risk Sector Risk Special Situations Risk
Columbia Focused Mid Cap Value	<ul style="list-style-type: none"> <li>• Bottom-up, fundamental investment process</li> <li>• Screens companies, focusing on financial analysis, management, valuation assessment</li> </ul>	Active Management Risk Focused Portfolio Risk Foreign Securities Risk Real Estate-Related Investment Risk Sector Risk Small- and Mid-Cap Stock Risk Value Securities Risk
Columbia Focused Small Cap Value	<ul style="list-style-type: none"> <li>• Bottom-up, fundamental investment process</li> <li>• Screens companies, focusing on financial analysis, management, valuation assessment</li> </ul>	Active Management Risk Focused Portfolio Risk Foreign Securities Risk Real Estate-Related Investment Risk Sector Risk Small-Cap Stock Risk Value Securities Risk

Columbia Global Large Cap Value	<ul style="list-style-type: none"> <li>• Uses fundamental and systematic research as well as the management team's perspectives for stock selection</li> <li>• Focuses on valuation and free cash flow yield</li> </ul>	Active Management Risk Convertible Securities Risk Depositary Receipts Risks Derivatives Risk Derivatives Risk/Forward Contracts Risk Foreign Securities Risk Geographic Focus Risk Global Economic Risk Large-Cap Stock Risk Liquidity Risk Preferred Stock Risk Sector Risk Value Securities Risk
Columbia Global Technology Growth	<ul style="list-style-type: none"> <li>• Invests in the technology sector and other companies whose business models may benefit from technological innovations</li> <li>• Integrates fundamental equity selection, in-depth and consistent valuation metrics, quantitative screening and risk management</li> <li>• Focuses on technology product cycles, industry changes and corresponding value chains, to identify best potential growth opportunities trading at reasonable valuations</li> </ul>	Active Management Risk Convertible Securities Risk Depositary Receipts Risks Foreign Securities Risk Frequent Trading Risk Global Economic Risk Growth Securities Risk Large-Cap Stock Risk Liquidity Risk Sector Risk Small-Cap Stock Risk
Columbia Greater China Equity	<ul style="list-style-type: none"> <li>• Considers both bottom-up and top-down views; individual security selection plays a significant role in determining overall asset allocation</li> <li>• Focuses on "stewards of capital," which are companies that know how to grow their business profitably and in a sustainable fashion</li> <li>• The strategy primarily invests in Hong Kong-listed stocks, Chinese stocks listed in U.S. markets, China's domestic A share market</li> <li>• Fundamental screening methods are supplemented by proprietary quantitative screens</li> </ul>	Active Management Risk Depositary Receipts Risks Emerging Market Securities Risk Focused Portfolio Risk Foreign Securities Risk Geographic Focus /Greater China Risk Global Economic Risk Growth Securities Risk Issuer Risk Large-Cap Stock Risk Liquidity Risk Market Risk Sector Risk Small- and Mid-Cap Stock Risk Special Situations Risk Value Securities Risk
Columbia EAFE Core	<ul style="list-style-type: none"> <li>• Uses fundamental and systematic research as well as the management team's perspectives for stock selection</li> <li>• Typically invests in equity securities of foreign companies</li> <li>• Focuses on companies that have compelling valuations, higher growth, better returns on capital, higher profitability, lower leverage, and catalysts for change</li> </ul>	Active Management Risk Closed-end Investment Company Risk Depositary Receipts Risks Derivatives Risk Derivatives Risk/Forward Contracts Risk Derivatives Risk/Futures Contracts Risk Derivatives Risk/Options Risk Emerging Market Securities Risk Foreign Securities Risk Global Economic Risk Growth Securities Risk Sector Risk Small- and Mid-Cap Stock Risk Value Securities Risk

Columbia EAFE Value	<ul style="list-style-type: none"> <li>• Uses fundamental and systematic research as well as the management team's perspectives for stock selection</li> <li>• Typically invests in equity securities of foreign companies</li> <li>• Focuses on companies that have compelling valuations, higher growth, better returns on capital, higher profitability, lower leverage, and catalysts for change</li> </ul>	Active Management Risk Closed-end Investment Company Risk Depositary Receipts Risks Derivatives Risk Derivatives Risk/Forward Contracts Risk Derivatives Risk/Futures Contracts Risk Derivatives Risk/Options Risk Emerging Market Securities Risk Foreign Securities Risk Global Economic Risk Sector Risk Small- and Mid-Cap Stock Risk Value Securities Risk
Columbia Japan Equity	<ul style="list-style-type: none"> <li>• Employs a combination of bottom-up stock selection and macro analysis, informed by proprietary quantitative research</li> <li>• Focuses on undervalued companies with strong cash flow generation, good business fundamentals, shareholder-friendly management and sustainable growth prospects</li> <li>• Country expertise identifies high-potential investment themes that enhance bottom-up stock selection</li> </ul>	Active Management Risk Derivatives Risk Derivatives Risk/Forward Foreign Currency Contracts Risk Derivatives Risk/Futures Contracts Risk Foreign Securities Risk Geographic Focus Risk Geographic Focus/Asia Pacific Region Risk Geographic Focus /Japan Risk Global Economic Risk Growth Securities Risk Preferred Stock Risk Sector Risk Small- and Mid-Cap Stock Risk Special Situations Risk Value Securities Risk
Columbia Large Cap Growth Columbia Large Cap Growth Opportunity	<ul style="list-style-type: none"> <li>• Focuses on companies with sustainable growth prospects, improving margins and high returns on capital with market capitalizations similar to the constituents of the Russell 1000 Growth Index</li> <li>• Uses fundamental and quantitative research as well as the management team's perspectives for stock selection</li> <li>• Bottom-up analysis drives stock selection</li> </ul>	Active Management Risk Convertible Securities Risk Depositary Receipts Risks Foreign Securities Risk Growth Securities Risk Large-Cap Stock Risk Sector Risk
Columbia Large Cap Index	<ul style="list-style-type: none"> <li>• Full replication of S&amp;P 500 Index</li> <li>• Uses technology to monitor and automate index rebalancing, dividends, cash flows, M&amp;A activity</li> </ul>	Correlation/Tracking Error Risk Derivatives Risk Derivatives Risk/Futures Contracts Risk Large-Cap Stock Risk Sector Risk
Columbia Large Cap Value	<ul style="list-style-type: none"> <li>• Focuses on common and preferred stock of large capitalization companies</li> <li>• Uses fundamental analysis with risk management in identifying opportunities in constructing the portfolio</li> <li>• Typically invests in dividend-paying and other value-oriented stocks</li> <li>• Seeks companies that are undervalued based on a variety of measures</li> </ul>	Active Management Risk Foreign Securities Risk Large-Cap Stock Risk Preferred Stock Risk Sector Risk Value Securities Risk
Columbia Mid Cap Growth	<ul style="list-style-type: none"> <li>• Focuses on companies with sustainable growth prospects, improving margins and high returns on capital with market capitalizations similar to the constituents of the Russell Mid Cap Growth Index</li> <li>• Uses quantitative and fundamental research as well as the management team's perspectives for stock selection</li> <li>• Bottom-up analysis drives stock selection</li> </ul>	Active Management Risk Convertible Securities Risk Depositary Receipts Risks Foreign Securities Risk Frequent Trading Risk Growth Securities Risk Mid-Cap Stock Risk Preferred Stock Risk Sector Risk Special Situations Risk

Columbia Mid Cap Index	<ul style="list-style-type: none"> <li>• Full replication of S&amp;P Mid Cap 400 Index</li> <li>• Uses technology to monitor and automate index rebalancing, dividends, cash flows, M&amp;A activity</li> </ul>	Correlation/Tracking Error Risk Derivatives Risk Derivatives Risk/Futures Contracts Risk Mid-Cap Stock Risk Real Estate-Related Investment Risk Sector Risk
Columbia Seligman Global Technology Growth	<ul style="list-style-type: none"> <li>• Focuses on companies with improving fundamentals not already reflected in valuation, and companies with a sustainable advantage; generally avoids stocks with extremely high valuations</li> <li>• Idea generation comes from intensive primary research including meetings with technology company managements, customers, suppliers, and partners; customized valuation screens that look at revenue, free cash flow; valuation also utilized</li> <li>• Proprietary, bottom-up models are constructed based on in-depth financial analysis, channel checks, meetings with company management and on-site evaluation whenever possible</li> </ul>	Active Management Risk Convertible Securities Risk Emerging Market Securities Risk Foreign Securities Risk Global Economic Risk Growth Securities Risk Large-Cap Stock Risk Liquidity Risk Non-Diversification Risk Sector Risk Small- and Mid-Cap Stock Risk
Columbia Seligman Technology Growth	<ul style="list-style-type: none"> <li>• Focuses on companies with improving fundamentals not already reflected in valuation, and companies with a sustainable advantage; generally avoids stocks with extremely high valuations</li> <li>• Idea generation comes from intensive primary research including meetings with technology company managements, customers, suppliers, and partners; customized valuation screens that look at revenue, free cash flow; valuation also utilized</li> <li>• Proprietary, bottom-up models are constructed based on in-depth financial analysis, channel checks, meetings with company management and on-site evaluation whenever possible</li> </ul>	Active Management Risk Foreign Securities Risk Growth Securities Risk Liquidity Risk Non-Diversification Risk Sector Risk Small- and Mid-Cap Stock Risk
Columbia Small Cap Growth	<ul style="list-style-type: none"> <li>• Focuses on companies with sustainable growth prospects with attractive valuations, improving sales and cash flows with market capitalizations similar to the constituents of the Russell Small Cap Growth Index</li> <li>• Uses fundamental and quantitative research to identify strong business models that have sustainable competitive advantages. Bottom-up fundamental analysis drives stock selection</li> </ul>	Active Management Risk Convertible Securities Risk Depositary Receipts Risks Foreign Securities Risk Frequent Trading Risk Growth Securities Risk Preferred Stock Risk Sector Risk Small-Cap Stock Risk Special Situations Risk
Columbia Small Cap Index	<ul style="list-style-type: none"> <li>• Full replication of S&amp;P Small Cap 600 Index</li> <li>• Uses technology to monitor and automate index rebalancing, dividends, cash flows, M&amp;A activity</li> </ul>	Correlation/Tracking Error Risk Derivatives Risk Derivatives Risk/Futures Contracts Risk Sector Risk Small-Cap Stock Risk
Columbia Small Cap Value I	<ul style="list-style-type: none"> <li>• Focuses on companies trading at attractive valuations with strong balance sheets and cash flows</li> <li>• Uses a quantitative model and management team's rigorous fundamental research as bottom-up analysis drives stock selection</li> <li>• Leverages centralized fundamental research for sector expertise</li> </ul>	Active Management Risk Foreign Securities Risk Real Estate-Related Investment Risk Sector Risk Small-Cap Stock Risk Value Securities Risk

Columbia Small Cap Value II	<ul style="list-style-type: none"> <li>• Focuses on companies trading at attractive valuations that exhibit positive upward inflection points</li> <li>• Uses a propriety quantitative model and management team's rigorous fundamental research as bottom-up analysis drives stock selection</li> <li>• Leverages centralized fundamental research for sector expertise</li> </ul>	Active Management Risk Depository Receipts Risks Foreign Securities Risk Quantitative Model Risk Real Estate-Related Investment Risk Sector Risk Small-Cap Stock Risk Value Securities Risk
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Columbia Threadneedle EAFE	<ul style="list-style-type: none"> <li>• Focuses on growing companies with high or rising returns</li> <li>• Industry and company research aims to identify sustainable competitive advantages.</li> <li>• "Best ideas" portfolio is constructed with a bottom-up approach</li> <li>• Selects stocks based on risk/reward and conviction.</li> <li>• Manages risk through diversification by stock.</li> </ul>	Active Management Risk Currency Risk Derivatives Risk Depository Receipts Risk Foreign Securities Risk Geographic Focus Risk Global Economic Risk Sector Risk Growth Securities Risk Value Securities Risk
Columbia Threadneedle Global Equity Income	<ul style="list-style-type: none"> <li>• Seeks to invest in quality income stocks: companies with a dividend yield greater than 3%, earnings growth, and a robust balance sheet.</li> <li>• Fundamentals-based focus on income, growth, sustainability of business model and a dividend yield in excess of 3%.</li> <li>• Detailed analysis focuses on earnings drivers and cash flow generation: sustainability of business model and growth prospects, revenue growth, margin improvement, capex profile.</li> </ul>	Active Management Risk Convertible Securities Risk Depository Receipts Risks Emerging Market Securities Risk Foreign Securities Risk Geographic Focus Risk Geographic Focus Risk/Europe Risk Global Economic Risk Liquidity Risk Preferred Stock Risk Sector Risk Small- and Mid-Cap Stock Risk Value Securities Risk
Columbia Threadneedle Global Focused Equity	<ul style="list-style-type: none"> <li>• Seeks quality growth companies with above average growth and returns</li> <li>• Macro and thematic views highlight areas of opportunity or risk,</li> <li>• Fundamental-based research focuses on competitive positioning and the ability to sustain competitive advantages</li> <li>• Portfolio is concentrated in high conviction ideas</li> </ul>	Active Management Risk Counterparty Risk Derivatives Risk Derivatives Risk/Structured Investments Risk Emerging Market Securities Risk Focused Portfolio Risk Foreign Securities Risk Geographic Focus Risk/Europe Risk Global Economic Risk Growth Securities Risk Sector Risk
Seligman Tech Spectrum	<ul style="list-style-type: none"> <li>• Rigorous bottom-up fundamental analysis with independent research overlay.</li> <li>• Focuses on finding strong growth companies with reasonable valuations.</li> <li>• Will take large position sizes in names in which there is a high degree of proprietary insight .</li> </ul>	Active Management Risk Concentration Risk Derivatives Risk Foreign Securities Risk Sector Risk Short Positions Risk Small- and Mid-Cap Stock Risk

Seligman Healthcare Spectrum Strategy	<ul style="list-style-type: none"> <li>• Rigorous bottom-up fundamental analysis with independent research overlay to identify healthcare and healthcare related companies.</li> <li>• Seeks long positions in companies with underappreciated market potential, playing acritical role in the delivery of care or patient outcomes, trading at attractive valuations relative to upside potential. Seeks short positions in companies in that face structural product/ business challenges, exhibit poor corporate fundamentals, or weak management teams</li> <li>• May take large position sizes in names in which there is a high degree of proprietary insight</li> </ul>	Active Management Risk Concentration Risk Derivatives Risk Foreign Securities Risk Healthcare Sector Risk Regulatory Risk Risk Sector Risk Short Positions Risk Small- and Mid-Cap Stock Risk
Columbia Emerging Markets ex-China Strategic Beta	<ul style="list-style-type: none"> <li>• Uses an indexing investment approach that seeks to replicate the performance of the Beta Thematic Emerging Markets ex-China Index (“Index”).</li> <li>• The Index is a free-float market capitalization-weighted index designed to provide broad, core emerging markets equity exposure by measuring the stock performance of 700 emerging markets companies, excluding companies domiciled in China or in Hong Kong.</li> <li>• These stocks are derived from a universe of publicly traded companies with a total market capitalization of at least \$100 million and a minimum six-month average daily trading value of at least \$2 million, which are domiciled in emerging market countries, as defined by Columbia Management.</li> <li>• The Index is reconstituted annually in June and rebalanced quarterly.</li> </ul>	Concentration Risk Correlation/Tracking Error Risk Depositary Receipts Risk Early Close/Late Close/Trading Halt Risk Emerging Market Securities Risk Foreign Currency Risk Foreign Securities Risk Geographic Focus Risk Index Methodology Risk Issuer Risk Liquidity Risk Market Risk Non-Diversification Risk Passive Investment Risk Sector Risk
Columbia U.S. Research Enhanced Core Strategic Beta	<ul style="list-style-type: none"> <li>• Uses an indexing investment approach that seeks to replicate the performance of the Beta Advantage® Research Enhanced U.S. Equity Index (“Index”).</li> <li>• With a starting universe of the Russell 1000® Index, the Index is designed to reflect the performance of U.S. large- and mid-cap growth and value companies through the application of a rules-based methodology.</li> <li>• The Index methodology applies the results of the investment manager’s proprietary quantitative investment models to rate each company within the Russell 1000® Index on a 1- through 5- basis, where “1” is the strongest rating and “5” is the weakest rating, based on three main company factor composites: quality (such as earnings quality), value (such as cash flow yield), and catalyst (such as price momentum). The Index is then systematically constructed to include all Buy- rated (“1” or “2” rated) companies.</li> <li>• The Index is reconstituted and rebalanced semi-annually in June and December.</li> </ul>	Correlation/Tracking Error Risk Early Close/Late Close/Trading Halt Risk Growth Securities Risk Index Methodology and Provider Risk Issuer Risk Market Risk Passive Investment Risk Quantitative Model Risk Sector Risk Value Securities Risk



Columbia U.S. Research Enhanced Value Strategic Beta	<ul style="list-style-type: none"> <li>• Uses an indexing investment approach that seeks to replicate the performance of the Beta Advantage® Research Enhanced U.S. Value Index (“Index”).</li> <li>• With a starting universe of the Russell 1000® Value Index, the Index is designed to reflect the performance of U.S. large- and mid-cap value companies through the application of a rules-based methodology.</li> <li>• The Index methodology applies the results of the investment manager’s proprietary quantitative investment models to rate each company within the Russell 1000® Value Index on a 1- through 5- basis, where “1” is the strongest rating and “5” is the weakest rating, based on three main company factor composites: quality (such as earnings quality), value (such as cash flow yield), and catalyst (such as price momentum). The Index is then systematically constructed to include all Buy- rated (“1” or “2” rated) companies.</li> <li>• The Index is reconstituted and rebalanced semi-annually in June and December.</li> </ul>	Correlation/Tracking Error Risk Early Close/Late Close/Trading Halt Risk Index Methodology and Provider Risk Issuer Risk Market Risk Passive Investment Risk Quantitative Model Risk Sector Risk Value Securities Risk
Columbia Seligman Semiconductor and Technology	<ul style="list-style-type: none"> <li>• Bottom-up, fundamental investment process leveraging in-depth research into specific companies in the semiconductor space, as well as companies that are up- and down- stream to that industry.</li> </ul>	Active Management Risk Focused Portfolio Risk Foreign Securities Risk Growth Securities Risk Issuer Risk Large-Cap Stock Risk Liquidity Risk Sector Risk Semiconductor and Semiconductor Equipment Industry Risk
Columbia Tax Efficient Structured Equity - U.S Large Cap	<ul style="list-style-type: none"> <li>• Uses quantitative analysis that seeks to closely match the risk characteristics of the portfolio to the S&amp;P 500 Index.</li> </ul>	Market Risk Tax-Managed Investing Risk
Columbia Tax Efficient Structured Equity - International ADR	<ul style="list-style-type: none"> <li>• Uses quantitative analysis that seeks to closely match the risk characteristics of the portfolio to the BoNY Classic ADR Index.</li> </ul>	Market Risk Tax-Managed Investing Risk
Columbia Tax Efficient Structured Equity - U.S All Cap	<ul style="list-style-type: none"> <li>• Uses quantitative analysis that seeks to closely match the risk characteristics of the portfolio to the S&amp;P 1500 Index.</li> </ul>	Market Risk Tax-Managed Investing Risk
Columbia Tax Efficient Structured Equity - Custom	<ul style="list-style-type: none"> <li>• Uses quantitative analysis that seeks to closely match the risk characteristics of the portfolio to the chosen benchmark.</li> </ul>	Market Risk Tax-Managed Investing Risk

Institutional Separately Managed Account Fixed Income Strategies	Primary Methods of Analysis	Material Risks
Columbia Bank Loan Strategy	<ul style="list-style-type: none"> <li>• Bottom-up, in-house fundamental credit research guides credit selection</li> <li>• Fundamental industry analysis</li> <li>• Focus on downside risk management</li> </ul>	Active Management Risk Confidential Information Access Risk Counterparty Risk Credit Risk –Bank Loans Foreign Securities Risk Highly Leveraged Transactions Risk High-Yield Investments Risk Impairment of Collateral Risk Interest Rate Risk LIBOR Replacement Risk Liquidity Risk Loan Interests Risk Money Market Fund Investment Risk Prepayment and Extension Risk Reinvestment Risk
Columbia Core Fixed Income Columbia Core Fixed Income – Government/Credit Columbia Core Plus Fixed Income Columbia Intermediate Fixed Income	<ul style="list-style-type: none"> <li>• Bottom-up approach to identify opportunities where expected reward is greater than expected risk</li> <li>• Fundamental and quantitative analysis used for sector/industry allocation</li> <li>• Intensive, proprietary research guides credit and issue selection</li> </ul>	Active Management Risk Counterparty Risk Credit Risk Derivatives Risk Derivatives Risk/Futures Contracts Risk Derivatives Risk/Swaps Risk Emerging Markets Securities Risk Foreign Securities Risk Forward Commitments on Mortgage-backed Securities (including Dollar Rolls) Risk Frequent Trading Risk High-Yield Investments Risk Interest Rate Risk Liquidity Risk Mortgage- and Other Asset-Backed Securities Risk Preferred Stock Risk Prepayment and Extension Risk Reinvestment Risk Rule 144A and Other Exempted Securities Risk Sovereign Debt Risk U.S. Government Obligations Risk
Columbia Corporate Limited Duration Fixed Income Columbia Global Investment Grade Corporate Fixed Income Columbia Investment Grade Corporate Fixed Income Columbia Investment Grade Corporate Long Duration Fixed Income Columbia Long Government/Credit	<ul style="list-style-type: none"> <li>• Independent, proprietary, fundamental credit research drives the investment process</li> <li>• Quantitative analysis supplements traditional credit research</li> <li>• Active portfolio management to exploit inefficiencies and varying market conditions</li> </ul>	Active Management Risk Credit Risk Emerging Market Securities Risk Foreign Securities Risk Interest Rate Risk Liquidity Risk Prepayment and Extension Risk Reinvestment Risk Rule 144A and Other Exempted Securities Risk

Columbia Catholic Values Intermediate Bond	<ul style="list-style-type: none"> <li>• Bottom-up approach to identify opportunities where expected reward is greater than expected risk</li> <li>• Fundamental and quantitative analysis used for sector/industry allocation</li> <li>• Intensive, proprietary research guides credit and issue selection</li> <li>• The strategy intends follow the framework provided by the United States Conference of Catholic Bishops' Socially Responsible Investment Guidelines</li> </ul>	Active Management Risk Counterparty Risk Credit Risk Derivatives Risk Derivatives Risk/Futures Contracts Risk Derivatives Risk/Swaps Risk Emerging Markets Securities Risk Foreign Securities Risk Forward Commitments on Mortgage-backed Securities (including Dollar Rolls) Risk Frequent Trading Risk High-Yield Investments Risk Interest Rate Risk Liquidity Risk Mortgage- and Other Asset-Backed Securities Risk Preferred Stock Risk Prepayment and Extension Risk Reinvestment Risk Rule 144A and Other Exempted Securities Risk Sovereign Debt Risk U.S. Government Obligations Risk Catholic Values Investing Risk
Columbia Emerging Markets Fixed Income	<ul style="list-style-type: none"> <li>• Top-down fundamental research based approach in analyzing both U.S. and U.S. Dollar emerging markets</li> <li>• Fundamental research of economic fundamentals for both country and currency selection</li> <li>• In depth research of emerging markets fiscal, monetary policy, debt level and current account balances</li> </ul>	Active Management Risk Counterparty Risk Credit Risk Derivatives Risk Derivatives Risk/Forward Contracts Risk Derivatives Risk/Futures Contracts Risk Derivatives Risk/Swaps Risk Emerging Market Securities Risk Foreign Currency Risk Foreign Securities Risk Frontier Market Risk Geographic Focus Risk Global Economic Risk High-Yield Investments Risk Interest Rate Risk Liquidity Risk Non-Diversification Risk Prepayment and Extension Risk Reinvestment Risk Rule 144A and Other Exempted Securities Risk Russia and Russia-related Investment Risk Sovereign Debt Risk

<p>Columbia High Quality High Yield Fixed Income</p> <p>Columbia Institutional High Yield Fixed Income</p>	<ul style="list-style-type: none"> <li>• Fundamental analysis used to formulate market outlook and strategy</li> <li>• Top down tactical review guides industry weightings and quality positioning</li> <li>• Intensive, fundamental credit research guides credit selection</li> </ul>	<p>Active Management Risk</p> <p>Counterparty Risk</p> <p>Credit Risk</p> <p>Derivatives Risk</p> <p>Derivatives Risk/ Interest Rate Futures Risk</p> <p>Derivatives Risk/Credit Default Swaps Risk</p> <p>Foreign Securities Risk</p> <p>Highly Leveraged Transactions Risk</p> <p>High-Yield Investments Risk</p> <p>Impairment of Collateral Risk</p> <p>Interest Rate Risk</p> <p>Liquidity Risk</p> <p>Prepayment and Extension Risk</p> <p>Reinvestment Risk</p> <p>Rule 144A and Other Exempted Securities Risk</p> <p>Sector Risk</p>
<p>Columbia High Yield Municipal</p>	<ul style="list-style-type: none"> <li>• Relative-value based investment approach focuses on higher yielding, lower quality securities in the municipal market</li> <li>• Focuses on credit selection utilizing strength of bottom-up fundamental credit research</li> <li>• Parameters around liquidity and concentration limits seek to deliver much of the market upside while protecting on the downside</li> <li>• Diversification across issuer, sector, geography and credit quality</li> </ul>	<p>Active Management Risk</p> <p>Changing Distribution Level Risk</p> <p>Credit Risk</p> <p>Derivatives Risk</p> <p>Derivatives Risk/Futures Contracts Risk</p> <p>Derivatives Risk/Inverse Floaters Risk</p> <p>Exchange-Traded Fund (ETF) Risk</p> <p>High-Yield Investments Risk</p> <p>Interest Rate Risk</p> <p>Liquidity Risk</p> <p>Money Market Fund Investment Risk</p> <p>Municipal Securities Risk</p> <p>Prepayment and Extension Risk</p> <p>Rule 144A and Other Exempted Securities Risk</p> <p>Reinvestment Risk</p> <p>Tax Risk – Municipal Securities</p>
<p>Columbia Intermediate Municipal</p>	<ul style="list-style-type: none"> <li>• Relative-value based investment approach focuses on the intermediate portion of the municipal market</li> <li>• Top-down approach formulates macro-outlook and interest rate position and identifies undervalued sectors</li> <li>• Focuses on credit selection utilizing strength of bottom-up fundamental credit research</li> <li>• Diversification across issuer, sector and geography</li> </ul>	<p>Active Management Risk</p> <p>Changing Distribution Level Risk</p> <p>Credit Risk</p> <p>Derivatives Risk</p> <p>Derivatives Risk/Futures Contracts Risk</p> <p>Derivatives Risk/Inverse Floaters Risk</p> <p>Exchange-Traded Fund (ETF) Risk</p> <p>High-Yield Investments Risk</p> <p>Interest Rate Risk</p> <p>Liquidity Risk</p> <p>Municipal Securities Risk</p> <p>Prepayment and Extension Risk</p> <p>Reinvestment Risk</p> <p>Tax Risk – Municipal Securities</p>
<p>Columbia Liability Driven Investing</p>	<ul style="list-style-type: none"> <li>• Bottom-up approach to identify opportunities where expected reward is greater than expected risk</li> <li>• Fundamental and quantitative analysis used for sector/industry allocation</li> <li>• Intensive, proprietary research guides credit and issue selection</li> </ul>	<p>Active Management Risk</p> <p>Counterparty Risk</p> <p>Credit Risk</p> <p>Derivatives Risk</p> <p>Impairment of Collateral Risk</p> <p>Interest Rate Risk</p> <p>Liquidity Risk</p> <p>High-Yield Investments Risk</p> <p>Prepayment and Extension Risk</p> <p>Sovereign Debt Risk</p>

Columbia Long Municipal	<ul style="list-style-type: none"> <li>• Relative-value based investment approach focused on the longer portion of the municipal market</li> <li>• Top-down approach formulates macro-outlook and interest rate position and identifies undervalued sectors</li> <li>• Focuses on credit selection utilizing strength of bottom-up fundamental credit research</li> <li>• Diversification across issuer, sector, geography and credit quality</li> </ul>	Active Management Risk Changing Distribution Level Risk Counterparty Risk Credit Risk Derivatives Risk Derivatives Risk/Futures Contracts Risk Derivatives Risk/Inverse Floaters Risk Exchange-Traded Fund (ETF) Risk High-Yield Investments Risk Interest Rate Risk Liquidity Risk Municipal Securities Risk Prepayment and Extension Risk Reinvestment Risk Tax Risk – Municipal Securities
Columbia Short Duration Bond Strategic Beta	<ul style="list-style-type: none"> <li>• Using an indexing investment approach that seeks to replicate the performance of the Beta Advantage® Short Term Bond Index (“Index”).</li> <li>• Index reflects a rules-based strategic beta approach to measuring the performance of the debt market through representation of segments of the debt market in the Index, each focused on yield, quality, and liquidity of the particular segment. The Index will have exposure to the following four segments of the debt market (% amount noted is the Index’s allocation to the particular segment at Index rebalancing and reconstitution, as described below): U.S. securitized debt (30%); U.S. corporate investment grade bonds (30%); U.S. corporate high yield bonds (20%); and emerging markets sovereign and quasi-sovereign debt (20%).</li> <li>• The Index’s allocation to each of the four segments of the debt market, represented by six sub-index models, is fixed as of each Index rebalancing and reconstitution, but may vary due to the performance of each segment between these events.</li> <li>• The Index and the components are rebalanced and reconstituted on a monthly basis.</li> </ul>	Correlation/Tracking Error Risk Counterparty Risk Credit Risk Early Close/Late Close/Trading Halt Risk Emerging Market Securities Risk Foreign Currency Risk Foreign Securities Risk Forward Commitments on Mortgage-Backed Securities (including Dollar Rolls) Risk Frequent Trading Risk High-Yield Investments Risk Index Methodology and Provider Risk Interest Rate Risk Issuer Risk Liquidity Risk Market Risk Mortgage-Backed Securities Risk Passive Investment Risk Portfolio Turnover Risk Prepayment and Extension Risk Reinvestment Risk Rule 144A and Other Exempted Securities Risk Sector Risk Sovereign Debt Risk U.S. Government Obligations Risk Valuation Risk

<p>Columbia Multi-Sector Municipal Income Strategic Beta</p>	<ul style="list-style-type: none"> <li>• Using an indexing investment approach that seeks to replicate the performance of the Beta Advantage® Multi-Sector Municipal Bond Index (“Index”).</li> <li>• The Index reflects a rules-based, multisector strategic beta approach to measuring the performance of the U.S tax-exempt bond market, which is composed of bonds issued by or on behalf of state or local governments whose interest is exempt from regular federal income tax (but may be subject to the alternative minimum tax), through representation of five segments of the municipal debt market in the Index, with a focus on yield, quality, maturity, liquidity, and interest rate sensitivity of the particular segment.</li> <li>• The Index includes publicly issued U.S. dollar denominated, fixed rate municipal bonds. California bonds, Guam bonds, Puerto Rico bonds, U.S. Virgin Island bonds, other U.S. territories, commonwealths and possessions, prerefunded bonds, insured bonds, floaters, callable bonds with less than 1 year to call, tobacco bonds, and derivatives are all excluded from the Index.</li> <li>• The Index will have exposure to the following five segments of the municipal debt market (% amount noted is the Index’s allocation to the particular segment at Index rebalancing and reconstitution, as described below): the Municipal Core Revenue Segment, as described below (45%); healthcare related debt – the Municipal Health Care Segment (20%); high quality revenue bonds – the Municipal High Quality Revenue Segment (15%); general obligation (GO) bonds – the Municipal Core GO Segment (10%); and high yield debt (also known as “junk bonds”) – the Municipal High Yield Segment (10%). Each of the five Segment’s component bonds, other than the Municipal High Yield Segment, is derived from a sub-set index or indices of the Bloomberg Barclays Municipal Bond Index (the Parent Index), which serves as each segment’s starting universe of securities eligible for inclusion in the Index.</li> <li>• The five sub-index models will generate all of the component securities of the Index. Each sub-index model, as well as the Index itself, is market-value weighted. The Index and the components are rebalanced and reconstituted on a monthly basis.</li> </ul>	<p>Concentration Risk Correlation/Tracking Error Risk Counterparty Risk Credit Risk Early Close/Late Close/Trading Halt Risk. High-Yield Investments Risk. Index Methodology Risk Interest Rate Risk. Liquidity Risk Market Risk Money Market Fund Investment Risk Municipal Securities Risk Passive Investment Risk Prepayment and Extension Risk Reinvestment Risk Rule 144A and Other Exempted Securities Risk Tax Risk Valuation Risk</p>
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Columbia Multisector Fixed Income Strategic Beta	<ul style="list-style-type: none"> <li>• Using an indexing investment approach that seeks to replicate the performance of the Beta Advantage® Multi-Sector Bond Index (“Index”).</li> <li>• The Index reflects a rules-based multi-sector strategic beta approach to measuring the performance of the debt market through representation of six segments of the debt market in the Index, each focused on yield, quality, and liquidity of the particular segment.</li> <li>• The Index will have exposure to the following six segments of the debt market (% amount noted is the Index’s allocation to the particular segment at index rebalancing and reconstitution as described below): U.S. Treasury securities (10%); global ex-U.S. treasury securities (10%); U.S. agency mortgage-backed securities (15%); U.S. corporate investment grade bonds (15%); U.S. corporate high yield bonds (30%); and emerging markets sovereign and quasi-sovereign debt (20%).</li> <li>• The Index’s allocation to each of the six segments of the debt market, represented by six sub-index models, is fixed as of each Index rebalancing and reconstitution, but may vary due to the performance of each segment between these events.</li> <li>• The Index and the components are rebalanced and reconstituted on a monthly basis.</li> </ul>	Concentration Risk Correlation/Tracking Error Risk Counterparty Risk Credit Risk Depositary Receipts Risk Early Close/Late Close/Trading Halt Risk Emerging Market Securities Risk Foreign Currency Risk Foreign Securities Risk Forward Commitments on Mortgage-Backed Securities (including Dollar Rolls) Risk Frequent Trading Risk High-Yield Investments Risk Index Methodology and Provider Risk Interest Rate Risk Issuer Risk Liquidity Risk Market Risk Mortgage-Backed Securities Risk Passive Investment Risk Portfolio Turnover Risk Prepayment and Extension Risk Reinvestment Risk Rule 144A and Other Exempted Securities Risk Sector Risk Sovereign Debt Risk U.S. Government Obligations Risk Valuation Risk
Columbia Short Duration	<ul style="list-style-type: none"> <li>• Macro assessment results in targeted sector weightings, duration, curve, and quality positioning</li> <li>• Intensive, fundamental credit and quantitative research guides issue selection</li> <li>• Diversification and disciplined approach intends to minimize credit and structure risk</li> </ul>	Active Management Risk Counterparty Risk Credit Risk Derivatives Risk Derivatives Risk/ Futures Contracts Risk Foreign Securities Risk Forward Commitments on Mortgage-backed Securities (including Dollar Rolls) Risk Interest Rate Risk Liquidity Risk Mortgage- and Other Asset-Backed Securities Risk Prepayment and Extension Risk Reinvestment Risk Rule 144A and Other Exempted Securities Risk U.S. Government Obligations Risk
Columbia Short Duration High Yield	<ul style="list-style-type: none"> <li>• Fundamental analysis used to formulate market outlook and strategy</li> <li>• Intensive, fundamental credit research guides credit selection</li> <li>• Strict investment discipline within our stated opportunity is employed to help manage the changing profile of the short duration high yield universe</li> </ul>	Active Management Risk Counterparty Risk Credit Risk Foreign Securities Risk Highly Leveraged Transactions Risk High-Yield Investments Risk Impairment of Collateral Risk Interest Rate Risk Liquidity Risk Prepayment and Extension Risk Reinvestment Risk Rule 144A and Other Exempted Securities Risk Sector Risk

Columbia Short Term Municipal	<ul style="list-style-type: none"> <li>• Relative-value based investment approach focuses on the shorter end of the municipal market</li> <li>• Top-down approach formulates macro-outlook and interest rate position and identifies undervalued sectors</li> <li>• Focuses on credit selection utilizing strength of bottom-up fundamental credit research</li> <li>• Diversification across issuer, sector and geography</li> </ul>	Active Management Risk Changing Distribution Level Risk Credit Risk Derivatives Risk Derivatives Risk/Futures Contracts Risk Exchange-Traded Fund (ETF) Risk Interest Rate Risk Liquidity Risk Municipal Securities Risk Prepayment and Extension Risk Reinvestment Risk Tax Risk – Municipal Securities
Columbia Structured Credit Columbia U.S. Government Mortgage	<ul style="list-style-type: none"> <li>• Independent, proprietary, fundamental research drives the investment process</li> <li>• Quantitative analysis supplements traditional research</li> <li>• Active portfolio management to exploit inefficiencies and varying market conditions</li> </ul>	Active Management Risk Counterparty Risk Credit Risk Derivatives Risk Derivatives Risk/Futures Contracts Risk Derivatives Risk/Options Risk Derivatives Risk/Swaps Risk Derivatives Risk/Swaptions Risk Forward Commitments on Mortgage-backed Securities (including Dollar Rolls) Risk Frequent Trading Risk High-Yield Investments Risk Interest Rate Risk Leverage Risk Liquidity Risk Money Market Fund Investment Risk Mortgage- and Other Asset-Backed Securities Risk Non-Diversification Risk Prepayment and Extension Risk Reinvestment Risk Repurchase Agreements Risk Rule 144A and Other Exempted Securities Risk Short Positions Risk Sovereign Debt Risk Stripped Mortgage-Backed Securities Risk U.S. Government Obligations Risk
Columbia Ultra Short Term Municipal	<ul style="list-style-type: none"> <li>• Relative-value based investment approach focuses on the shorter end of the municipal market</li> <li>• Top-down approach formulates macro-outlook and interest rate position and identifies undervalued sectors</li> <li>• Focuses on credit selection utilizing strength of bottom-up fundamental credit research</li> <li>• Diversification across issuer, sector and geography</li> </ul>	Active Management Risk Changing Distribution Level Risk Credit Risk Exchange-Traded Fund (ETF) Risk Frequent Trading Risk High-Yield Investment Risk Interest Rate Risk Liquidity Risk Market Risk Municipal Securities Risk Prepayment and Extension Risk Reinvestment Risk Tax Risk – Municipal Securities



Columbia Multisector Fixed Income	<ul style="list-style-type: none"> <li>• Bottom-up, fundamental, proprietary research drives credit selection</li> <li>• Tactical sector allocation employs scorecard approach assessing technical, fundamental and valuation factors</li> <li>• Diversified allocation to a broad set of fixed income risks incorporates viewpoints of investment professionals across the organization</li> </ul>	Active Management Risk Convertible Securities Risk Credit Risk Derivatives Risk Derivatives Risk/Forward Contracts Risk Derivatives Risk/Futures Contracts Risk Derivatives Risk/Options Risk Derivatives Risk/Swaps Risk Emerging Market Securities Risk Foreign Securities Risk Forward Commitments on Mortgage-backed Securities (including Dollar Rolls) Risk High-Yield Investments Risk Impairment of Collateral Risk Inflation-Protected Securities Risk Interest Rate Risk Liquidity Risk Loan Interests Risks Mortgage- and Other Asset-Backed Securities Risk Preferred Stock Risk Prepayment and Extension Risk Reinvestment Risk Rule 144A and Other Exempted Securities Risk Sovereign Debt Risk Stripped Mortgage-Backed Securities Risk U.S. Government Obligations Risk
Columbia Strategic Municipal	<ul style="list-style-type: none"> <li>• Relative-value based investment approach employs a flexible approach to uncover the most attractive opportunities across the maturity and credit spectrums in the municipal market</li> <li>• Top-down approach formulates macro-outlook and interest rate position and identifies undervalued sectors</li> <li>• Focuses on credit selection utilizing strength of bottom-up fundamental credit research</li> <li>• Diversification across issuer, sector, geography and credit quality</li> </ul>	Active Management Risk Changing Distribution Level Risk Counterparty Risk Credit Risk Derivatives Risk Derivatives Risk/Futures Contracts Risk Derivatives Risk/Inverse Floaters Risk Exchange-Traded Fund (ETF) Risk High-Yield Investments Risk Interest Rate Risk Liquidity Risk Money Market Fund Investment Risk Municipal Securities Risk Prepayment and Extension Risk Reinvestment Risk Tax Risk – Municipal Securities
Columbia Ultra Short Term	<ul style="list-style-type: none"> <li>• Macro assessment results in targeted sector weightings, duration, curve, and quality positioning</li> <li>• Intensive, fundamental credit and quantitative research guides issue selection</li> <li>• Diversification and disciplined approach intends to minimize credit and structure risk</li> </ul>	Active Management Risk Counterparty Risk Credit Risk Foreign Securities Risk Forward Commitments on Mortgage-backed Securities (including Dollar Rolls) Risk Impairment of Collateral Risk Interest Rate Risk Liquidity Risk Mortgage- and Other Asset-Backed Securities Risk Prepayment and Extension Risk Reinvestment Risk Rule 144A and Other Exempted Securities Risk U.S. Government Obligations Risk

Columbia U.S. Treasury Index	<ul style="list-style-type: none"> <li>• Tracks the total return of the Citigroup Bond US Treasury Index</li> <li>• Attempts to match the duration characteristics of the Index by employing an optimization-based investment process</li> <li>• Divides the Treasury universe into various sub-sectors based on technical supply and demand dynamics</li> </ul>	Correlation/Tracking Error Risk Credit Risk Interest Rate Risk U.S. Government Obligations Risk
<b>Institutional Separately Managed Account Multi-Asset Strategies</b>	<b>Primary Methods of Analysis</b>	<b>Material Risks</b>
Columbia Adaptive Risk Allocation	<ul style="list-style-type: none"> <li>• Global, multi-asset strategy utilizes a dynamic benchmarking approach to establish market states</li> <li>• Employs risk-balanced benchmark when appropriate, and more conservative/aggressive policy portfolios as warranted by market conditions</li> <li>• Distinct policy portfolios promote decisive asset allocation mapped to market states</li> </ul>	Active Management Risk Allocation Risk Commodity-Related Investment Risk Credit Risk Derivatives Risk Derivatives Risk/Forward Contracts Risk Derivatives Risk/Futures Contracts Risk Derivatives Risk/Options Risk Derivatives Risk/Swaps Risk Emerging Market Securities Risk Exchange-Traded Fund (ETF) Risk Foreign Securities Risk Forward Commitments on Mortgage-backed Securities (including Dollar Rolls) Risk Frequent Trading Risk High-Yield Investments Risk Inflation Risk Inflation-Protected Securities Risk Interest Rate Risk Large-Cap Stock Risk Leverage Risk Liquidity Risk Money Market Fund Investment Risk Mortgage- and Other Asset-Backed Securities Risk Non-Diversification Risk Prepayment and Extension Risk Quantitative Model Risk Real Estate-Related Investment Risk Reinvestment Risk Repurchase Agreements Risk Reverse Repurchase Agreements Risk Short Positions Risk Small- and Mid-Cap Stock Risk Sovereign Debt Risk U.S. Government Obligations Risk

Columbia Commodities Strategy	<ul style="list-style-type: none"> <li>Adherence to risk budgeting discipline and tracking error constraints. Daily review of exposure to maintain targeted risk allocation to curve, carry, and congestion</li> <li>Focus on systematically exploitable and academically verified sources of return that seek to identify which commodity sectors to allocate to and what is the best place on the curve to gain exposure to</li> <li>On-going portfolio monitoring by independent investment risk team along with third-party analytics provide comprehensive view of portfolio</li> </ul>	Active Management Risk Commodity Futures Trading Commission (CFTC) Regulatory Risk Commodity-related Investment Risk Commodity-related Tax Risk Credit Risk Derivatives Risk Derivatives Risk – Futures Contracts Risk Derivatives Risk – Options Risk Derivatives Risk – Structured Investments Risk Derivatives Risk – Swaps Risk Frequent Trading Risk Interest Rate Risk Investing in Wholly-Owned Subsidiary Risk Issuer Risk Large Purchases and Redemptions of Fund Shares Risk Leverage Risk Liquidity Risk Market Risk Money Market Fund Investment Risk Mortgage- and Other Asset-Backed Securities Risk Prepayment and Extension Risk Sector Risk – Energy Sector Risk – Materials Tax Risk U.S. Government Obligations Risk
<b>Institutional Separately Managed Account - Alternative Strategies</b>	<b>Primary Methods of Analysis</b>	<b>Material Risks</b>
Columbia Real Estate Loan Investments Strategy	<ul style="list-style-type: none"> <li>Identify privately negotiated commercial mortgage debt, secured by investment real estate</li> <li>Diversify across US geographies and across real estate industries</li> <li>Identify intermediate-to-long term fixed rates loans, offering incremental yield over treasuries</li> <li>Focus on downside risk management to mitigate the risk of principal loss</li> </ul>	Active Management Risk Confidential Information Access Risk Counterparty Risk Credit Default Risk – Real Estate Loans Impairment of Collateral Risk Interest Rate Risk Liquidity Risk Loan Interests Risk Prepayment and Extension Risk Reinvestment Risk

### ***Investment Strategies***

We employ various investment strategies through our investment mandates and based on the objectives, strategies and restrictions of the clients involved. Client portfolios with similar investment mandates, strategies and guidelines are generally managed similarly, although accounts are customized to meet clients' specific requirements. Long term (securities held for at least one year), short term (securities sold within one year), trading (securities sold within thirty days) and option strategies, including option writing, may all be used, if permitted by the applicable client investment guidelines. We may also borrow securities in connection with short sales, borrow money to invest in additional portfolio securities or engage in transactions in derivatives for some clients. We may also provide asset allocation services to certain clients, on either a discretionary or non-discretionary basis, with periodic rebalancing.

In employing investment strategies, we may use certain strategies in an attempt to "hedge" or "neutralize" various risks associated with positions in a client's portfolio. The instruments used to engage in these hedging strategies include various derivative instruments, such as forward contracts, futures, options, structured investments, swaps, interest rate caps and other derivative instruments. Our attempts to partially or fully hedge a portfolio may not be successful and may cause the portfolio to incur a loss. In addition, some clients may attempt to hedge or neutralize various risks in their portfolios independently and with no input from us.

### ***Investment Strategies Offered Through Retail Managed Account Programs***

Some of the strategies that we offer through Retail Managed Account Programs are modeled after one of our institutional mandates and may have similar names. Other strategies are not offered through the institutional client channel. Strategies offered through Retail Managed Account Programs are not available through all Retail Managed Account Program Sponsors. Descriptions of these strategies are included in the Retail Managed Account Program Appendix. We may provide these strategies on a discretionary basis or on a non-discretionary basis through delivery of Model-Delivered Strategies.

We also offer a wide variety of model portfolios which allocate assets to different asset classes (“Asset Allocation Model Portfolios”), and are comprised primarily of underlying proprietary and/or non-proprietary investment products, including mutual funds, exchange traded products and Model-Delivered Strategies. Primary methods of analysis for our Asset Allocation Model Portfolios are driven by a regimented research framework designed to evaluate economic conditions and market environments. Long term strategic analysis and short-term tactical analysis seek to identify opportunities and risks based on key indicators. The strategic analysis leverages proprietary research and resultant capital market assumptions, which are used to determine strategic allocations that align with the corresponding portfolio’s investment objective and risk tolerance. Tactical analysis is continuous and fluid in response to changing market conditions. Three broad areas of tactical analysis are conducted: top-down/macro analysis, asset class analysis, and valuation analysis. Asset Allocation Model Portfolios are subject to the risks of the underlying investment products in which they invest. The risks of underlying mutual funds and ETFs can be found in each fund’s prospectus. You can request a current copy of any such fund’s prospectus by visiting that fund’s website or contacting your Retail Managed Account Program Sponsor. Material Risks that apply to every Asset Allocation Model Portfolio strategy include Market Risk, Active Management Risk, Allocation Risk, Implementation Risk, Liquidity Risk and Volatility Risk.

The Columbia Tax Efficient Portfolios (“TEP”), which are available only through Retail Managed Account Programs, each hold a portfolio of individual stocks designed to closely track the pre-tax performance of a selected benchmark, but which seek to outperform a comparable investment in securities comprising the benchmark on an after-tax and after-investment management fee basis, taking into account applicable US federal income tax rates and any distributions, corporate events or other transactions. For Retail Managed Account Wrap Fee Program clients to take full advantage of tax-loss harvesting within TEP, the Retail Managed Account Program Sponsor must provide us in a timely manner with the clients’ preferred cost basis methodology and any subsequent changes to that methodology. TEP is dependent on receipt of relevant data from the client custodian through automated data feeds to ensure systematic inclusion and processing. Custodian data produced late, incompletely or incorrectly could result in trading delays, sub-optimal trade selection and/or result in higher than expected variations in recorded performance.

### ***Active Risk Allocation Portfolios***

We offer the Active Risk Allocation Portfolios (“ARAP”) through affiliated and non-affiliated sponsors of Retail Managed Account Programs. For affiliated sponsors, ARAP implements a fixed percentage allocation approach for the Columbia mutual funds held in these portfolios. ARAP allocates 40% to the Columbia Adaptive Risk Allocation Fund (“Columbia Adaptive Risk Allocation”), 10% to the Columbia Multi Strategy Alternatives Fund (“Multi Strategy Alternatives”) and 50% to a variety of non-affiliated ETFs and mutual funds (“Non-Affiliated Funds”) selected by us. Within the 50% allocation to Non-Affiliated Funds, there are no internal limitations set against our evaluation of potential individual funds or the amounts to be invested in each fund. However, Non-affiliated Retail Managed Account Program Sponsors are not required to implement a fixed percentage allocation for the Columbia mutual funds held in these portfolios, and may place their own screening criteria that limits our use of certain Non-Affiliated Funds. See your Retail Managed Account Program Sponsor for additional information.

Underlying investments held inside Columbia Adaptive Risk Allocation and Multi Strategy Alternatives may vary throughout time as tactical discretion inside these funds remains a tool utilized in management of these funds. As a result of our fixed allocations to these funds with respect to ARAP, accounts may have asset allocations that we would change were such fixed allocations not in place.

ARAP accounts held through affiliated sponsors of Retail Managed Account Programs are rebalanced no less frequently than quarterly to maintain these fixed percentage allocations, which are monitored by us at the master model allocation level for the portfolio rather than at the individual client account level. Additionally, when a market-driven event(s) causes the allocation to either Columbia Adaptive Risk Allocation or Multi Strategy Alternatives to vary by more than 3%

from their respective fixed allocations within the master model maintained by us, the portfolio will be rebalanced back to the fixed allocations described above. This market-driven event rebalancing will occur on a fixed, predetermined basis. To the extent clients of an affiliated sponsor make an investment of new cash or open an ARAP account, the assets will be invested in accordance with the then-current asset allocation weightings reflected in the master model maintained by us, which may vary from the fixed percentage allocations noted above until the account is rebalanced. Absent instructions, partial withdrawals are expected to be handled on a pro-rata basis and clients will be notified in advance of any future planned changes to the fixed percentage allocations described above. These rebalancing procedures may differ in Retail Managed Account Programs as a result of the non-affiliated Retail Managed Account Program Sponsor's or overlay manager's management of, and investment discretion over, client accounts. See your Retail Managed Account Program Sponsor for additional information.

We may pay fees to non-affiliated Retail Managed Account Program Sponsors in consideration of the sponsor offering ARAP through their Retail Managed Account Program. See your Retail Managed Account Program Sponsor for more information about such fees.

### ***Environmental, Social and Governance Factors and Research***

We became a signatory to the United Nations-supported Principles for Responsible Investment ("PRI") in October 2014. The PRI initiative is based on six principles that address the integration of environmental, social and governance ("ESG") factors into investment decision-making and stewardship practices. As a PRI signatory, we have made a commitment by investing in the resources, enhanced analytics and data to supplement our standard fundamental and quantitative tools to help investment teams expand their investment mosaic to potentially consider and integrate extra-financial (ESG) factors that seek to identify material associated risks and opportunities that may bear on the long-term value creation and sustainability of a company. While we follow the PRI principles, becoming a PRI signatory does not require the application of specific Responsible Investment ("RI") factors in our investment process, and we may take actions inconsistent with the PRI if in our judgment it is in the best interests of our clients to do so.

We, together with our Advisory Affiliates, also maintain a global internal centralized RI research function. The team comprises a number of individual specialists with expertise across ESG thematic research, ESG integration, ESG policy, client reporting and thought leadership content. While we believe that evaluating RI research and analysis enables portfolio managers to make better informed investment decisions, each portfolio management team within our firm makes its own investment decisions and certain teams may place more, less or no emphasis on ESG factors in any given investment decision. We do not systematically apply ESG restrictions (i.e., exclusions of tobacco or gaming companies, etc.) in client portfolios unless we are specifically directed to do so by a client or have otherwise indicated in the offering materials or prospectus of a Fund. We believe in being active and responsible stewards of the capital entrusted to us by our clients. Consistent with this philosophy and the duty to act in the best long-term economic interests of our clients, our publicly available Stewardship Principles and Approach (the "Principles") form an important part of our investment framework and guidelines. These Principles outline the governance of our stewardship activities as they apply across asset classes, as well as specifying our approach to monitoring the companies in which we invest and the role within stewardship of engagement and proxy voting.

## **DISCIPLINARY INFORMATION**

Ameriprise Financial and certain of its affiliates, including us, have been involved in legal, arbitration and/or regulatory matters concerning their respective business activities. These matters include routine litigation, class actions, and regulatory or governmental agency examinations and investigations. As a matter of policy, we do not typically provide copies of letters or responses stemming from regulatory or governmental examinations or investigations, or publish information relating to ongoing exams, investigations or litigation. However, upon request from a prospective or current client, we may communicate the results of completed exams, investigations or litigation or the status of ongoing matters.

To the best of our knowledge, neither we nor Ameriprise Financial, nor any of our advisory affiliates, are currently the subject of any pending legal, arbitration, regulatory or other governmental matters that are likely to have a material adverse effect on Ameriprise Financial's financial condition or our ability to meet our contractual commitments to clients. Ameriprise Financial is required to make 10Q, 10-K and, as necessary, 8-K filings with the Securities and Exchange Commission on legal and regulatory matters that relate to Ameriprise Financial and its affiliates. Copies of these filings may be obtained by accessing the SEC website at [www.sec.gov](http://www.sec.gov).

## **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

We are not a registered broker-dealer; however, some of the Members of our Board of Governors, hereinafter referred to as “Directors” and our principal executive officers (together, “Directors and Executive Officers”) hold one or more securities licenses with the Financial Industry Regulatory Authority (“FINRA”) through our affiliated broker-dealer, Columbia Management Investment Distributors, Inc. (“CMID”). We are also registered with the U.S. Commodity Futures Trading Commission (“CFTC”) as a commodity pool operator (“CPO”), a commodity trading advisor (“CTA”) and a swap firm. This registration is administered through the National Futures Association (“NFA”). Certain Directors and Executive Officers are registered with the NFA as Principals and/or Associated Persons of ours, if necessary or appropriate to perform their responsibilities. More information about our Directors and Executive Officers can be found in Part 1A of our Form ADV.

### ***Directors and Executive Officers***

The following is the education and business background of our Directors and Executive Officers who may also be officers or directors of Ameriprise Financial or its other subsidiaries. Many of our Directors and Executive Officers had leadership roles at one of the Columbia Threadneedle Investments legacy firms prior to joining the Ameriprise Financial organization.

Francine Asselta, Vice President and Head of North America Institutional. Ms. Asselta is the head of North America Institutional which includes Relationship Management, Institutional Sales, Consultant Relations and the Global Contract Office. She became head of NA Institutional in 2023 after being Co-Head since 2022. Prior to that she was the Head of the Relationship Management team in NA. She was the managing director and head of the Taft-Hartley sales and service channel from 2004-2010 at one of the Columbia Threadneedle Investments legacy firms. Prior to that she was a senior vice president and head for the retirement plan services group for the metropolitan New York and New Jersey area. Her responsibilities included management of the client service staff responsible for corporate and Taft-Hartley employee benefit plans as well as not-for-profit endowments. She has been a member of the investment community since 1978 when she joined one of Columbia Threadneedle Investments legacy firms. She was a vice president at NatWest and a trust officer at National Bank of North America. In addition, she holds the Series 3 license with the National Futures Association (NFA) and the Series 7, 24 and 63 licenses with FINRA.

Michael G. Clarke, Director, Senior Vice President and North America Head of Operations and Investor Services. Mr. Clarke joined one of the Columbia Threadneedle Investments legacy firms in 1999 and has held various management roles in operations and product development. Mr. Clarke became Head of Accounting & Administration Services in 2014 and added Head of North American Operations to his responsibilities in 2017; in 2022 Mr. Clarke became Senior Vice President, Head of Global Operations and Investor Services. Mr. Clarke assumed his current role in 2023 and also serves as Senior Vice President and Chief Financial Officer of the Columbia Funds. Previously, Mr. Clarke was with Deloitte & Touche LLP for six years and left the firm as an audit manager. Mr. Clarke received a B.A. in Economics from Bates College and an M.S. Accounting and Business Administration from Northeastern University.

Michael E. DeFao, Vice President, Chief Legal Officer and Assistant Secretary. Mr. DeFao serves as Head of North American and Asia Pacific Legal and of global institutional asset management and distribution at Columbia Threadneedle Investments. He joined one of the Columbia Threadneedle Investments legacy firms as associate general counsel in 2005. Previously, Mr. DeFao was a senior vice president at Putnam Investments. Prior to that, he held roles as general counsel at UAM Fund Services and as an associate at Ropes & Gray. Mr. DeFao received a B.S. from Babson College and a J.D. from Suffolk University Law School.

Brian M. Engelking, Director, Vice President and Chief Financial Officer. Mr. Engelking is the global lead financial officer for Columbia Threadneedle Investments at Ameriprise Financial. Prior to this role he was a Vice President of Finance and prior to that a Director of Corporate Finance with the firm. Mr. Engelking joined Ameriprise in 2000 and has served in various finance and leadership roles supporting Columbia Threadneedle Investments and Ameriprise Financial throughout his career. Mr. Engelking earned a Bachelor's degree in Finance from the University of St. Thomas.

Lee A. Faria, Vice President and Chief Compliance Officer. Prior to becoming Chief Compliance Officer in 2013, Ms. Faria served as the Conflicts Officer for one of the Columbia Threadneedle Investments legacy firms, overseeing a group of employees responsible for compliance with the Code of Ethics /personal trading, political contributions, outside activities, and compliance administration with certain fiduciary-related policies. Previously, she was a Senior Vice President and Compliance Executive. She has over thirty years of legal and compliance experience with a substantial investment adviser regulation background. Ms. Faria received her B.A. from Wellesley College and J.D. from Suffolk University Law School and is a member of the Massachusetts Bar Association.

Joshua (Josh) Kutin, CFA, Head of Asset Allocation, North America. Joshua Kutin is a senior portfolio manager for the Global Asset Allocation team and head of Asset Allocation, North America at Columbia Threadneedle Investments, with a focus on global asset allocation and alternatives. Mr. Kutin joined Columbia Threadneedle Investments in 2015. Prior to that, he worked at Putnam Investments as a portfolio manager on the Global Asset Allocation team. He has been a member of the investment community since 1998. Josh received a B.S. in economics and a B.S. in mathematics with computer science from Massachusetts Institute of Technology, as well as an M.S. in finance from Princeton University. In addition, he holds the Chartered Financial Analyst® designation.

Melda Mergen, Managing Director and Global Head of Equities. Melda Mergen is the global head of equities for Columbia Threadneedle Investments. In this role she leads the company's equity investment team capabilities. Melda is also a portfolio manager for Select Large Cap Equity strategy, Columbia Large Cap Opportunities strategy, Columbia Large Cap Growth strategy and Columbia Global Value strategy. Prior to her current role, Melda led the '5P' Investment Oversight team from 2004 to April 2014. Before that, she was a senior equity quantitative research analyst. Melda joined one of the Columbia Threadneedle Investments legacy firms in 1999 and has been a member of the investment community since then. Melda received a B.A. in Economics from Bogazici University and an MBA from the University of Massachusetts at Amherst. She is a member of the Boston Security Analysts Society and the CFA Institute. In addition, she holds the Chartered Financial Analyst® and Chartered Alternative Investment Analyst® designations.

Gene R. Tannuzzo, Managing Director and Global Head of Fixed Income. Mr. Tannuzzo joined one of the Columbia Threadneedle Investments legacy firms in 2003 and moved into the role of portfolio manager in 2007. Since then he has held positions of increasing responsibility in the management and oversight of the Firm's fixed income business in North America and EMEA. He became the Deputy Global Head of Fixed Income in October 2018 and the Global Head of Fixed Income in March 2021. Mr. Tannuzzo received a BSB and MBA from the University of Minnesota, Carlson School of Management. In addition, he holds the Chartered Financial Analyst® designation.

William F. "Ted" Truscott, President and Chairman of the Board. Mr. Truscott is also Chief Executive Officer – Global Asset Management of Ameriprise Financial and President, Chief Executive Officer and Chairman of the Board of CMID. Mr. Truscott was a Director of the Columbia Funds from 2001 through 2021 and was our Chief Investment Officer from 2002 to 2010. Mr. Truscott joined the Ameriprise Financial organization in 2001. Prior to that, Mr. Truscott had served as Chief Investment Officer with Zurich Scudder Investments, Americas, from October 2000 through August 2001 and Managing Director of Zurich Scudder Investments from January 1996 through October 2000. He received a B.A. degree

in East Asian Studies from Middlebury College and an M.B.A. degree from New York University and holds one or more securities licenses.

Matt M. Waldner, Senior Vice President and Global Head of Trading. Mr. Waldner joined one of the Columbia Threadneedle Investments legacy firms in 2001. Previously, he worked as a trader on the New York Stock Exchange for LaBranche & Company and Conseco Capital Management. Mr. Waldner has been a member of the investment community since 1998, and earned a B.S. in finance from Miami University.

### ***Multiple Roles Played by Certain Directors and Executive Officers***

Some of our Directors and Executive Officers and employees are also directors, officers or employees of our parent company or one or more affiliates, including certain Advisory Affiliates, that directly or indirectly benefit from our client relationships or advisory activities. In these circumstances, a conflict of interest exists between the obligations to our clients and the incentive to make recommendations, or take actions, that benefit one or more of our other affiliates as well as conflicts among the affiliated entities with respect to the allocation of resources and the Director or Executive Officer's time. We believe these potential conflicts are mitigated because our employees are subject to a Code of Ethics and various policies that require these employees to act in the best interests of our clients and to put the needs of our clients first at all times.

### ***Business Activities and Affiliations***

As part of the Ameriprise Financial organization, we receive general corporate services, including administrative and client account support, equipment and facilities from Ameriprise Financial and certain of its wholly owned subsidiaries, some of which are domiciled in foreign jurisdictions. For example, certain back-office and administrative and client account support services are provided by a wholly owned subsidiary of Ameriprise Financial based in India. Our Non-U.S. Advisory Affiliates assist us in meeting various international regulatory requirements and collaborates with us in providing certain asset management services, as well as providing support for research, procurement, risk management and legal and compliance. Our eligible employees also receive certain employee benefits from Ameriprise Financial. To the extent employees of Ameriprise Financial are provided access to proprietary investment information conflicts exist. To mitigate such conflicts these employees are subject to a Code of Ethics and various policies that limit the use of such information. Please see "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading."

While our principal business is investment advisory services, we also provide client services and financial product development and support. We may also provide our clients with investment accounting and other administrative services through a sub-delegation arrangement with our parent company, Ameriprise Financial.

As described below and in "Global Asset Management" above, many of our Advisory Affiliates engage in activities that are material to our advisory business or to our clients. We may be incentivized to utilize, suggest or recommend the services of these Advisory Affiliates, which benefit the Advisory Affiliate or put the Advisory Affiliate's interests ahead of our clients' needs.

Our employees are subject to a Code of Ethics and various policies that require our employees to act in the best interests of our clients and to put the needs of our clients first at all times.

### **Broker-Dealers and Municipal Securities Dealer**

CMID, an SEC-registered broker-dealer, serves as the principal underwriter and distributor of the Mutual Funds and serves as a placement agent or distributor of Private Funds managed by us. CMID also provides certain marketing, distribution and sales support services for certain collective trust funds, which are maintained by ATC and many of which are subadvised by us, and for Private Funds managed by an affiliate. In addition, CMID provides certain marketing and sales support services to the ETFs managed by us. Many of our sales personnel are registered representatives of CMID, and may present investment opportunities in the Funds, Private Funds and collective trust funds managed by us and Private Funds managed by an affiliate to our current and prospective clients, and receive compensation to do so. CMID also serves as the distributor of the investment companies' portfolios offered and sold to insurance companies as part of the Columbia Funds Variable Insurance Trust and the Columbia Funds Variable Series Trust II (collectively, the "Variable Series Trust funds") and the Wanger Advisors Trust funds. CMID is also registered as a municipal securities



dealer with the Municipal Securities Rulemaking Board and provides program management services to the 529 Plan for which we serve as the overall program manager.

RiverSource Distributors, Inc., an SEC-registered broker-dealer (“RiverSource Distributors”), distributes variable annuity and variable life insurance products issued by RiverSource Life Insurance Company (“RiverSource Life”) and RiverSource Life Insurance Co. of New York (“RiverSource Life of NY”) through Ameriprise Financial Services.

We pay from our own resources or arrange for the payment of financial support to CMID and to RiverSource Distributors, or an affiliate of RiverSource Distributors, to help promote and support the distribution of the Variable Series Trust funds and other Funds.

We are also affiliated with Ameriprise Financial Services, an SEC-registered broker-dealer and investment adviser that is a subsidiary of Ameriprise Financial. Ameriprise Financial Services and other third-party broker-dealers distribute the shares of the Mutual Funds we manage and may also offer and sell shares of any registered Closed-End Funds that we develop or currently manage. As one of the largest distributors of funds managed by us, Ameriprise Financial Services is one of several of CMID’s “Focus Firms”. From time to time, employee financial advisors and/or independent contractor franchisees and/or associate financial advisors of Ameriprise Financial Services may refer prospective clients to us through a solicitation arrangement. More information about this arrangement can be found in “Referral Arrangements/Sales Compensation”. Additionally, Ameriprise Financial Services may also serve as an underwriter or member of a selling group for securities offerings, including those issued by affiliates. We may purchase securities from underwriting syndicates in which Ameriprise Financial Services participates as a syndicate manager or member, subject to certain regulatory requirements.

As noted previously, we participate in Retail Managed Account Programs sponsored by Ameriprise Financial Services. In connection with these programs, another broker-dealer affiliate of ours, American Enterprise Investment Services Inc. (“AEIS”), may provide custody and safekeeping services for Retail Managed Account Program client assets and will ordinarily act as the custodian for all assets held in those Retail Managed Account Program accounts. Please see the “Custody” section that follows for more information. AEIS also serves as Ameriprise Financial Services’ clearing agent in providing execution and clearing capabilities for program transactions that are executed by Ameriprise Financial Services. Ameriprise Financial Services and AEIS have an agreement pursuant to which Ameriprise Financial Services introduces customer accounts to AEIS on a fully disclosed basis and AEIS provides execution, record keeping, and all other clearing functions for accounts. Aside from these Retail Managed Account Program activities, we do not execute securities transactions through our broker-dealer affiliates. We provide all Retail Managed Account Program Sponsors with comparable services and access to information about the strategies we manage for them.

#### Investment Companies and Other Pooled Investment Vehicles

We are affiliated with investment companies and other pooled vehicles managed by us or our Advisory Affiliates, including the Funds and ACC. Ameriprise Financial provides certain support services for the Funds and ACC. To the extent employees of Ameriprise Financial or our Advisory Affiliates are provided access to proprietary investment information conflicts exist. To mitigate such conflicts these employees are subject to a Code of Ethics and various policies that limit the use of such information. Please see “Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.”

#### Investment Advisers

We own 100% of Columbia Wanger, an SEC-registered investment adviser and exempt commodity pool operator that manages certain registered Mutual Funds under the offering brands, Columbia Acorn Funds and Wanger Advisors Trust. Ameriprise Financial provides certain support services to Columbia Wanger in connection with its services to these funds and accounts.

We also own 100% of Lionstone, an SEC-registered investment adviser and exempt commodity pool operator that provides investment advisory services to private investment funds and separately managed accounts that focus on real estate and real estate-related transactions, under the offering brands Lionstone Investments and The Lionstone Group. Lionstone is affiliated with other Lionstone investment advisers reported under Lionstone’s registration in accordance with SEC guidance. These advisers are listed in Section 7.A. of Schedule D of Lionstone’s Form ADV Part 1A. These

affiliated investment advisers operate as a single advisory business together with Lionstone and serve as managers or general partners of private investment funds and other pooled vehicles.

Our parent company, Ameriprise Financial, also indirectly owns certain of our Advisory Affiliates, including CCCA, an SEC-registered investment adviser that serves as collateral manager to CLOs; TINTL, a Financial Conduct Authority (“FCA”) and SEC-registered adviser; TAML, an FCA-registered adviser; TMLSA, an investment management company regulated by the Commission de Surveillance du Secteur Financier in Grand Duchy of Luxembourg; TIS, a capital markets services licensee regulated by the Monetary Authority of Singapore; TISL, an FCA registered adviser; CTML, an FCA registered adviser; Pyrford, an FCA and SEC-registered adviser; CTIBL, an FCA registered adviser; CTNL, an investment advisor regulated by The Netherlands Authority for the Financial Markets; Thames, an FCA registered advisor and CTFML, an FCA registered adviser. We are also affiliated with Columbia Threadneedle Investments (ME) Limited which is registered to advise on financial products and arrange deals in investments in the Dubai International Financial Centre. In addition to the arrangements described previously under “Global Asset Management”, we also have agreements with TINTL under which TINTL provides discretionary advisory services to some of our clients in a sub-advisory capacity, which may include certain Mutual Funds advised or sub-advised by us. We have written solicitation arrangements with TINTL, TAML, TIS, TMLSA, Threadneedle Portfolio Services AG, Threadneedle Portfolio Services Hong Kong Ltd., Columbia Threadneedle Investments (ME) Limited, Columbia Threadneedle Japan Co., Ltd. and CTML (acting on behalf of itself and its delegates), (including their respective branches) that provide for payment of compensation for the referral of clients. TINTL, TAML, TMLSA and TIS make up Columbia Threadneedle Investments EMEA APAC, which is a separate firm for GIPS® compliance purposes. CTML, and Pyrford are each separate firms for GIPS® compliance purposes. In addition, we may enter into similar or other arrangements with our other Advisory Affiliates.

TIS holds a capital markets services license for fund management under the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), as well as a license for dealing in capital markets products under the SFA. Pursuant to an arrangement that has been approved by the Monetary Authority of Singapore, we are permitted to provide fund management (discretionary investment management) services to accredited, expert and institutional clients in Singapore in accordance with the terms of the approval, and TIS is permitted to market such services on our behalf. Pursuant to its license for dealing in capital markets products, TIS is also permitted to provide trading services to accounts for which it is not providing discretionary investment management services, including our accounts.

We are also affiliated with Ameriprise Financial Services, an SEC-registered investment adviser and broker-dealer that provides retail investment advisory services and engages in the broker-dealer activities described above.

#### Financial Planning Firm

Our affiliate, Ameriprise Financial Services, in its capacity as a registered investment adviser, offers financial planning services through its Ameriprise Financial Planning Service in the form of a personal financial plan that includes analysis and written recommendations that may include specific investment recommendations and other product solutions available from Ameriprise Financial Services and its affiliates. Products recommended may include Registered Funds or other products managed by us, and asset allocation and financial planning tools used may be developed based on the input or recommendations of our portfolio management personnel. Ameriprise Financial Services may also provide pension consulting services from time to time.

#### Futures Commission Merchant, Commodity Pool Operator or Commodity Trading Advisor

We trade commodity interests for certain client accounts which requires us to be registered with the CFTC as a CPO, a CTA and a swap firm. Additionally, our Advisory Affiliate TINTL is also registered as a CTA and Ameriprise Financial Services is registered with the CFTC as a CTA. Both of these entities have obtained membership with the NFA in connection with such registration.

#### Banking or Thrift Institutions

ATC, a Minnesota-chartered trust company, serves as trustee to collective trust funds and offers investment management and related services to those funds and separately managed accounts. We provide investment advice to certain of these funds and accounts in a subadvised capacity. ATC serves as the named custodian for these clients and ACC although certain custodial functions are delegated to a sub-custodian engaged by ATC.

We are also affiliated with Ameriprise Bank, FSB (“AFSB”) a federal savings bank. AFSB is the successor to Ameriprise National Trust Bank following its conversion to a national bank. See “Regulatory Risk-Banking” in the “Risk Disclosure Appendix” for additional information regarding the regulatory risk stemming from affiliation with a bank.

#### Insurance Companies

Through Ameriprise Financial, we are affiliated with RiverSource Life, a licensed insurance company in 49 states, as well as the District of Columbia and American Samoa and with RiverSource Life of NY, licensed to do business as an insurance company in New York. The products of our insurance company affiliates include fixed and variable life insurance, long-term care insurance, disability insurance and fixed and variable annuities. Additionally, the Variable Series Trust and Wanger Advisors Trust funds we manage are investment options offered within those variable annuity and variable life insurance products.

#### Private Funds

We sponsor and/or serve as investment adviser to several Private Funds organized as limited partnerships, limited liability corporations or non-U.S. entities. A non-affiliated entity typically serves as the general partner or managing member of these private investment vehicles, although an affiliated entity may from time to time temporarily serve as the general partner or managing member.

#### Subadvisory Relationships

In certain cases, we hire other investment advisers to provide discretionary advisory services to our advisory clients in a subadvised capacity. The subadvisers we hire may be affiliated or non-affiliated and may not be registered with the SEC. We have a risk-based sub-advisory oversight program in place through which we perform initial and ongoing due diligence of affiliated and non-affiliated investment advisers. We do not receive direct or indirect compensation from unaffiliated subadvisers in connection with the subadvisory services they provide to us; rather we pay them for the services they provide. We may also enter into sub-advisory arrangements on behalf of our clients where the client pays the sub-adviser directly. We also serve in a subadvisory capacity for U.S. and offshore investment companies, both registered and unregistered, and U.S. and non-U.S. clients, in each case that are advised by affiliates or third parties.

#### Affiliated Indexes

We and our Advisory Affiliates may develop, own and operate stock market and other indexes (each, an “Affiliated Index”) based on investment and trading strategies developed by us or our affiliates (“Affiliated Index Strategies”). Some of the exchange-traded funds (“ETFs”) for which we act as investment adviser (the “Affiliated Index ETFs”) seek to track the performance of the Affiliated Indexes. We and/or our Advisory Affiliates may, from time to time, manage other funds or accounts that invest in these Affiliated Index ETFs. In the future, we and/or our Advisory Affiliates may manage client accounts that track the same Affiliated Indexes used by the Affiliated Index ETFs or which are based on the same, or substantially similar, Affiliated Index Strategies that are used in the operation of the Affiliated Indexes and the Affiliated Index ETFs. Similar to third-party (un-affiliated) indexes, Affiliated Indexes are subject to Office of Foreign Assets Control and other regulatory restrictions, which could impact the eligible components of such Indexes.

The operation of the Affiliated Indexes, the Affiliated Index ETFs and other accounts managed in this manner give rise to potential conflicts of interest. For example, any accounts managed by us and/or our Advisory Affiliates that seek to track the same Affiliated Indexes may engage in purchases and sales of securities at different times. These differences may result in the certain accounts having more favorable performance relative to that of the Affiliated Index or other accounts that seek to track the Affiliated Index. Other potential conflicts include (i) the potential for unauthorized access to Affiliated Index information, allowing Affiliated Index changes that benefit us and/or our Advisory Affiliates or other accounts managed by us and/or our Advisory Affiliates and not the clients in the accounts seeking to track the Affiliated Index, and (ii) the manipulation of Affiliated Index pricing to present the performance of accounts seeking to track the Affiliated Index, or the firm’s tracking ability, in a preferential light.

We have adopted policies and procedures that are designed to address potential conflicts that may arise in connection with our operation of the Affiliated Indexes, the Affiliated Index ETFs and other accounts.

To the extent it is intended that an account managed by us and/or our Advisory Affiliates seeks to track an Affiliated Index, the account may not match (performance or holdings), and may vary substantially from, such index for any period of time. An account that seeks to track an index may purchase, hold and sell securities at times when another client would not do so. We and our Advisory Affiliates do not guarantee that any tracking error targets will be achieved. Accounts

managed by us and/or our Advisory Affiliates that seek to track an index may be negatively impacted by errors in the index, either as a result of calculation errors, inaccurate data sources or otherwise. We and our Advisory Affiliates do not guarantee the timeliness, accuracy and/or completeness of an index and we do not believe we are responsible for errors, omissions or interruptions in the index (including when we or an Advisory Affiliate acts as the index provider) or the calculation thereof (including when we or an Advisory Affiliate acts as the calculation agent).

We and our Advisory Affiliates are not obligated to license our Affiliated Indexes to clients or other third parties.

## **CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### ***Our Approach to Conflicts of Interest***

Ameriprise Financial and its subsidiaries, which includes us, constitute a large diversified financial services organization. As a result of this and other aspects of our business, conflicts of interest arise from time to time among our different clients and among us, our affiliates and our clients. Conflicts of interest that may arise in the course of providing investment advisory services are described throughout this brochure, as are some of our policies and procedures designed to address specific conflicts of interest, such as our Code of Ethics and trading procedures.

We have a compliance program in place that is intended to identify, mitigate and, in some instances, prevent actual and potential conflicts of interest, as well as to ensure compliance with legal and regulatory requirements and ensure compliance with client investment guidelines and restrictions. Our compliance program includes written policies and procedures that we believe are reasonably designed to prevent violations of applicable law and regulations. We have appointed a senior member of the compliance group as the Conflicts Officer to serve as both a resource to employees as well as to help ensure the compliance program appropriately addresses conflicts.

Our various business units typically take front-line responsibility for ongoing implementation and supervision of our policies and procedures, with monitoring provided by our compliance department. We also maintain various committees, which provide oversight and review of compliance across functional boundaries including several operating committees, whose membership is comprised of personnel from the impacted business area(s). These committees receive input from our compliance and legal departments and help ensure compliance with some of these policies and procedures. Some of the key committees (or subcommittees/working groups) supporting our compliance program efforts include those committees (or subcommittees/working groups) responsible for investment oversight, proxy voting, subadviser oversight, Code of Ethics oversight, valuation, trading, including complex securities and best execution, portfolio holdings disclosure and new products.

### ***Code of Ethics/Personal Trading Rules and Procedures***

We and certain of our affiliates have adopted the Global Asset Management Personal Account Dealing and Code of Ethics (“Code”) that sets forth standards of business conduct and principles to mitigate conflicts of interest for all our “Covered Persons” as they perform their respective roles and responsibilities and when they engage in personal securities transactions. Covered Persons are persons who have access to our non-public client information, such as information about purchases or sales of portfolio securities for clients’ accounts, and may include employees of our affiliates and/or vendors. All Covered Persons are required to conduct most personal trades through designated broker-dealers unless an exception has been granted or in the case of Covered Persons at a non-U.S. affiliate, at a broker-dealer otherwise approved by such affiliate. Further, all Covered Persons must complete annual certifications regarding their personal securities accounts and holdings and attest that they have read and understand the Code. In addition, they must also comply with quarterly reporting requirements.

The specific provisions under the Code seek to ensure that clients’ interests are placed ahead of the interests of Covered Persons. Under the Code, Covered Persons must pre-clear investments in most types of securities, are restricted with respect to the timing of certain transactions and are prohibited from making certain transactions. The Code also contains short swing profit prohibitions applicable to all Covered Persons and trading black-out periods which apply to applicable portfolio managers and traders. These prohibitions are subject to limited exceptions.

The Code contains specific provisions relating to Fund shares, including a prohibition on direct or indirect market timing and, for Covered Persons, a 30-day holding period for Covered Funds subject to limited exceptions. Covered Funds are those funds for which we or an affiliate serves as an investment adviser or subadviser or for which an affiliate serves as principal underwriter.

We will provide a copy of the Code to any client or prospective client upon request. Clients may obtain a copy by writing to us at the address set forth on the cover of this Brochure or calling the phone number that appears on that page.

### ***Material Non-Public Information***

We and our employees may, from time to time, come into possession of material, non-public information which, if disclosed, might affect an investor's decision to buy, sell or hold a security including, as appropriate, shares of pooled vehicles. The Code incorporates our "Global Policy - Inside Information" which prohibits the misuse of material non-public information by us, our employees and those of our affiliates who may provide certain services to our accounts. Those who possess material non-public information must not (a) use that information to obtain profits, mitigate losses or otherwise secure benefits for us, our clients, any of our affiliates or their clients, themselves or others, (b) engage in transactions or make recommendations while in possession of material non-public information, or (c) disclose that information to others (except to Legal and Compliance personnel who assist in administering the Inside Information Policy or persons authorized by Legal and Compliance). In addition, we have adopted procedures designed to restrict trading in an issuer's securities in situations where we or one of our employees, or an employee of one of our affiliates, possesses material non-public information regarding the issuer's securities. These prohibitions and restrictions on trading or sharing information may result in our not purchasing or selling securities for a client account or not fully communicating material investment ideas despite our view that a purchase, sale or communication would benefit client accounts. Losses could be incurred if we cannot close out a position. In certain situations where material non-public information is obtained, these procedures also allow for the creation of an "information wall" to contain information within a small group in lieu of implementing a firm-wide prohibition on trading.

Our Code of Ethics Oversight Committee is responsible for enforcing compliance with the Code. Persons who violate the Code or the Global Policy – Inside Information are subject to sanctions, which vary depending on the nature of the violation and local law and regulations, but may include termination of employment.

### ***Products Sold or Managed by Us in Which We Have an Interest***

Our employees who are also registered representatives of our affiliated broker-dealer, CMID, may offer qualified clients the opportunity to invest in a Registered Fund or Private Fund managed by us or a collective trust fund maintained by our affiliate, ATC, and subadvised by us or a Private Fund managed by an Advisory Affiliate. This creates a potential conflict we mitigate by not exercising our discretion to place client assets in those funds unless it is suitable, allowed by a specific provision in the client's agreement with us and is done in accordance with applicable legal requirements.

We provide asset allocation services to certain clients and doing so presents conflicts of interest. For example, we act as investment adviser to model portfolios, funds of funds and Retail Managed Account Programs that invest in Registered Funds that are also advised by us. We may also build customized models comprised of proprietary and non-proprietary Registered Funds and other investment products to meet the specific needs of clients and intermediaries. Also, when deciding which underlying Registered Funds to recommend or invest in, we have an incentive to allocate more assets to underlying Registered Funds that are more profitable for us or otherwise benefit us (e.g., our contractual expense reimbursement for an underlying Registered Fund may become inapplicable because of our allocation decision). In these situations, how we exercise our influence over the choices of funds included in model portfolios, funds of funds, or Retail Managed Account Program strategies may be influenced by whether we believe an underlying Registered Fund may benefit from additional assets or be harmed by redemptions. With respect to these funds of funds and Retail Managed Account Programs, the portfolio managers of the investing funds may have access to non-public portfolio holdings information of the underlying Registered Funds. In addition, in our capacity as investment adviser to the underlying Registered Funds that may be used in certain advisory programs, we monitor the performance of the underlying Registered Funds. In this role, we may, from time to time, recommend to the board of directors of an underlying Registered Fund a change in portfolio management or fund strategy or the closure or merger of a fund. Moreover, where a third party is involved in the implementation or sponsorship of an asset allocation program, we may provide input to the third party in connection with overall program structure that results in certain direct or indirect benefits to us and/or our

affiliates. All of these factors may also influence our decisions, and the identification of the universe of available funds in connection with the development and ongoing maintenance of these programs.

There are also performance risks associated with the periodic rebalancing and updating of asset allocation portfolios, and these risks present certain conflicts of interest for us in situations where we manage the underlying Registered Funds used in an asset allocation program. For example, rebalancing a portfolio in an asset allocation program can cause the underlying funds in which the portfolio invests to incur taxes or transactional expenses to raise cash for money flowing out of the funds or to buy securities with money flowing into the funds and may cause the funds to sell securities at less favorable prices than would be the case if the fund's manager were not forced to raise cash in the portfolio. These price differences could be significant during periods of market stress, where disorderly market conditions may make it difficult or impossible to sell investments at certain prices or at all. Moreover, large outflows of money from the funds may increase the expenses attributable to the assets remaining in the funds. These factors can adversely affect the performance of the relevant funds and the asset allocation portfolios themselves.

In addition, when a particular fund needs to buy or sell securities due to periodic rebalancing or updating of an asset allocation portfolio, it may hold a large cash position. A large cash position (generated by selling securities or large inflows) could detract from the achievement of the fund's investment objective in a period of rising market prices; conversely, a large cash position would reduce the fund's magnitude of loss in the event of falling market prices and provide the fund with liquidity to make additional investments or to meet redemptions. For additional information regarding the risks of investing in a particular fund, see that fund's prospectus.

In recommending or implementing specific investment decisions through different accounts, programs and investment vehicles, including asset allocation services, the timing of the implementation of our advice may differ among the various accounts or investment vehicles. Differences among the accounts, programs and investment vehicles that impact this timing include, among others, whether the account is managed on a non-discretionary basis and whether a third party is involved in the implementation of the advice. Differences in timing may result in one client receiving better or worse investment performance than a client receiving similar advice through a different account, program or investment vehicle. The timing and sequencing of trades executed for discretionary accounts in these programs, as well as underlying funds, is influenced by many factors such as the size of an asset allocation shift, the related cash flows in and out of the underlying funds, market conditions and the potentially differing views of those managing underlying Registered Funds. Our investment professionals that manage accounts in these programs may also manage accounts for a variety of clients, including other institutional clients. In these situations, we seek to provide a process that is designed to prevent an unfair advantage in the timing and sequencing of trades for all client accounts over time, though in any given trading sequence, one client account or group of client accounts may receive more or less favorable timing of trade execution.

Subject to applicable regulatory restrictions including but not limited to U.S. banking laws and regulations, we or an affiliate may invest assets in a Registered Fund or Private Fund for the purpose of providing seed money at the time of launch. When sufficient client assets are invested in such Registered Fund or certain permissible seeding time periods have lapsed, the seed money may be withdrawn, though we would seek to do so without impairing our ability to effectively manage the Registered Fund or causing harm to existing Registered Fund shareholders. Seed money in Private Funds is typically maintained until sufficient client investment from both an asset and number of clients is reached. In addition, our employees may be investors in the Funds and other pooled investment vehicles for which we or a related person acts as investment adviser. In some cases, these investments are substantial. These investment vehicles are treated as clients. As a result, the underlying securities transactions in these vehicles are not subject to the personal trading restrictions described above, nor are they treated as "Proprietary Accounts" for purposes of the trading procedures described in the section below titled "Best Execution."

From time to time, we or an affiliate may also invest seed money in an account (*e.g.*, a private fund or separately managed account) for the purpose of creating or maintaining a track record that will later be used to market an investment style. The level of assets invested in such "incubator accounts" may be substantial. Since the goal of an incubator account is to create or maintain a marketable track record, we or an affiliate may increase asset levels in an incubator account to meet market expectations regarding assets under management. When seed money is no longer deemed necessary, we may withdraw our assets from the incubator account, though we would seek to do so without impairing our ability to effectively manage pursuant to the investment style or causing harm to clients or existing shareholders in a pooled vehicle. We do not bring to market all investment styles for which incubator accounts are established. We maintain a revolving credit arrangement with our parent company that allows us to obtain loans from Ameriprise Financial to support the funding of our incubator accounts. The outstanding balance on this line of credit may be substantial at times, and our

parent company has the ability to terminate this agreement on 60 days' notice. Termination of this agreement may trigger a need to raise cash by liquidating certain securities positions relating to our seed investments that may also be held in our client accounts.

Any seed investments we make as described above are typically hedged by us or our affiliates using a variety of techniques (*e.g.*, using our own capital to purchase index futures) in an effort to reduce the market risk of such seed investments. This hedging typically will continue for so long as the seed money remains invested, which often includes time periods in which third party assets are invested in the relevant strategy. However, such seed investments are not hedged on an individual security basis or individual position level (unless the position is determined to be highly liquid) but rather an account is typically hedged using indices, futures or other derivatives that seek to hedge risk at the portfolio or the overall corporate portfolio level.

From time to time, we may engage in principal transactions involving a non-Registered Fund, non-ERISA client account and an account owned by us or an affiliate. In this type of transaction, we or an affiliate buy securities from, or sell securities to, an advisory client. Principal transactions are conducted only in accordance with SEC disclosure and consent requirements.

### ***Other Conflicts of Interest***

We face many conflicts of interest in connection with our investment management business. Our policies and procedures are designed to address these conflicts, either through disclosure, mitigation or prevention.

### **Securities Issued by Ameriprise Financial or Our Clients**

Our parent company, Ameriprise Financial, issues various securities from time to time, including common stock. It is our policy that no securities issued by Ameriprise Financial will be purchased for client accounts where we exercise investment discretion, unless the client account is passively managed in an effort to match the returns of an index in which an Ameriprise Financial security is included or unless an exception is approved by senior management in accordance with our policies and procedures. Therefore, a client account that is actively managed to an index will not hold any Ameriprise Financial securities even if such securities are included in the index. Accordingly, an account's performance versus such an index will likely differ.

We and our affiliates may invest the assets of the accounts we respectively manage in the publicly traded securities of other clients or prospective clients. We may also invest the assets of our client accounts in securities issued by companies that are customers of our affiliates. In such circumstances, we and our affiliates do not and will not receive any compensation from the issuer specifically for investing client assets in such issuer's securities and our policy places significant limitations on the ability of any such customer to learn of our buying and selling activity.

### **Other Affiliated Relationships**

We may also invest the assets of our client accounts in securities issued by companies that have material relationships with us or an affiliate. For example, an issuer may be a distribution partner, broker/dealer (or its affiliates) or commercial banking customer of us or an affiliate. In such circumstances the potential for a conflict of interest exists between our obligation to seek the most suitable investments for our clients and the perception that we have an incentive to assist in developing the business relationship or the success of our affiliate. In addition, we or our affiliates may have business arrangements with a third party that may influence our decision to retain that third party to assist in providing services to our clients. In these situations, we consider our obligations to our clients, and we seek to take action that is in the best interest of our clients. We may also have a sponsorship role in the establishment of a special purpose or pooled vehicle client, which may be significant in some cases and may require us to engage third parties in connection with the product development phase.

### **Other Client-Related Potential Conflicts**

We provide advisory services to pension plans of state and local governments. The management of public monies that fund pension plans raises the potential for conflicts of interest to the extent we or our employees make political contributions to elected officials responsible directly or indirectly for those pension plans or otherwise capable of influencing the selection of us as the plan's investment adviser. We have policies and procedures in place designed to prevent this conflict from arising by limiting such contributions.

Investors in Private Funds managed by us include natural persons (or their personal trusts) that may be directors, executives or employees of (i) public companies in which such investment companies may invest (“Company Executives”), (ii) broker-dealers that provide research or brokerage services to such investment companies (“BD Executives”); or (iii) investment advisers of third-party investment funds (“Adviser Executives”, and together with Company Executives and BD Executives, “Executives”). In addition, our investment personnel and senior management who are directly engaged in supporting the Private Funds and have oversight responsibilities regarding conflicts of interest may invest in the Private Funds we manage. Permitting Executives and our other personnel to invest in these Private Funds may create the potential for conflicts of interest. We have adopted policies and procedures designed to mitigate such conflicts.

Clients and prospective clients of ours may attend internal equity research meetings for the purposes of conducting due diligence on us. Controls have been put into place for the attendance by external parties due to the proprietary and confidential information of the discussions. Additionally, under certain circumstances, we may provide educational services to clients or prospective clients, the length of time of which varies. Participants in these educational programs work closely with our investment personnel and are included in meetings where investment ideas are discussed. Participants also have an opportunity to see our research in action when they attend our educational programs. Such guests to these meetings or programs agree to confidentiality terms that restrict their use of confidential information learned. We do not have the means to monitor the guests’ use of information provided in any of these circumstances; however, we believe we have taken appropriate steps to protect any misuse of confidential information that might be discussed.

#### Management of Multiple Accounts

Actual or potential conflicts of interest may arise from the fact that we and our portfolio managers have day-to-day management responsibilities with respect to a specific client account in addition to other client accounts (“Other Accounts”). We and our affiliates may give advice and take action with respect to the funds or accounts we manage, or for our own accounts, and this advice or action may differ from that taken by us on behalf of the Other Accounts. We and our affiliates are not obligated to recommend, buy or sell, or to refrain from recommending, buying or selling any security that we or our respective Covered Persons may buy or sell for our own accounts or any Other Accounts. We have policies and procedures intended to mitigate or manage the conflicts of interest described below. Certain of these policies and procedures are described in prior sections of this Advisory Brochure. There is no guarantee that any such policies or procedures will detect each and every situation in which a conflict of interest arises.

We also manage long/short strategies (long/short funds). Side-by-side management of such a fund and Other Accounts can create conflicts of interest as a result of differing client mandates among the fund and Other Accounts, differing investment strategies employed for the long/short fund, proprietary capital and/or personal investments in such fund or performance-based fees paid by such fund. We have policies and procedures that seek to mitigate conflicts relating to trading practices of long and short positions within a fund and Other Accounts. Such policies and procedures include, but are not limited to, those relating to: (i) personal trading; (ii) aggregation and allocation; and (iii) short sales. We believe that our policies and procedures seek to reasonably mitigate actual conflicts of interest by limiting circumstances in which a portfolio management team may concurrently hold a security long and short across advisory accounts and establishing controls when such circumstances occur. Because we manage accounts that engage in short sales of securities of the type in which many clients may invest, we could be seen as harming the performance of certain client accounts (i.e., those not engaging in short sale transactions) for the benefit of the accounts engaging in short sales if the short sales cause the market value of the securities to fall. Conversely, we could be seen as benefiting those accounts that may engage in short sales through the sale of securities held by other clients to the extent that such sales reduce the cost to cover the short positions.

We may receive higher compensation with respect to Other Accounts (including accounts which are Private Funds or have performance or higher fees paid to us, or in which one or more portfolio managers have direct or indirect personal interest in the receipt of such fees) than that received with respect to a specific client account. This may create a potential conflict of interest for us or our portfolio managers by providing an incentive to favor these Other Accounts when, for example, placing securities transactions. In addition, we could be viewed as having a conflict of interest to the extent that we or an affiliate has a proprietary investment in one or more Other Accounts, the portfolio managers have personal investments, directly or indirectly, in one or more Other Accounts or the Other Accounts are investment options in our or an affiliate’s employee benefit plans.



Potential conflicts of interest may arise with both the aggregation and allocation of securities transactions and allocation of limited investment opportunities. Allocations of aggregated trades, particularly trade orders that were only partially completed due to limited availability and allocation of investment opportunities generally, could raise a potential conflict of interest, as we may have an incentive to allocate securities that are expected to increase in value to favored accounts. IPOs, in particular, are frequently of very limited availability. We may be perceived as causing accounts we manage to participate in an offering to increase our overall allocation of securities in that offering. A potential conflict of interest also may be perceived to arise if transactions in one account closely follow related transactions in a different account, such as when a purchase increases the value of securities previously purchased by another account or when a sale in one account lowers the sale price received in a sale by a second account.

We and our affiliates may trade in the same securities. Certain securities may be subject to ownership limitations due to regulatory limits imposed by various jurisdictions for certain industries or by issuers through mechanisms such as poison pills. For example, many countries limit the amount of outstanding shares that an organization, including any of its affiliates also holding shares, may hold in an insurance holding company with a locally-domiciled insurance company. In addition, our client holdings may be limited in certain investments because Ameriprise Financial is a financial holding company and accordingly is subject to certain bank regulatory requirements which may in some cases apply to the investments for the Funds and accounts we or our Advisory Affiliates manage. Some of these limitations may require us to aggregate our clients' holdings with those of our affiliates' clients in the same security for purposes of determining compliance with those thresholds. In this circumstance, we may be limited or prevented from purchasing additional shares of an issuer for our client accounts that we would otherwise prefer to purchase if that purchase would put us over the regulatory limit when combined with our affiliates' client holdings even if our holdings alone would not be in excess of limit. We have policies and procedures in place to monitor and interpret these ownership limits. However, it is possible that we and our affiliates may inadvertently breach these limits, and we (and therefore our clients) may be required to sell securities of an issuer, including at a loss, that we may otherwise prefer to continue to hold in order to be in compliance with such limits. In addition, it is possible that aggregate ownership limitations could cause performance dispersion among accounts with similar investment objectives and strategies and portfolio management teams, including accounts that seek to track an index. For example, if further purchases in an issuer are restricted due to ownership limits, a portfolio manager would not be able to invest a new account in securities of that issuer that may be held by funds and accounts managed with similar investment objectives and strategies. A portfolio manager may not be able to participate in underwritten equity secondary and follow-on offerings if another of our accounts has recently sold short equities of the same issuer.

We may also choose to limit purchases in an issuer to a certain threshold (inclusive of any holdings for our affiliates) for risk management purposes. It is possible that we may be limited in our ability to purchase securities we would otherwise prefer to purchase in order to maintain such limits.

We have procedures in place designed to monitor the potential conflicts arising from such limitations.

Potential conflicts of interest may also arise if one client account holds equity securities of a company while another client account holds debt securities of the same company or even different debt instruments of the same company. This could occur if certain client accounts own subordinated (junior) debt of an issuer and certain other client accounts own senior debt of the same issuer, which presents a conflict of interest to us because junior debt is less of a priority than senior debt in terms of repayments. Senior debt is often secured and is more likely to be paid back while subordinated debt is not secured and is more of a risk. If the portfolio company were to experience financial difficulties, it might be in the best interest of certain client accounts for the company to reorganize while the interests of certain other client accounts might be better served by the liquidation of the company. We have policies and procedures intended to mitigate or manage such conflicts of interest.

Portfolio managers manage multiple client accounts and may not devote equal time and attention to the portfolio management of each client account.

## **BROKERAGE PRACTICES**

### ***Trading***

We operate several trading desks in different geographic locations in the United States. These US trading desks are functionally and operationally integrated so as to operate as one global desk, and support all portfolio management teams managing a variety of accounts and products. The US fixed income desks are also functionally and operationally integrated so as to operate as one global desk, with the exception of the loan trading desks, which continue to trade independently. The associated desks provide support to each other to assure the continuation of services if necessary. While these trading desks operate in several locations, the desks operate under the same oversight and reporting lines and are conducted under the same policies and procedures. In addition, certain portfolio managers currently have the authority to execute trades themselves in limited circumstances.

As stated above in “Global Asset Management,” our Advisory Affiliates may provide certain advisory and trading-related services to certain of our accounts under our global trading model. We may also provide similar services to certain accounts of our Advisory Affiliates. We believe that utilizing our Advisory Affiliates to support local trading in certain markets will benefit our clients. However, such services also result in potential conflicts of interest to our accounts, as described in “Trade Aggregation, Allocation and Partial Fills on a Trading Desk” below.

### **Best Execution**

As a fiduciary, we have an obligation to seek to obtain the best execution of client transactions under the circumstances of the particular transaction. We seek to satisfy this best execution obligation by creating the conditions under which best execution is most likely to occur, i.e., by following procedures designed to achieve it. We believe that the trading process itself can be used to maximize the value of a client’s portfolio. This approach requires that we adopt standardized procedures and practices that allow sufficient flexibility to allow different types of trades to be handled differently, while generally ensuring consistency among similar types of trades. Our trading procedures are also designed to address the conflicts of interest that arise as a result of managing multiple types of accounts, including conflicts that may be personal to our traders and portfolio managers, client accounts, client accounts that pay us higher fees (such as accounts that pay us performance fees), clients of our Advisory Affiliates to whom we may provide services, and accounts owned more than 25% by us or one of our affiliates (“Proprietary Accounts”). The term “Proprietary Accounts” does not include (i) incubator accounts, (ii) pooled investment vehicles available for outside investment, or (iii) accounts of an affiliate when such accounts are for the primary purpose of managing liabilities or other obligations to underlying clients or investors (e.g. face-amount certificate holders or insurance policy holders). Thus, these accounts and investment vehicles are not subject to certain restrictions imposed on Proprietary Accounts by our trading policies and procedures, some of which are described below.

We monitor compliance with our trading procedures on both a transactional and forensic basis and have formalized committee oversight of trading-related matters such as compliance, the use of client commissions to obtain research and brokerage services and overall best execution. For more detail regarding our use of client commission arrangements, please see the section below titled “Client Commission Practices, Policies and Procedures.”

### **FX Transactions**

Depending on the directions from the client, foreign currency (FX) transactions are effected either through our selection of brokers for trading execution or through the client’s custodian. Where we have been given authority to place FX trades, the client’s portfolio will be set up on our trading system with a single operating currency (which may not be the same as the reporting currency of the account). Client account trades (i.e., purchases or sales of portfolio securities) that occur in currencies other than the operating currency will be converted to the operating currency by processing an FX transaction with brokers we select at our discretion. Except as otherwise instructed by a client, all income will also be repatriated to the operating currency of the account pursuant to standing instructions from us to the client’s custodian bank. Except where expressly permitted by the investment guidelines, we do not seek to make currency bets on client accounts, but only enter into FX transactions for currency management purposes. Where the client has directed us to use the client’s custodian to effect all FX transactions, we do not evaluate the FX services provided to the client.

### **Trade Aggregation, Allocation and Partial Fills on a Trading Desk**

Generally, trading orders are processed and executed in the order received. Certain portfolio management decisions may affect more than one account, including both client accounts and accounts owned or controlled by us or one of our Advisory Affiliates. Situations arise in which a portfolio management team decides to take an investment action with

respect to all of the accounts the team manages. Different portfolio management teams or portfolio managers within the same investment team may own similar securities and independently decide to take similar investment actions. Either of these may result in multiple trading orders relating to the same security but for different accounts occurring at or about the same time.

In these cases, we may combine or aggregate purchase or sale orders for more than one account when we believe such aggregation is consistent with our duty to seek best execution. This includes aggregating orders involving client accounts, accounts of our Advisory Affiliates for whom we may provide services and Proprietary Accounts. The decision to aggregate is made in situations where it does not, over time, intentionally favor any account over another and it does not systematically advantage or disadvantage any account over another. Each participating account will receive the average unit price and will share pro-rata in the transaction costs. Please refer to the description under “Client Commission Practices, Policies and Procedures” for details. If there is an open order and a subsequent similar order for the same security for a different account is received by the same equity or fixed income trading desks, such subsequent order may be aggregated with any remainder of the original order consistent with the considerations set forth above. Aggregation of orders may result in longer time periods to fill an order with respect to a particular client account. This is more pronounced when smaller orders for accounts are combined with larger orders of other accounts.

Where an equity analyst dedicated to a portfolio management team (i.e., a non-centralized equity research analyst) has portfolio management responsibilities, they are encouraged to communicate their intent to place an order to all portfolio managers on their team or team(s) before or shortly after communicating the order to the equity trading desk. Generally, subsequent orders in that same security are processed and executed in the order received by the equity trading desk.

As described in “Global Asset Management” above, in certain circumstances an Advisory Affiliate may perform advisory and related services for our accounts (including placing of orders) or we may provide similar services for an Advisory Affiliate’s accounts. In these circumstances, orders for our client accounts and those of one or more of our Advisory Affiliates may be aggregated and allocated in accordance with our best execution obligations and as consistent with applicable law and client guidelines. In circumstances where orders are placed for our accounts and those of our Advisory Affiliates on a coordinated basis, it is possible that such aggregation will result in larger orders and decreased allocation opportunities available to our accounts, especially for less actively traded securities. It is also possible that orders may take longer to execute. We and our Advisory Affiliates have implemented policies and compliance controls to ensure that the aggregation and allocation of orders for our respective accounts with coordinated trading are executed in a fair and equitable manner over time consistent with applicable law.

Except as described above or in order to assure the continuation of services if necessary, orders on our trading desk are not shared with the trading desks of our Advisory Affiliates. As a result, it is possible that we and our Advisory Affiliates may trade in the same instrument at the same time, in the same or opposite direction or in different sequence.

Aggregating client orders may enable us to reduce transaction costs or market impact on a per-unit and per-dollar basis, though aggregation may have the opposite effect in certain circumstances. When orders are not aggregated clients may pay prices for transactions that are more or less than the client would have paid had the order been aggregated. A determination may be made not to aggregate orders for a number of reasons. These reasons may include: the account’s governing documents do not permit aggregation; a client has directed that trades be executed through a specific broker-dealer or applicable law or regulation prohibits a client’s account from executing trades through a specific broker-dealer; aggregation is not possible because similar trades are being executed on a separate trading desk (including certain Advisory Affiliate’s trading desk); aggregation is impractical because of specific trade directions received from the portfolio manager, e.g., a limit order; the order involves a different trading strategy, e.g., it is part of large basket, program or index trade; or if we otherwise determine that aggregation is not consistent with seeking best execution. For example, as a result of the structure of Retail Managed Account Programs, transactions for such arrangements sponsored by third parties are typically not executed by us, but are executed by the Retail Managed Account Program Sponsor or designated broker-dealer, and thus are not aggregated with orders we do execute. Aggregation also may not be possible with respect to an account that is not permitted to use soft dollars. See “Client Commission Practices, Policies and Procedures” for details.

Certain investment teams may review each of their respective accounts separately and non-concurrent with other accounts managed by the team. As a result, transactions for such clients may not be executed in an aggregated order, and therefore

a client may receive different prices which may be more or less than the price a client would have received had accounts been reviewed collectively and orders aggregated. This may create performance dispersions within accounts with the same or similar investment mandate. We believe that over time such an approach does not unfairly disadvantage any client versus another.

When it has been determined that multiple orders will not be aggregated, we have adopted procedures that seek to ensure fair treatment of client accounts. These procedures contemplate treatment of client account orders (including the orders of accounts of our Advisory Affiliates for which we are providing trading services) with trading limitations and Proprietary Accounts.

From time to time an aggregated order involving multiple accounts does not receive sufficient securities to fill all of the accounts. If an aggregated order cannot be filled in one day (a “partial fill”), the executed portion of the order is automatically allocated to the participating accounts pro-rata on the basis of order size, subject to certain exceptions. Partial fills that include client accounts, the accounts of our Advisory Affiliates for which we are providing trading services and Proprietary Accounts will be allocated in accordance with our policies and procedures, taking into account the order size, amount of the fill and the types of client accounts.

Certain of our portfolio management teams, which operate in various geographic locations, may share research information. While the teams and portfolio managers on those teams may make separate investment decisions regarding similar securities, they generally execute transactions from the same trading desk. As a result, accounts being managed by different teams or portfolio managers on the same team may purchase and sell the same instrument in the secondary market on the same day. We may from time to time perform trading services for our Advisory Affiliates, and they may perform such services for us.

As described in “Global Asset Management,” above, our investment personnel and that of our Advisory Affiliates share research and other information relating to economic perspectives, market analysis and equity and fixed income securities analysis. It is possible that the portfolio managers of our Advisory Affiliates act on such research before our own portfolio managers which could result in decreased investment opportunities for our accounts, particularly with respect to thinly traded securities. The sharing of this information may also lead us and our Advisory Affiliates to place orders for our respective accounts in the same securities at the same or different times.

We have adopted policies and compliance controls that seek to ensure that our clients are treated fairly with respect to the sharing of information among us and our Advisory Affiliates.

#### Allocations of Investments in Initial Public Offerings (“IPO”)

Depending upon the investment objectives, strategies and restrictions applicable to an account, portfolio management teams may invest client assets in securities offered in an initial public offering (“IPO”). The availability of IPO shares is generally limited; this is particularly the case with “hot issues” where the demand for participation in such transactions far exceeds the supply of shares that are available. This scenario typically results in higher market prices for IPO shares when the offering first begins to be publicly traded. The allocation of IPO shares to interested investors, such as to us for allocation to our clients, is made by the underwriter of the transaction. These allocations are based on many factors, including the investors’ past business with the underwriter. In certain circumstances and as consistent with applicable law and our best execution obligations, we may determine to allocate IPO shares to our clients’ accounts and accounts of our Advisory Affiliates on an aggregated basis. Our ability to receive IPO allocations for our clients and those of our Advisory Affiliates for which we provide trading services may be partially based on the trading activity of all accounts managed by us and the accounts of our Advisory Affiliates for which we provide trading services, including the trading activity of many accounts that will not be eligible to receive allocations of IPO shares.

Assuming that an account is eligible to invest in IPOs pursuant to its investment objectives, strategies and restrictions, the decision as to whether the account will participate in a particular transaction is determined through the exercise of investment discretion by the portfolio management team responsible for managing the account. Unless there is an appropriate exception, for example where an account does not have sufficient cash to participate in the investment, if one account receives an allocation of IPO shares, all other IPO eligible accounts with the same investment objective and strategies that are managed by the same portfolio management team will ordinarily participate in the investment on a pro-rata basis based on relative account size.

To the extent our assets or the assets of an affiliate are invested in a separately managed account or private pooled vehicle, such as a Private Fund, the eligibility to participate in IPOs, and any pro-rata allocation of IPO shares, is based only on the amount of eligible third-party assets. These additional eligibility and allocation considerations do not apply to situations where we or an affiliate invest in a Registered Fund. The Registered Funds may participate in IPOs as described above. “Incubator accounts,” (to the extent not Registered Funds), in which our assets or assets of an affiliate are invested for the purpose of creating a track record, are not currently permitted to invest in IPOs.

Certain investment objectives and strategies tend to be more consistent with investments in IPOs. For example, because most IPO issuers are small-sized companies (based on their market capitalization) such investments are typically more consistent with the investment objectives of accounts focusing on these capitalization ranges. Similarly, investment objectives and strategies pursuing a growth investment strategy or a focus on technology companies tend to be more consistent with investments in IPOs. Moreover, accounts that have short-term trading strategies, such as actively managed Private Funds, may also find investments in IPOs to be relatively more attractive than accounts that have “buy and hold” investment strategies, which is the case with many Registered Funds. This is especially true with hot issues where a portfolio management team managing accounts with short-term investment strategies may be interested in “flipping” such an IPO by selling it soon after the security begins to be publicly traded. Certain teams are responsible for managing Registered Funds, institutional accounts and Private Funds. The Private Funds managed by these teams may utilize short-term investment strategies, while the other accounts managed by the teams typically do not and such other accounts also tend to have a mid to large capitalization focus. For this reason, one or more of the Private Funds managed by these teams will tend to participate in more IPOs, including “flipped” IPOs, than the Registered Funds and other accounts managed by these teams. In certain market conditions, accounts that invest significantly in IPOs can have materially different performance than accounts that do not. The impact of IPOs on account performance generally decreases as the amount of assets in an account increases.

In the case of a limited supply, there can be no assurance of equal treatment among all clients with respect to a particular IPO. Certain clients have investment guidelines and/or regulatory restrictions that prevent us from purchasing IPOs for their account. Additionally, Retail Managed Accounts will not participate in IPOs. Clients for whom we have not or cannot ascertain their eligibility to participate in IPOs under the rules of FINRA will not participate in any IPOs that are restricted by such rules.

We have adopted policies and procedures relating to the allocation of IPO investment opportunities. All IPO allocations are monitored to ensure compliance with our allocation policies. These policies and procedures include a “tiering” structure whereby accounts are given priority based on the account’s investment strategy and the relevancy of a particular IPO to that investment strategy. Accounts placed in the first tier receive a pro-rata allocation of up to 100% of their indication of interest before accounts in the second tier receive a pro-rata allocation of any remaining shares. Subject to limited exceptions, our procedures define the first tier to include accounts without a market capitalization focus and accounts whose market capitalization focus or sector/industry/geographical focus match the nature of the securities offered (e.g., small-cap account and a small-cap IPO). Our procedures also limit the indication of interest for all accounts to 2% of an account’s market value, though specialty accounts may submit an indication of interest up to 4% of the account’s market value if the offering is within that specialty. These procedures may result in accounts in the second tier receiving a lower allocation or no allocation, even if the accounts are of a relatively large size. Examples of the limited exceptions to our procedures may include situations where accounts may get preferred allocations in an IPO by being a “cornerstone investor” (i.e., an investor who commits to invest a fixed amount of money or a fixed number of shares in advance of the pricing of an IPO) or where accounts are existing equity investors in the company prior to the IPO. When one of our Advisory Affiliates acts on our behalf in providing investment management services to one of our clients or Funds, we follow the IPO policies and procedures of the Advisory Affiliate, which ordinarily allocates such opportunities among accounts with the same investment objective and strategies that are managed by the same portfolio management team on a pro-rata basis based on relative account size.

#### Allocation of Fixed Income Trades

For allocation of fixed income securities, a fixed income portfolio manager will generally allocate to all participating accounts with similar strategies and guidelines on a pro-rata basis, or to “true up” the holdings of accounts with similar investment mandates. To the extent that similarly managed accounts with target weightings have different holdings of a security, trades will be allocated to minimize the difference from the target weighting in the security over time. The

portfolio manager may also consider other factors, including the investment objectives and policies and size of the account, the liquidity and size of the issue, the amount of securities actually purchased or sold, the duration of the account, and the existence of similar securities already in the account. Although an investment may be suitable for multiple accounts, under certain circumstances priority may be given to certain accounts with state specific tax-exempt or other mandates.

We have adopted policies and procedures relating to the allocation of high yield new issues, the availability of which is generally limited, to seek to ensure that all interested accounts are allocated in a fair and equitable manner. To achieve this, a trader will aggregate all portfolio managers' purchases into one block order. If the block order is not completely filled, the shares received are generally initially allocated by trading to each of the accounts in the block in proportion to the account's original order and/or a smaller percentage generally aligned with the account's target benchmark exposure to ensure fairness and accommodate the diverse sizes of accounts participating in the order. Any additional shares will be further allocated among accounts whose original order was not completely filled.

#### Trade Priority for Certain Trades

Certain of our policies related to conflicts between client accounts (including accounts of our Advisory Affiliates for which we may provide trading services) address the priority of a trade order. For example, a sale of a long security has priority over the short sale of the same security, to the extent that they cannot be aggregated. There are no specific trade priorities with respect to an option trade and a trade in the underlying security or with respect to a security that is convertible into a common stock and a trade in that common stock. Rather, best execution will be sought for each trade, which could result in the related securities being traded at the same or different times with the same or different brokers.

#### Retail Managed Account Program Trades

Retail Managed Account Program orders are typically separate from orders for other client accounts that are buying and selling the same securities. In this respect, orders for accounts placed with the applicable designated broker-dealer for a Retail Managed Account Program are not aggregated with any other orders for the same securities other than for that Retail Managed Account Program. Retail Managed Account Program orders are generally executed after orders for other clients. Therefore, the quality of execution for Retail Managed Account Program accounts may differ from that of other client accounts. In seeking to reduce occurrences when Retail Managed Account Program Sponsors could be competing against one another in the market, the Retail Managed Account Program Trading Desk typically sequences the communication of trade/model orders to the sponsors by employing a rotational approach. Orders are only communicated to the next Retail Managed Account Program in the rotation after the prior Retail Managed Account Program Sponsor in the rotation has confirmed back that the trade was executed. When a Program Sponsor for whom we provide non-discretionary advisory services in the form of a Model-Delivered Strategy or an Asset Allocation Model Portfolio comes up in the rotation the sequence is advanced to the next sponsor without waiting for model trade execution because some Retail Managed Account Program Sponsors have discretion over whether and how to execute an order. Timing delays or other operational factors associated with the implementation of trades may result in Retail Managed Account clients receiving materially different prices relative to other Retail Managed Account clients or our other client accounts.

In the case of Retail Managed Account Programs that are structured as bundled or wrap fee arrangements, we may have discretion to select broker-dealers other than the Program Sponsors (i.e., "trade away") when necessary to fulfill our duty to seek best execution of transactions for our clients' accounts. However, brokerage commissions and other charges for transactions not effected through the sponsor or its broker-dealer affiliate are typically charged to the client, whereas the wrap fee covers the cost of brokerage commissions and other transaction fees on transactions effected through the Retail Managed Account Fee Program Sponsors. For this reason, most transactions for such clients will be effected through the Retail Managed Account Program Sponsors. However, for strategies using municipal, U.S. government and corporate bonds, we expect to trade away from the Retail Managed Account Program Sponsor substantially all of the time. In such cases, clients will incur transaction and other costs and fees, generally in the form of mark-ups, mark-downs and spreads earned by the executing broker-dealer selected by us, in addition to the wrap fee payable to the Wrap Fee Program Sponsor. See your Retail Managed Account Program Sponsor for more information. The same is true in the case of Retail Managed Account Programs that are structured as RIA Arrangements, where selection of the broker-dealer used for executing transactions is dependent on the client's choice of custodian in connection with their overall relationship with the Program Sponsor. When a client's fee arrangement with its custodian covers trade execution, it is typically most cost effective for the client to trade through that custodian's broker-dealer. In certain dual contract programs, a Program Sponsor will require us, and not the client, to bear the cost of brokerage commissions for equity trades executed through a

broker-dealer other than the Program Sponsor. In such situations, we will have an incentive to select the Program Sponsor or, if the Program Sponsor cannot effect a particular equity transaction, such other broker-dealer with the lowest transaction fees in order to minimize the costs to be borne by us. This incentive may conflict with our duty to seek best execution for our clients' accounts. We seek to mitigate this potential conflict of interest pursuant to our best execution practices as described above.

We are not in a position to negotiate commission rates with the Program Sponsors on behalf of Retail Managed Account. A client who participates in the wrap fee arrangement should consider that, depending on the level of the wrap fee charged by the Retail Managed Account Program Sponsor, the amount of portfolio activity in the client's account, the value of the custodial and other services that are provided under the arrangement, and other factors, the wrap fee may exceed the aggregate cost of such services if they were to be provided separately.

#### Error Correction

On occasion, a mistake may occur in the execution of a trade. As a fiduciary, we owe clients duties of loyalty and trust, and as such must treat errors caused by us in a fair and equitable manner. Errors may occur for a number of reasons, including human input error, systems error, communications error or incorrect application or understanding of a guideline or restriction. Examples of errors include, but are not limited to the following: buying securities not authorized for a client's account; buying or selling incorrect types of securities or instruments; buying or selling incorrect amounts of securities; buying or selling in violation of one of our policies; failure to follow specific client directives or portfolio manager instructions to buy, sell or hold securities; and incorrect allocation of trades to or between various accounts. In correcting trade errors caused by us, we do not: make the client account absorb the financial loss due to the trade error; use client commission arrangements or directed trades to fix the error; or attempt to fix the error using another client account, absent unique circumstances and/or client consent. However, if there is another order on the trading desk for the same security (that was purchased in error for another client) or for one that meets similar criteria as that security, we may allocate the security to that client(s).

Errors are generally corrected in the client account; however, to facilitate the error correction, we may, in limited instances, process the correcting transactions in an error account owned by us when it is not feasible to correct the error in the client's account (e.g., if the error would result in a security settling in a client account and the holding of such security by the client would be unlawful). To the extent correction of an error processed in a client account results in a gain, we generally allow the client to keep the benefit. However, we may not do so in limited circumstances, such as if the gain offsets a loss in connection with a single transaction or occurrence or a series of related transactions or related accounts, in which case any such gains and losses may be netted. Such netting may result in lowering the amount, if any, the client account must be reimbursed. Retail Managed Account Program clients should be aware that the Program Sponsor may require that errors in client accounts be corrected in accordance with the sponsor's error correction policies and procedures. Those policies and procedures may be different from sponsor to sponsor and they may be materially different from our policies and procedures described above. For example, some sponsors may require that gains resulting from an error be given to charity or they may require that gains and losses caused by us are netted over a period of time in a separate "error account" maintained by the sponsor. Retail Managed Account Program clients should contact their Program Sponsor if they wish to obtain more information about the error correction policies and procedures that apply to their account.

#### ***Selection of Broker-Dealers***

We select broker-dealers to execute client transactions based on a number of factors. As a general matter, broker-dealers are subjected to an initial approval process. This approval process involves the review of financial and related quantitative and qualitative information concerning a broker-dealer. Such qualitative factors may include, but are not limited to: volume of securities traded of the type to be traded; instruments regularly offered by the firm; research capabilities of the firm; general reputation of the firm; trading desk opinion of the firm; and regulatory history of the firm. Under certain circumstances, it may be necessary for a trader to execute a transaction with a broker-dealer that has not been subject to an initial approval process. This could happen, for example, where a broker-dealer is the only one with inventory of a needed security and there is not sufficient time for the standard approval process. This exception process may only be used to grant a broker-dealer approval for the specific transaction being contemplated and only after following established procedures. In addition, for certain transactions, we may purchase securities directly from or sell securities directly to the issuer. The issuers for these transactions are not subject to the trading counterparty review and approval process.

With respect to a specific order, we or our Advisory Affiliate seek to choose the broker-dealer most capable of providing the brokerage services necessary in seeking to obtain the best execution reasonably available at the time of the execution of our client's orders. In order to determine the reasonableness of a broker-dealer's compensation, we will consider the particular characteristics of a security to be traded including relevant market factors. We or our Advisory Affiliate will assess the intent of the portfolio manager and the level of urgency attached to the transaction. We or our Advisory Affiliate will also consider other factors such as: ability to minimize trading costs; level of trading expertise; infrastructure; ability to provide information or services; financial condition; confidentiality provided by broker-dealer; competitiveness of commission rates; evaluations of execution quality; promptness of execution; past history; ability to prospect for and find liquidity; difficulty of trade and security's trading characteristics; size of order; liquidity of market; block trading capabilities; quality of settlements; specialized expertise; overall responsiveness; and willingness to commit capital. All of these considerations (and others as relevant) guide a trader in selecting the appropriate venue (e.g., an Electronic Communications Network ("ECN") or Alternative Trading System ("ATS"), a traditional broker, a crossing network, etc.) in which to place an order and the proper tactics with which to trade.

In some circumstances the trading platforms we utilize charge us a fee for access to those platforms. These fees are paid by us and are not passed on to our clients. Based on volume of use, we may qualify for reduced access fees or credits towards the cost of the associated terminal where the trading platform is imbedded, which can also be used for other, non-trading and research purposes as well. We do not currently expect the availability or use of these credits to impact best execution because the prices quoted by dealers trading on our behalf do not change based on the platform used.

As stated in "Global Asset Management" above, where an Advisory Affiliate is providing trading services for our accounts or we are providing trading services for an Advisory Affiliate's Accounts, we or our Advisory Affiliate executing the trade order will select a broker-dealer that has been approved by us and each of the Advisory Affiliates for which accounts are being aggregated. This selection of broker-dealers may be a smaller subset than the selection of broker-dealers otherwise available were our accounts not being aggregated with the accounts of our Advisory Affiliates. Such broker-dealer selection will be consistent with our obligation to seek best execution.

#### Directed Brokerage

We do not routinely recommend, request or require that a client direct us to execute transactions through a specified broker-dealer. However, as described below we will typically execute transactions for Retail Managed Account Program clients through the Retail Managed Account Program Sponsors. We also permit our clients to direct us, in writing, to execute a percentage of their equity trades through a particular broker-dealer or a network of broker-dealer(s). In these circumstances the client typically has an arrangement with such broker-dealer(s) that results in the client receiving some benefit from the broker-dealer(s) in exchange for the directed brokerage. Clients should keep in mind the potential risks associated with directed brokerage including the following:

- the direction may result in higher commissions, greater spreads or less favorable net prices than would be the case if we selected the broker-dealers and/or the transaction may not be made on a best execution basis;
- the direction may result in trades for the client's account not being aggregated with similar trades for other accounts and thus not eligible for the benefits that accrue to such aggregation of orders;
- as a result of not being aggregated, client transactions will generally be executed after accounts whose trades are aggregated and may receive less favorable prices;
- there is a possibility of increased credit and/or settlement risk if the broker-dealers the client has selected are not otherwise on our approved list; and
- because of the direction the client's account may not generate returns equal to those of other accounts that do not direct brokerage.

A client may also request, subject to our obligation to seek best execution that we participate in a commission recapture program the client has established with a particular broker-dealer or a network of broker-dealers by allocating a certain percentage of trades to such broker-dealers. As described above, the client typically has an arrangement with such broker-dealer(s) that results in the client receiving some benefit from the broker-dealer(s) in exchange for participation in the program. In these circumstances our ability to accommodate such requests will be limited to, among other things, whether the broker-dealers are on our approved list of counterparties, and the volume and frequency of trade orders for the client's account.



Our equity trading procedures also permit the use of “step-outs” in aggregated equity transactions to accommodate certain client directed brokerage arrangements. A step-out generally involves a trader’s direction that the executing broker-dealer allocate (or “step out”) all or part of an equity trade to another broker-dealer for clearance and settlement. The step-out broker confirms the portion of the equity trade it clears and settles while the step-in broker confirms the portion it clears and settles. Step-outs may assist us in seeking best execution by allowing us to aggregate equity trades with one broker-dealer involving client accounts that have directed us to execute through different broker-dealers.

Under a step-out arrangement, clients may be charged lower or no transaction fees by the step-out broker-dealer because clients have already paid for brokerage under a separate fee arrangement. If step-outs are used, accounts with special trading instructions due to client directions or guidelines will be traded with other accounts. If step-outs cannot be used, accounts with special trading instructions will be traded after the other accounts and may not be aggregated for execution purposes with orders for the same securities for other accounts managed by us. Under these circumstances, directed accounts may receive different execution times and different prices than trades for other accounts that are executed at other broker-dealers on an aggregated basis.

Under no circumstances do we consider the marketing efforts of broker-dealers on our behalf or on behalf of the funds for which we serve as investment adviser in selecting broker-dealers to execute trades. Such marketing efforts include the sales of Mutual Funds we advise, the inclusion of our products on a broker-dealer’s Retail Managed Account Program platform (other than to the extent such program requires us to trade with such broker-dealer), and referrals of clients or prospective clients. However, many broker-dealers that effect securities transactions for our clients will have a relationship with us or our affiliates to distribute shares of such funds or other investment products managed by us or will act as sponsor of a Retail Managed Account Program for which we act as investment adviser.

On occasion, a broker-dealer we utilize for execution services may introduce us to potential clients or investors in the Private Funds we manage. These introductions may take place during capital market introduction events sponsored by the broker-dealer. While participation in these events would benefit us if we are able to attract new business, we do not give consideration to these introductions in selecting broker-dealers to execute transactions for our advisory clients. However, the Private Funds we manage (or their general partner, our wholly-owned subsidiary) may take into account a broker-dealer’s capital markets introduction services when selecting and retaining a broker-dealer as the funds’ designated prime broker.

#### ***Client Commission Arrangements, Policies and Procedures***

Congress adopted Section 28(e) of the Securities Exchange Act of 1934 which, along with related SEC guidance and interpretations, provides a “safe harbor” for investment advisers to obtain research used in investment decision-making and brokerage services with client commissions. As a result, broker-dealers typically provide services including research and execution of transactions. The research provided can be either broker-dealer proprietary research (created and provided by a broker-dealer, including tangible research products as well as access to analysts and traders) or third party research (created by a third party but provided by a broker-dealer). We use broker-dealers who provide both types of research products and services, as well as brokerage products and services, in exchange for commissions generated by transactions in the client accounts, also known as “soft dollars” or client commission arrangements. We have adopted policies and procedures designed to ensure that the use of client commissions falls within the safe harbor and other applicable regulatory requirements, while permitting client accounts to benefit from our investment professionals’ use of other firms’ research and related investment decision-making tools.

The receipt of research and brokerage products and services in exchange for client commissions allows us at no cost to us to supplement our own research and analysis activities, by receiving the views and information of individuals and research staffs of other securities firms, and by gaining access to specialized expertise on individual companies, industries, areas of the economy, market factors and specialized tools to facilitate trading strategies, which we would otherwise have to pay for or produce ourselves. This may create an incentive for us to choose broker dealers that provide quality research.

Research and brokerage products and services acquired with client commissions may include independent consultations with industry experts or company employees, reports on the economy, industries, sectors and individual companies or issuers; statistical information; accounting and tax law interpretations; political analyses; reports on legal developments affecting portfolio securities; information on technical market actions; credit analyses; risk measurement; analyses of

corporate responsibility issues; financial and market database services; and trading software that provides algorithmic or automated trading capabilities.

Some broker-dealers with which our Fixed Income Department executes trades provide the Fixed Income Department with proprietary research products and services, though the Fixed Income Department does not put in place any client commission arrangements with such broker-dealers. It is our policy not to execute a fixed income trade with a broker-dealer at a lower bid/ higher offer than that provided by another broker-dealer in consideration of the value of research products and services received by the Fixed Income Department.

We may also receive proprietary research products and services from derivatives counterparties with which we have not established a client commission arrangement, similar to the approach taken with fixed income brokers. In these situations, we may take the research into account in determining whether to add the derivatives counterparty to our approved list, but we do not consider the value of the research products and services provided on a trade-by-trade basis.

Equity research budgets and reserves are established and approved by senior leaders from Equity Portfolio Management, Research, Trading, and Commission Practices Teams. Broker dealer proprietary research is evaluated through a periodic broker research evaluation process completed by equity portfolio managers and research analysts. This includes evaluating the quantity and quality of research interactions with brokers in addition to written research. The evaluation process is reviewed on a regular basis to help provide for fair and accurate assessment of services provided. In addition, third party research services may be identified by investment professional (e.g., portfolio managers or analysts) to assist their investment decision-making and benefit their client accounts. Third party research services are also reviewed and approved by the senior leaders detailed above as part of the overall research budget paid with client commissions.

New brokers providing proprietary research and third party commission research services require formal approval from Compliance and the Trading Sub-Committee. Compliance evaluates whether the research and its use fall within the safe harbor of Section 28(e). The Trading Sub-Committee is tasked with responsibility for evaluating requests to add new brokers or third-party research providers with respect to potential value and determining whether the research and its intended use falls within the safe harbor of Section 28(e). Once approved and used, research services and related payments are re-evaluated by investment professionals on an ongoing basis and annually approved by the Trading Sub-Committee.

Generally, our traders execute unbundled client commission arrangement trades (where we pay an explicit amount for trade execution and an explicit amount for research) through a broker-dealer that may retain the entire commission as part of the research services it provides or subsequently make payment to one or more research providers at our direction, retaining a portion of the commission for execution. This compensation method is utilized to pay for broker proprietary research as well as third party research, and allows us to more selectively obtain research from one broker-dealer while seeking the execution services of another, preferred execution broker-dealer. Such client commission arrangements do not obligate us to generate a specified level of commissions with the executing broker-dealers.

As described in the preceding paragraph, we have established relationships with specific broker-dealers to acquire research with client commissions. Guidelines used to evaluate such broker-dealers include: (1) approval by a senior trader to confirm that the broker-dealer has good trading capabilities, including the ability to provide best execution and back office support; (2) consideration of the credit-worthiness of the broker-dealer; (3) consideration of whether the total number of eligible broker-dealer relationships provides adequate trading alternatives, but remains administratively manageable; (4) consideration of whether research commission rates are competitive; (5) consideration of whether each broker-dealer is well-versed in regulatory compliance issues involving client commission arrangements and provides quality customer service, including accurate reconciliation, knowledgeable resources and timely responses to requests; and (6) consideration of whether the broker-dealer has an effective working relationship with traders and other investment personnel. The Commission Practices Team (“the Team”) reviews these criteria on a periodic basis. We may, from time to time, step out all or a portion of a trade to a broker-dealer in connection with a client commission arrangement.

These specific broker-dealers that facilitate our payments for research as described in the paragraphs above, frequently maintain accounts on our behalf to hold the portion of commission dollars intended to facilitate future payment for research and brokerage products and services. Those accounts may, at any given time, carry balances. In any given calendar year, an account’s balance may “carryover” to be used for research provided by the broker-dealer in subsequent

years. Thus, a portion of a particular client's commissions may accumulate and not specifically be used for research or brokerage products or services until after a client's relationship with us terminates and new clients may benefit from current or past clients' commissions in this manner. Further, in the event of a bankruptcy or liquidation of a broker-dealer with whom we have such arrangements, we may not be able to access or recover balances in our accounts with the broker-dealer.

The use of client commissions for research and brokerage services inherently involves conflicts of interest, which may include:

- Sometimes we may compensate a broker-dealer for research or brokerage products or services by causing client accounts to pay a commission in excess of what another broker-dealer might charge. It is not always possible to place a dollar value on special execution services. Likewise, research provided by executing broker-dealers may or may not have a specific dollar value attached to it by the party creating the research. Accordingly, some client accounts may pay commissions to broker-dealers that are higher than those obtainable from other broker-dealers for effecting similar transactions if we determine in good faith that such amounts are reasonable in relation to the value of the research and brokerage products and services provided by those broker-dealers. We conduct surveys periodically to assess the value of research services to our investment professionals. We also conduct periodic reviews of equity execution quality, which include regular reviews from a third party evaluator in order to gauge the effectiveness of our current procedures in seeking best execution for client accounts.
- The use of client commissions to obtain research creates an incentive to effect an unnecessary amount of trades in order to generate commissions ("churning"). Our equity trading group, which manages to informal, non-binding commission targets, is generally separate from our research and portfolio management groups. This helps to reduce incentives for a portfolio manager to churn a particular account to generate commissions. In addition, our client commission arrangements are administered by the Team which is independent from both traders and portfolio managers.
- Research acquired with client commissions may be shared across multiple accounts. Certain research and the benefits of investment ideas from that research are shared with our Advisory Affiliates. One client's commissions may not be generated in the same proportion as its usage of a shared service. Client commission services are not used exclusively in connection with the accounts that pay the commissions to the broker-dealer providing the services. Also, analysts and portfolio managers in our Equity and Fixed Income Departments and certain Advisory Affiliates may share investment ideas and strategies of their respective firms, some of which may be informed by research paid for with commissions generated only by equity accounts. We believe that, in the aggregate and over time, the research and brokerage products and services we receive benefit clients and assist us in fulfilling our overall duty to our clients.
- Some of our clients ask us to abide by commission recapture arrangements they have negotiated or otherwise seek to limit our discretion with respect to their commissions, and we may, in our discretion, honor such requests. Because services acquired with client commissions may be used across various client accounts, commissions generated by transactions for clients who have not imposed any such limits may be used to acquire research or brokerage products and services that also benefit clients with these limitations.
- Client commissions can be used to obtain products or services that are used for both investment decision-making and non-investment decision making purposes (so called "mixed-use" items). For example, broker-dealers may provide performance evaluation services which may be used for both investment decision-making and marketing purposes. If the product or service is a "mixed-use" item, we use client commissions to obtain the investment decision-making portion and pay cash, or "hard dollars," for the non-investment decision-making portion. Determining how much of the mixed-use items must be paid for with hard dollars represents a conflict of interest because we have a financial incentive to allocate a greater proportion of the cost of mixed-use items to client commissions. Although the allocation between client commissions and hard dollars is not always capable of precise calculation, we make a good faith effort to allocate these items reasonably. If an employee is using a product/service for both research and non-research purposes, the entire cost of the product or service allocable to that employee is paid for in hard dollars.

- As stated in “Global Asset Management” above, our investment personnel may share certain information, including research acquired with client commissions, with certain of our Advisory Affiliates. Accordingly, the client accounts of those Advisory Affiliates may benefit from such research without contributing to the commissions with which such research was acquired. However, our Advisory Affiliates also share certain information, including third-party research, with us even though our clients may not have contributed to commissions that have led to the production of such information to our Advisory Affiliates. Where an Advisory Affiliate does not accept research in exchange for client generated commissions or in the event we are not permitted to utilize soft dollars on behalf of a client of ours or an Advisory Affiliate (“Non-research Accounts”) and this Advisory Affiliate is providing trading services to us, or vice versa, soft dollar credits are withheld with respect to that client’s transactions. Where aggregated (or block) trade orders include Non-research Accounts, the Non-research Accounts will not, to the extent permissible under applicable regulations and interpretive guidance, pay a *pro-rata* portion of research payments associated with that aggregated order. However, all clients within the aggregated order will pay the same average security price and execution costs. Alternatively, all such aggregated orders will be “execution only” and will not generate any commissions that may be used to purchase research for all clients trading within such block, or we may remove the Non-research Account from block orders placed for our other institutional clients with any broker/dealer with whom we have a soft dollar arrangement. If the Non-research Account is removed, this account will likely receive a different execution price than that received by the block trade.

### ***Use of Affiliated Brokers and Buy and Sell Transactions Involving Related Accounts***

#### **Use of Affiliated Brokers**

We do not effect securities transactions through affiliated brokers for our institutional, alternative investment or asset-liability management clients. However, we may execute securities transactions through affiliated brokers in connection with Retail Managed Account Programs sponsored by Ameriprise Financial Services that are structured as bundled or wrap fee arrangements. In these situations, consistent with our obligation to seek best execution, we generally direct transactions to Ameriprise Financial Services for execution on an agency basis through its clearing broker, AEIS, both because of its execution capabilities and because the wrap fees paid by clients participating in the program cover transaction charges only when transactions are directed to Ameriprise Financial Services for execution through AEIS on an agency basis. It is possible that we would send an order on behalf of a client to one of our affiliated broker-dealers authorized to execute transactions for such clients and at the same time the affiliate would execute the opposite order for one of its brokerage customers.

#### **Buy and Sell Transactions Involving Related Accounts**

We may from time to time effect a cross transaction of one or more securities from one advisory client account to another client account of ours (including accounts of affiliates) when we conclude that such transaction is consistent with such clients’ investment objectives and policies, applicable law and the fiduciary duty we owe to our clients (including the obligation to seek best execution). We have implemented policies and procedures governing these transactions which require that the securities be crossed at the independent current market price (as defined in the procedures) and that no brokerage commission, fee or other remuneration, except for customary administrative or transfer fees, be received by us or any other party in connection with the transaction. We will comply with any disclosure and consent requirements that may be required for cross transactions under applicable law for the relevant accounts, such as ERISA.

We may also conduct cross transactions between certain alternative investment clients such as special purpose or other pooled vehicles in which we or an affiliate may have an interest. In such case, we may provide disclosure and obtain consent from the relevant clients for these transactions.

From time to time, we purchase securities from a broker to which we have recently sold the same securities. We do so when we believe it is consistent with our fiduciary duties, particularly where the dealer is one of a limited number of brokers who hold or deal in those securities or the security.

In consideration of the limited availability of certain municipal security issues and the smaller lot sizes typically effected for Retail Managed Account Program clients, we may effect cross transactions for clients in municipal bond strategies managed through Retail Managed Account Programs when, consistent with our fiduciary duties and internal policies and procedures, we determine that the transaction is in the best interest of both clients based on the investment objectives

and portfolio characteristics of each client account. We do not cross-trade fixed income (including municipal) securities in the Mutual Funds we manage.

## **REVIEW OF ACCOUNTS**

CMIA monitors accounts on an ongoing basis and performs periodic reviews. Accounts are regularly reviewed by multiple groups including Portfolio Management, Compliance, Investment Risk Management, Investment Consultancy and Oversight, and Investment Oversight Committee.

Each of our portfolio managers and other investment personnel are responsible for managing assigned accounts in accordance with their investment objectives and guidelines. There is no specific limit on the number of accounts that may be assigned to each professional. In addition to the periodic review, factors that may cause the portfolio manager to initiate a portfolio review include, but are not limited to: changes in the investment strategy; changes in the client's objectives, guidelines or restrictions; significant price movements of portfolio securities or of the portfolio as a whole; changes in the prospects of a particular portfolio security; the need to invest incoming cash; and the need to raise cash from the portfolio. Each team's investment strategy is validated and monitored by the Investment Oversight Committee.

Also, our Investment Risk Management Department monitors the risk profile of Registered Funds, Private Funds and representative institutional accounts (typically, the largest institutional account in a given strategy). This process includes regular reviews of the portfolios' risk profile versus their appropriate benchmark, and the contributors to the risk at, as applicable, the security, sector, factor, geography and currency level. In addition, a wide variety of other risk measures, including volatility, tracking error, active share, Value at Risk (VaR), among others are monitored, as appropriate. The Investment Risk Management Department also regularly monitors liquidity risk in Mutual Funds and our collective trust funds.

The complete account guidelines are reviewed by the client's portfolio manager and/or a representative from the Compliance Department at least once every thirty-six months. In addition, we employ a series of pre- and post-trade controls and monitoring techniques through automated and manual procedures to ensure that portfolios are managed in accordance with client-specific guidelines or restrictions as well as applicable regulatory requirements and internal policies. To the extent that investment guidelines are not capable of being monitored in an automated manner, the Compliance Department will seek quarterly certification of compliance from the relevant portfolio manager/team.

Our Investment Consultancy and Oversight Team uses a bespoke '5P' approach to ensure the integrity of an investment strategy. The team engages with our portfolio managers – reviewing their performance, discussing their decision-making and analyzing their processes - to ensure we remain faithful to our clients' objectives and identify opportunities to continually improve. This independent investment oversight process is tangible evidence of our commitment to accountability and continuous improvement while maintaining manager autonomy. We believe this disciplined process contributes towards our ability to deliver sustainable returns and ensure each investment team is adhering to its philosophy and process.

### ***Client Communications and Reporting***

Clients generally receive regular reporting the content and cadence of which is summarized below; however, some of our clients may receive additional investment reports, analysis or different services as may be agreed. Generally, reports are provided to institutional clients at the end of each calendar quarter showing performance, the value and holdings of the account and summarizing changes impacting the account during the quarter. These clients may request and receive this information and additional transaction details on a monthly basis. Reports on Registered Funds are provided to the Boards of Directors/Trustees, or their agent, at regularly scheduled meetings of the boards and on a more frequent basis, as necessary. We may also provide a monthly or quarterly report that includes portfolio manager or product commentary on sources of return within the portfolio and recent market conditions. In addition, client relationship managers and/or investment personnel generally will offer to meet with clients or their representatives on an annual basis to review goals, objectives, holdings and portfolio performance unless the client requests more frequent meetings.

In the case of the Registered Funds, the portfolio managers will typically report to the Board of each Registered Fund on an annual basis. This report typically covers performance, investment process and an analysis of results.

On a monthly or quarterly basis, we, a trustee or an administrator typically provide our alternative investment clients including Private Funds with a periodic client statement that shows their account balances and net profit or loss for the month, or that summarizes the assets under management, certain cash flows and certain other items required by the underlying agreement or indenture. We may also provide a monthly or quarterly report that includes portfolio manager commentary on sources of return within the portfolio and recent market conditions.

In the case of the Ameriprise Trust Company collective trust funds and accounts for which we act as subadviser, we report on a periodic basis to ATC's investment committee. This report typically covers performance, commentary on recent market conditions and an analysis of results.

In the case of Ameriprise Financial, its insurance company affiliates and other asset-liability management clients, we report on a periodic basis to the board or investment committees of the relevant entity. Boards, the investment committees and other representatives of the entity meet periodically to review and evaluate the preceding period's portfolio activity and to contemplate the next period's investment strategy.

With respect to Retail Managed Account Program clients, the Program Sponsor has primary responsibility for client contact and reporting. We will typically supply the sponsor with certain information necessary for the sponsor to provide regular reports directly to its clients in accordance with the requirements of the specific program.

## **CLIENT REFERRALS AND OTHER COMPENSATION**

### ***Client Referrals/Promoter Arrangements and Sales Compensation***

We have entered into and may enter into written promoter agreements (formerly referred to as "solicitation" agreements) with affiliated and non-affiliated third parties. Pursuant to these arrangements, we pay compensation for clients referred to us for separate account management or for clients who invest in private funds we manage. We structure these arrangements in accordance with the applicable requirements of the Advisers Act including those that limit the types of entities and people who may be used as promoters. These requirements impose an obligation for clients of non-affiliated promoters to receive separate disclosures describing, among other things, whether the promoter is a current client of ours or an investor in a private fund managed by us, any conflicts between the promoter and us, and the terms of our compensation arrangement with the promoter. Additionally, we may take input from promoters during fee negotiations with clients in foreign jurisdictions regarding local market factors. The terms of our written promoter agreements may obligate us to pay compensation until termination of the client relationship. From time to time, we may also enter into written promoter agreements with employees or independent contractors of our affiliates which allow these individuals to refer potential investment advisory clients to us. Generally, client fees are not increased as a result of any referral fees. In the event of an increase, the specifics of the fee differential will be disclosed to the client in accordance with the applicable requirements of the Advisers Act. We require promoters to forward copies of any client correspondence that is sent to the promoter but intended for us. We also require promoters to communicate to us any written client complaint or material client issue that is received or identified by the promoter. To the extent a promoter fails to forward client correspondence, complaints or other issues to us, we may not be able to appropriately address them.

Certain employees of the Ameriprise Financial organization (including us) are paid bonuses, which, unless prohibited by local law, may be based, in part, upon retaining and increasing assets under management. While activities that result in higher compensation may influence behavior, it is our policy to treat all clients fairly and equitably in accordance with our fiduciary duty.

From time to time, our employees may give or receive gifts and entertainment to or from persons associated with a client, prospective client, supplier, third party or consultant. Our policy, which is designed to address the potential conflicts of interest relating to gifts, entertainment and other benefits, outlines limits that are applicable and the procedures that our employees must follow in order to give or receive gifts and benefits to or from clients, prospective clients or suppliers.

Unaffiliated third parties may also receive fees from us or from our affiliates in connection with the sale or servicing of securities products sponsored by us, including Funds and Private Funds.

### ***Consultant Relationships***

From time to time, we may pay a fee to a consultant for certain marketing support services, including newsletters or other reports on general industry developments, or for participation in a conference or educational seminar. Our clients or prospective clients, or their respective representatives (e.g., officials representing pension funds), may also be clients of these consultants and may choose to participate in these conferences or seminars. Additionally, we may purchase analytical tools from divisions of a consultant that help us monitor services we provide to clients. Any relationship between us and our clients will be separate and distinct from any relationship these clients might have with their consultants. While we may be introduced to clients pursuant to these arrangements, these arrangements are not subject to the disclosure and consent requirements associated with the type of promoter arrangements described above.

We may from time to time provide financial support and guidance for third party research studies (including follow up publications and other communications) relating to the types of products the third-party manages. Our role in supporting these studies and publications may not be disclosed to research participants at the time they are asked to participate in the studies.

### ***Other Compensation***

We receive fees from third-party sponsors of certain managed account or asset allocation programs for services rendered.

## **CUSTODY**

### ***General***

We do not maintain physical custody of client funds or securities; however, under Rule 206(4)-2 of the Advisers Act, (the “Custody Rule”) there may be circumstances where we are “deemed” to have custody. For example, AEIS, one of our broker-dealer affiliates, acts as custodian of assets for clients to whom we may provide investment advice or other investment advisory services. Because AEIS provides custody for certain of our clients in connection with the advisory services we provide these clients, we are required under the Custody Rule to obtain from AEIS a written internal control report (the “ICR”), such as a SOC 1 report, at least annually from an independent public accountant registered with and regularly inspected by the Public Company Accounting Oversight Board. The ICR that we receive from AEIS is intended to show that AEIS has established appropriate custodial controls with respect to client assets that are under custody. We have also determined that AEIS is operationally independent from us and thus under the Custody Rule we are not required to undergo an annual surprise examination by an independent public accountant with respect to those client assets for which AEIS has custody. In addition, with respect to the collective trust funds maintained by ATC and for which we act as subadviser and the Private Funds that we manage and sponsor (regardless of whether we are deemed to have custody of the funds’ assets under the Custody Rule), we intend to continue to engage an independent public accountant to conduct an annual audit of those funds and provide the results of those audits to investors. Further, we receive an ICR from ATC. We may also be deemed to have custody of certain of our clients’ assets where our clients authorize us to move money between their accounts on their behalf. Under these circumstances, we have entered into a standing letter of instruction with each such client as prescribed by the Custody Rule. Finally, we may receive fees directly from a client’s custodian upon our instruction to the custodian when authorized by the client as described elsewhere in the “Billing Methodology.” section of this Brochure.

### ***Real Estate Loan Investments Strategy***

Where a client’s portfolio includes assets in the Columbia Real Estate Loan Investments Strategy (“RELI”), we act as the loan servicer. RELI related funds are held in one deposit account per client covering multiple loans prior to further distribution in accordance with the loan servicing arrangements. The funds primarily include principal and interest payments, and also generally include items such as borrower paid reserves (e.g., for taxes and insurance) and other limited fees. The deposit account is established with a qualified custodian and is typically titled in the name of the servicer as agent for the lender client. While we hold the assets in the deposit account as agent for the applicable client and we have no interest whatsoever in the deposit account and funds held in the deposit account are not subject to the claims of our creditors, we have full authority and control over the deposit account and, as such, are deemed to have custody over the client funds held in the deposit account. In accordance with SEC regulations, we are subject to an annual surprise

verification examination for our RELI business. We have engaged an independent, third-party accounting firm to perform an annual, surprise examination verifying compliance with the Custody Rule. When completed, the accounting firm's report will be available through the SEC's Investment Adviser Public Disclosure page at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The foregoing describes various situations where we may be deemed under the Advisers Act to have custody of client assets even when we do not have actual, physical custody of client assets. Although we do not maintain custody of client assets, we may on occasion inadvertently receive client funds or securities. If we inadvertently receive funds or securities attributable to a client or former client from a third party, we will promptly return or forward to the client's custodian the funds or securities as required under the Custody Rule.

We provide monthly or quarterly statements to our clients (depending on the client's preference) and, in those cases where we are deemed to have custody because of certain invoicing arrangements or for RELI accounts, we have a reasonable belief that the client custodians and Retail Managed Account Program Sponsors also send their clients statements, at least quarterly, identifying the amount of funds and securities in their accounts at the end of the period and setting forth all transactions in the account during that period. We encourage our clients to compare the account statements that their custodian sends them with those that we provide.

### **INVESTMENT DISCRETION**

The accounts over which we exercise investment discretion are generally subject to investment restrictions and guidelines developed in consultation with clients. We will exercise such discretionary authority with a client or Retail Managed Account Program Sponsor only after executing an agreement that gives us such discretion. These restrictions and guidelines customarily impose limitations on the types of securities that may be purchased and also generally limit the percentage of account assets that may be invested in certain types of securities. Additional policies may be set by a client's board or investment committee. We generally are authorized to make the following determinations, consistent with each client's investment goals and policies, without client consultation or consent before a transaction is affected:

- Which securities or other investments to buy or sell;
- The total amount of securities or other investments to buy or sell;
- The broker or dealer through whom securities or other investments are bought or sold;
- The commission rates at which securities or other investment transactions for client accounts are affected; and
- The price at which securities or other investments are to be bought or sold, which may include dealer spreads or mark-ups and transactions costs.

However, from time to time, we may accept accounts for which we have discretionary authority to purchase securities for the account, but not to select broker-dealers for transactions. These are commonly known as "client directed brokerage relationships." We may also accept non-discretionary arrangements, such as providing a series of securities recommendations by periodically updating a model portfolio or where clients retain investment discretion with respect to transactions in the account. In these situations, our lack of investment discretion may cause the client to lose possible advantages that our discretionary clients may derive from our ability to act for those discretionary clients in a more timely fashion, such as the aggregation of orders for several clients as a single transaction.

When accommodating client-initiated requests for the sale of municipal bonds or other securities with limited liquidity from a client portfolio, we may, consistent with our discretionary authority, delay the sale transaction in order to seek best price or execution under the circumstances.

We may act as investment manager to other clients now or in the future and each account's investment restrictions and guidelines may differ. All investment decisions for an account are made in accordance with the investment restrictions and guidelines of that account. Investment decisions for each account are made with a view to achieving the account's investment objectives and after consideration of such factors as the account's current holdings, the current investment views of the particular portfolio manager, availability of cash for investment, and the size of the account's positions generally. In addition, we may apply certain proprietary risk management guidelines or other restrictions to the universe of accounts we manage in situations where we believe such actions will enhance our overall advisory services. Further, we may seek to include or maintain some of the accounts we manage in certain categories or "style boxes" published and monitored by third party rating and ranking organizations, which might cause us to manage the account in a way that



meets the criteria for those categories or style boxes. These internal restrictions and style box categories are subject to change and may impose supplemental limitations and guidelines on the management of an account in addition to the guidelines provided to us by the applicable client.

In addition to the above factors affecting investment discretion, the Funds, ETFs and client accounts, unlike indexes, including affiliated and unaffiliated indexes, are subject to Office of Foreign Assets Control (OFAC) and other regulatory restrictions, including, for example, restrictions on the ability for the Funds, ETFs and client accounts to invest in or hold certain securities. If the Funds, ETFs and client accounts were restricted from investing in or holding a security that was a component of an index and the index did not remove, timely or at all, such security, the ability of the Funds, ETFs and client accounts to track such index could be negatively impacted.

### **VOTING CLIENT SECURITIES**

Our proxy voting policies and procedures are reasonably designed to satisfy our fiduciary obligation with respect to proxy voting. In voting proxies on behalf of our advisory clients, we apply the following general principles in an effort to satisfy this fiduciary obligation:

- Seek to ensure that proxies are voted in the best long-term economic interest of clients (which is generally defined for this purpose as the interest of enhancing or protecting the economic value of client accounts);
- address material conflicts of interest that may arise; and
- comply with disclosure and other requirements in connection with our proxy voting responsibilities.

We have adopted proxy voting guidelines, which outline our expectations of good practice for items that appear most frequently in proxy voting resolutions at shareholder meetings and reflect how we are likely to vote client proxies. The proxy voting guidelines address matters relating to shareholder rights, boards of directors, corporate governance, compensation, capital management, environmental, and social practices, and certain other matters. We regularly review and may amend the proxy voting guidelines based on, among other things, industry trends and proposal frequency.

When vested with proxy voting authority and in the absence of specific client guidelines, we will generally vote in the same manner as proxies being voted by certain of our investment adviser affiliates that have adopted the same voting principles. However, recognizing that we and our affiliates each have an independent fiduciary obligation to our clients with respect to the voting of proxies, the proxy voting process fully preserves our ability, and the ability of each affiliate, to vote in a manner contrary to other affiliates as well as voting differently on behalf of a specific client. In the event a client believes that its interests require a different vote, we will vote as the client clearly instructs, provided we receive such instructions in time to act accordingly.

In certain limited circumstances when we are not vested with discretionary authority to vote a client's proxies (i.e., when the client retains voting discretion), at the client's request we will administer proxy voting on behalf of the client in accordance with the client's voting guidelines. In such circumstances the client may contact us with questions about a particular proxy solicitation by writing to us at the address set forth on the first page of this brochure or calling the phone number that appears on that page. A client may also vote its own proxies, or the client's agent may vote proxies on behalf of the client.

In exercising our proxy voting responsibilities, we may consider the recommendations of third party research providers and may rely upon the recommendations of these research providers in certain situations. A complete copy of our proxy voting policy and guidelines is available upon request by writing to us at the address set forth on the first page of this brochure or calling the phone number that appears on that page.

Where we are vested with proxy voting authority, it is our policy to endeavor to vote all proxies on behalf of the client, unless we determine in accordance with our policies to refrain from voting. With respect to ERISA accounts, we generally vote proxies for all votes with a discernable economic benefit based on factors that are relevant to a risk and return analysis, unless the client expressly retains proxy voting authority or we determine that the cost of voting to the plan would outweigh any economic benefit. Because of the volume and complexity of the proxy voting process, including

inherent inefficiencies in the process that are outside our control (e.g., delays or incomplete information from intermediaries such as custodians, proxy agents or parties involved in Retail Managed Account Programs), we may not be able to vote all proxies we would otherwise vote. While we will make reasonable efforts to vote foreign securities on behalf of clients, voting proxies of companies not domiciled in the United States may involve greater effort and cost due to the variety of regulatory schemes and corporate practices.

Certain non-U.S. countries require securities to be blocked prior to a vote, which means that the securities to be voted may not be traded within a specified number of days before the shareholder meeting. We typically will not vote securities in non-U.S. countries that require securities to be blocked as the need for liquidity of the securities in the funds will typically outweigh the benefit of voting. Some of our clients may participate in securities lending programs. In these situations, where we are responsible for voting a client's proxies, we will work with the client to determine whether there will be situations where securities loaned out under these lending arrangements will be recalled for the purpose of exercising voting rights. In certain circumstances securities on loan may not be recalled due to clients' preferences or due to circumstances beyond our reasonable control.

From time to time, we and/or our affiliates may face regulatory or compliance limits on the types or amounts of voting securities that it may purchase or hold for client accounts, including ownership limits which may restrict the total percentage of an issuer's voting securities that we can hold for clients. As a result, in limited circumstances in order to comply with such regulatory or compliance limits and/or internal policies designed to comply with such limits, we may delegate proxy voting in certain issuers to a qualified third party to vote in the shareholders' best interest or otherwise take action to avoid exercising voting discretion.

The administration of our proxy voting process is handled by a central point of administration at our firm (the "Proxy Team") servicing us and certain of our affiliates. Among other duties, the Proxy Team coordinates with our third party proxy voting and research providers. The Proxy Team also administers the proxy voting process for some of our affiliated investment advisers. Our investment personnel may also make recommendations about voting on a proposal, which may include a recommendation to vote in a manner contrary to our proxy voting principles, subject to established controls. A group of representatives from our firm and certain affiliated advisers and an internal committee within our firm oversee the operation of the proxy voting policies and procedures, including consideration of whether or not to follow portfolio manager recommendations (although (as further described above) we make the final determination in how to vote proxies on behalf of our clients), and also review policies and procedures. In providing proxy voting administration services to clients, we rely on the services of a designated third-party service provider.

In voting proxies on behalf of clients, we seek to carry out our responsibilities without undue influence from individuals or groups who may have an economic interest in the outcome of a proxy vote, and we have implemented practices reasonably designed to identify potential significant conflicts of interest. One way that we seek to address potential material conflicts of interest is through employing predetermined voting stances. Alternatively, if we determine that a material conflict of interest exists, we will invoke one or more of the following conflict management practices: (i) causing the proxies to be voted in accordance with the recommendations of an independent third party (which may be our proxy voting administrator or research provider); and (ii) in unusual cases, with the client's consent and upon ample notice, forwarding the proxies to our clients so that they may vote the proxies directly. For example, with respect to Ameriprise Financial proxies, we vote in accordance with the recommendation of an independent third party when we are vested with proxy voting authority. Similarly, with respect to public companies with which we have a substantive relationship, we will vote such proxies following our predetermined voting stances or the recommendations of an independent third party. Further, associates involved in proxy voting oversight are prohibited from voting on any proposal for which he or she has disclosed a material conflict of interest by reason of a direct relationship with the issuer or other party affected by a given proposal. Persons making voting recommendations are required to disclose to the committee any material relationship with a party making a proposal or other matter known to the person that would create a potential conflict of interest. When proxies presenting a material conflict of interest are voted in accordance with the recommendations of an independent third party, the third party typically populates the associated ballots.

In providing proxy voting administration services to clients, we rely on the services of a designated third-party service provider. At least annually, we review the capacity and competency of the proxy voting research providers and voting agents to adequately analyze proxy voting issues. As part of this review, we will consider (i) the adequacy and quality of staffing and personnel to ensure that recommendations are based on current and accurate information and (ii) the policies

and procedures designed to address conflicts of interest as well as the conflicts of interest identified by the third-party service providers.

We maintain proxy voting records and related records designed to meet our obligations under applicable law. Where permitted by and in accordance with applicable law, we may rely on third parties to make and retain, on our behalf, a copy of the relevant records. Clients may obtain a complete copy of our proxy voting policies and other information regarding how their proxies were voted upon request by writing to us at the address set forth on the first page of this brochure or calling the phone number that appears on that page.

### **FINANCIAL INFORMATION**

We do not require or solicit prepayments from clients nor do we have physical custody of client funds or securities. We do, however, have discretionary authority over client funds and securities. We currently do not know of any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to our clients.

### **NOTICE OF PRIVACY POLICIES AND PRACTICES**

Maintaining our clients' trust and confidence is a high priority. That is why we want you to understand how we protect your privacy when we collect and use personal information, and the measures that we take to safeguard that information.

***Information We Collect.*** In order for us to provide services to you, you provide us with non-public personal information about you ("Client Information"). Client Information we collect about you comes primarily from the forms that are completed during the client intake process and from the transactions that you make with us and others. We also may receive Client Information about you from other unaffiliated companies who provide services to you.

***Disclosure of Client Information.*** Client Information about you or any former client is only disclosed as authorized by you or as permitted by law. For example, we may provide copies of your client statements to a third party if you request or authorize such release, or we may be required to provide Client Information pursuant to a subpoena or other legal mandate. Client Information about you or any former client is also disclosed to entities, whether or not affiliated with us, that help us to administer, maintain, and service your accounts. Also, unless we are contractually prohibited, Client Information about you may also be provided to our other financial services affiliates, including other asset management affiliates, in order to assist us, or them, in providing or offering products and services to you. However, we will not share Client Information for marketing purposes with affiliates or non-affiliates with respect to any natural person or Retail Managed Account clients even if they may be considered institutional clients. Our institutional policy is, of course, subject to any contractual prohibitions on our ability to share Client Information for marketing purposes and any other client-imposed restrictions on this practice.

***Protecting Client Information.*** We provide access to Client Information only to those employees and agents (which can include affiliates and non-affiliates) who need the information to perform services for you or functions on your behalf, as well as those affiliates who may be involved in providing or offering services to you, as described above. Be assured that we maintain physical, electronic, and procedural security measures that comply with federal regulations to safeguard Client Information.

If you have any questions about how we protect and safeguard non-public personal information, please call your Client Relationship Manager or see [Privacy & Security | Columbia Threadneedle Investments US \(columbiathreadneedleus.com\)](https://www.columbiathreadneedleus.com/privacy-security) for more information.

*Please direct any questions or requests for additional information regarding us to the address or telephone number listed on the cover of this brochure.*

## RISK DISCLOSURE APPENDIX

*Investing in securities involves risk of loss that clients should be prepared to bear. Below you will find a description of the material risks that apply to the investment strategies listed in the chart in “Methods of Analysis, Investment Strategies and Risk of Loss”. Some of these risks relate to very strategy-specific risks, such as foreign currency risk, and others are broader and impact all strategies generally, such as market or issuer risk.*

**Active Management Risk.** Due to its active management, a portfolio could underperform other portfolios with similar investment objectives and/or strategies.

**Allocation Risk.** A portfolio uses asset allocation strategies in pursuit of its investment objective. There is a risk that a portfolio’s allocation among asset classes or investments will cause a portfolio to lose value or cause it to underperform other portfolios with similar investment objectives and/or strategies, or that the investments themselves will not produce the returns expected

**Closed-End Investment Company Risk.** Closed-end investment companies frequently trade at a discount to their net asset value, which may affect whether a portfolio will realize gain or loss upon its sale of the closed-end investment company’s shares. Closed-end investment companies may employ leverage, which also subjects the closed-end investment company to increased risks such as increased volatility.

**Commodity-Related Investment Risk.** The value of commodities investments will generally be affected by overall market movements and factors specific to a particular industry or commodity, which may include demand for the commodity, weather, embargoes, tariffs, and economic health, political, international, regulatory and other developments. Exposure to commodities and commodities markets may subject the value of a portfolio’s investments to greater volatility than other types of investments. Commodities investments may also subject a portfolio to counterparty risk and liquidity risk. A portfolio may make commodity-related investments through one or more wholly owned subsidiaries organized outside the U.S. that are generally not subject to U.S. laws (including securities laws) and their protections.

**Concentration Risk.** A portfolio will concentrate its investments in issuers conducting business in a related group of industries to approximately the same extent as an Index. Issuers in the same sector may be similarly affected by economic, regulatory, political or market events or conditions, which may make a portfolio more vulnerable to unfavorable developments in that sector than portfolios that invest more broadly. Generally, the more broadly a portfolio invests, the more it spreads risk and potentially reduces the risks of loss and volatility.

**Confidential Information Access Risk.** Portfolio managers may avoid the receipt of material, non-public information (Confidential Information) about the issuers of floating rate loans (including from the issuer itself) being considered for acquisition by a portfolio, or held in a portfolio. A decision not to receive Confidential Information may disadvantage a portfolio and could adversely affect a portfolio’s performance.

**Convertible Securities Risk.** Convertible securities are subject to the usual risks associated with debt instruments, such as interest rate risk and credit risk. Convertible securities also react to changes in the value of the common stock into which they convert, and are thus subject to market risk. A portfolio may also be forced to convert a convertible security at an inopportune time, which may decrease a portfolio's return.

**Correlation/Tracking Error Risk.** A portfolio’s value will generally decline when the performance of its benchmark index (the “Index”) declines. A number of factors may affect a portfolio’s ability to achieve a high degree of correlation with the Index, and there is no guarantee that a portfolio will achieve a high degree of correlation. Failure to achieve a high degree of correlation may prevent a portfolio from achieving its investment objective. A portfolio also bears management and other expenses and transaction costs in trading securities or other instruments, which the Index does not bear. Accordingly, a portfolio’s performance will likely fail to match the performance of the Index, after taking expenses into account. It is not possible to invest directly in an index.

**Counterparty Risk.** Counterparty risk is the risk that a counterparty to a transaction in a financial instrument held by a portfolio or by a special purpose or structured vehicle invested in by a portfolio may become insolvent or otherwise fail to perform its obligations. As a result, a portfolio may obtain no or limited recovery of its investment and any recovery may be significantly delayed.

**Credit Risk.** Credit risk is the risk that the value of debt instruments may decline if the issuer thereof defaults or otherwise becomes unable or unwilling, or is perceived to be unable or unwilling, to honor its financial obligations, such as making payments to a portfolio when due. Various factors could affect the actual or perceived willingness or ability of the issuer to make timely interest or principal payments, including changes in the financial condition of the issuer or in general economic conditions. Credit rating agencies, such as S&P Global Ratings, Moody’s, Fitch, DBRS and KBRA, assign credit ratings to certain debt instruments to indicate their credit risk. A rating downgrade by such agencies can negatively impact the value of such instruments. Lower-rated or unrated instruments held by a portfolio may present increased credit risk as compared to higher-rated instruments. Non-investment grade debt instruments may be subject to greater price fluctuations and are more likely to experience a default than investment grade debt instruments and therefore may expose a portfolio to increased credit risk.

**Credit Risk – Bank Loans.** This is the risk that the value of loans or other debt instruments may decline if the borrower or the issuer thereof defaults or otherwise becomes unable or unwilling, or is perceived to be unable or unwilling, to honor its financial obligations, such as making payments to a portfolio when due. Various factors could affect the actual or perceived willingness or ability of the borrower or the issuer to make timely interest or principal payments, including changes in the financial condition of the borrower or the issuer or in general economic conditions. Credit rating agencies, such as S&P Global Ratings, Moody’s, Fitch, DBRS and KBRA, assign credit ratings to certain loans and debt instruments to indicate their credit risk. A rating downgrade by such agencies can negatively impact the value of such instruments. Lower-rated or unrated loans or instruments held by a portfolio may present increased credit risk as compared to higher-rated loans or instruments. Non-investment grade loans or debt

instruments may be subject to greater price fluctuations and are more likely to experience a default than investment grade loans or debt instruments and therefore may expose a portfolio to increased credit risk.

If the issuer of a loan declares bankruptcy or is declared bankrupt, there may be a delay before the portfolio can act on the collateral securing the loan, which may adversely affect the portfolio. Further, there is a risk that a court could take action with respect to a loan that is adverse to the holders of the loan. Such actions may include invalidating the loan, the lien on the collateral, the priority status of the loan, or ordering the refund of interest previously paid by the borrower. Any such actions by a court could adversely affect the portfolio's performance. A default or expected default of a loan could also make it difficult for the portfolio to sell the loan at a price approximating the value previously placed on it. In order to enforce its rights in the event of a default, bankruptcy or similar situation, the portfolio may be required to retain legal or similar counsel. This may increase the portfolio's expenses. Loans that have a lower priority for repayment in an issuer's capital structure may involve a higher degree of overall risk than more senior loans of the same borrower.

**Depository Receipts Risk.** Depository receipts are receipts issued by a bank or trust company reflecting ownership of underlying securities issued by foreign companies. Some foreign securities are traded in the form of American Depositary Receipts and/or Global Depositary Receipts. Depository receipts involve risks similar to the risks associated with investments in foreign securities, including those associated with issuer's (and any of its related companies') country of organization and places of business operations and exposures, which may be related to the particular political, regulatory, economic, social and other conditions or events, including, for example, military confrontations, war, terrorism and disease/virus outbreaks and epidemics, occurring in the country and fluctuations in such country's currency, as well as market risk tied to the underlying foreign company. In addition, holders of depository receipts may have limited voting rights, may not have the same rights afforded to stockholders of a typical domestic company in the event of a corporate action, such as an acquisition, merger or rights offering, and may experience difficulty in receiving company stockholder communications. There is no guarantee that a financial institution will continue to sponsor a depository receipt, or that a depository receipt will continue to trade on an exchange, either of which could adversely affect the liquidity, availability and pricing of the depository receipt. Changes in foreign currency exchange rates will affect the value of depository receipts and, therefore, may affect the value of an investor's investment in a portfolio.

**Derivatives Risk.** Derivatives may involve significant risks. Derivatives are financial instruments with a value in relation to, or derived from, the value of an underlying asset(s) or other reference, such as an index, rate or other economic indicator (each an underlying reference). Derivatives may include those that are privately placed or otherwise exempt from SEC registration, including certain Rule 144A eligible securities. Derivatives could result in portfolio losses if the underlying reference does not perform as anticipated. Use of derivatives is a highly specialized activity that can involve investment techniques, risks, and tax planning different from those associated with more traditional investment instruments. A derivatives strategy may not be successful and use of certain derivatives could result in substantial, potentially unlimited, losses to a portfolio regardless of a portfolio's actual investment. A relatively small movement in the price, rate or other economic indicator associated with the underlying reference may result in substantial loss to a portfolio. Derivatives may be more volatile than other types of investments. The value of derivatives may be influenced by a variety of factors, including national and international political and economic developments. Potential changes to the regulation of the derivatives markets may make derivatives more costly, may limit the market for derivatives, or may otherwise adversely affect the value or performance of derivatives. Derivatives can increase a portfolio's risk exposure to underlying references and their attendant risks, such as credit risk, market risk, foreign currency risk and interest rate risk, while exposing it to correlation risk, counterparty risk, hedging risk, inflation risk, leverage risk, liquidity risk, pricing risk and volatility risk.

**Derivatives Risk - Forward Contracts Risk.** A forward contract is an over-the-counter derivative transaction between two parties to buy or sell a specified amount of an underlying reference at a specified price (or rate) on a specified date in the future. Forward contracts are negotiated on an individual basis and are not standardized or traded on exchanges. The market for forward contracts is substantially unregulated and can experience lengthy periods of illiquidity, unusually high trading volume and other negative impacts, such as political intervention, which may result in volatility or disruptions in such markets. A relatively small price movement in a forward contract may result in substantial losses to a portfolio, exceeding the amount of the margin paid. Forward contracts can increase a portfolio's risk exposure to underlying references and their attendant risks, such as credit risk, market risk, foreign currency risk and interest rate risk, while also exposing a portfolio to correlation risk, counterparty risk, hedging risk, inflation risk, leverage risk, liquidity risk, pricing risk and volatility risk.

**Derivatives Risk - Forward Foreign Currency Contracts Risk.** A forward foreign currency contract is a derivative (forward contract) in which the underlying reference is a country's or region's currency. A portfolio may agree to buy or sell a country's or region's currency at a specific price on a specific date in the future. These instruments may fall in value (sometimes dramatically) due to foreign market downswings or foreign currency value fluctuations, subjecting a portfolio to foreign currency risk (the risk that portfolio performance may be negatively impacted by foreign currency strength or weakness relative to the U.S. dollar, particularly if a portfolio exposes a significant percentage of its assets to currencies other than the U.S. dollar). Unanticipated changes in the currency markets could result in reduced performance for a portfolio. When a portfolio converts its foreign currencies into U.S. dollars, it may incur currency conversion costs due to the spread between the prices at which it may buy and sell various currencies in the market.

**Derivatives Risk - Futures Contracts Risk.** A futures contract is an exchange-traded derivative transaction between two parties in which a buyer (holding the "long" position) agrees to pay a fixed price (or rate) at a specified future date for delivery of an underlying reference from a seller (holding the "short" position). The seller hopes that the market price on the delivery date is less than the agreed upon price, while the buyer hopes for the contrary. Certain futures contract markets are highly volatile, and futures contracts may be illiquid. Futures exchanges may limit fluctuations in futures contract prices by imposing a maximum permissible daily price movement. A portfolio may be disadvantaged if it is prohibited from executing a trade outside the daily permissible price movement. At or prior to maturity of a futures contract, a portfolio may enter into an offsetting contract and may incur a loss to the extent there has been adverse movement in futures contract prices. The liquidity of the futures markets depends on participants entering into offsetting transactions rather than making or taking delivery. To the extent participants make or take delivery, liquidity in the futures market could be reduced. As a result, a relatively small price movement in a futures contract may result in substantial losses, exceeding the amount of the margin paid. For certain types of futures contracts, losses are potentially unlimited. Futures markets are highly volatile and the use of futures may increase the volatility of a portfolio. Futures contracts can increase a portfolio's risk exposure to underlying references and their

attendant risks, such as credit risk, market risk, foreign currency risk and interest rate risk, while also exposing it to correlation risk, counterparty risk, hedging risk, inflation risk, leverage risk, liquidity risk, pricing risk and volatility risk.

**Derivatives Risk – Interest Rate Futures Risk.** An interest rate future is a derivative that is an agreement whereby the buyer and seller agree to the future delivery of an interest-bearing instrument on a specific date at a pre-determined price. Examples include Treasury-bill futures, Treasury-bond futures and Eurodollar futures.

**Derivatives Risk - Inverse Floaters Risk.** Inverse variable or floating rate obligations, sometimes referred to as inverse floaters, are a type of over-the-counter derivative debt instrument with a variable or floating coupon rate that moves in the opposite direction of an underlying reference, typically short-term interest rates. While inverse floaters tend to provide more income than similar term and credit quality fixed-rate bonds, they also exhibit greater volatility in price movement, which could result in significant losses for a portfolio. An inverse floater may have the effect of investment leverage to the extent that its coupon rate varies by a magnitude that exceeds the magnitude of the change in the index or reference rate of interest, which could result in increased losses to a portfolio. Inverse floaters can increase a portfolio's risk exposure to underlying references and their attendant risks, such as credit risk, market risk, foreign currency risk and interest rate risk, while also exposing it to correlation risk, counterparty risk, hedging risk, inflation risk, leverage risk, liquidity risk, pricing risk and volatility risk.

**Derivatives Risk - Options Risk.** Options are derivatives that give the purchaser of the option to buy (call) or sell (put) an underlying reference from or to a counterparty at a specified price (the strike price) on or before an expiration date. When writing options, a portfolio is exposed to the risk that it may be required to buy or sell the underlying reference at a disadvantageous price on or before the expiration date. Options may involve economic leverage, which could result in greater volatility in price movement. A portfolio's losses could be significant, and are potentially unlimited for certain types of options. Options may be traded on a securities exchange or in the over-the-counter market. At or prior to maturity of an options contract, a portfolio may enter into an offsetting contract and may incur a loss to the extent there has been adverse movement in options prices. Options can increase a portfolio's risk exposure to underlying references and their attendant risks such as credit risk, market risk, foreign currency risk and interest rate risk, while also exposing it to correlation risk, counterparty risk, hedging risk, inflation risk, leverage risk, liquidity risk, pricing risk and volatility risk.

**Derivatives Risk - Structured Investments Risk.** Structured investments are over-the-counter derivatives that provide principal and/or interest payments based on the value of an underlying reference(s). Structured investments may lack a liquid secondary market and their prices or value can be volatile which could result in significant losses for a portfolio. Structured investments may create economic leverage which may increase the volatility of the value of the investment. Structured investments can increase a portfolio's risk exposure to underlying references and their attendant risks, such as credit risk, market risk, foreign currency risk and interest rate risk, while also exposing it to correlation risk, counterparty risk, hedging risk, inflation risk, leverage risk, liquidity risk, pricing risk and volatility risk.

**Derivatives Risk - Swaps Risk.** In a typical swap transaction two parties agree to exchange the return earned on a specified underlying reference for a fixed return or the return from another underlying reference during a specified period of time. Swaps may be difficult to value and may be illiquid. Swaps could result in portfolio losses if the underlying asset or reference does not perform as anticipated. Swaps create significant investment leverage such that a relatively small price movement in a swap may result in immediate and substantial losses to a portfolio. A portfolio may only close out a swap with its particular counterparty, and may only transfer a position with the consent of that counterparty. Certain swaps, such as short swap transactions and total return swaps, have the potential for unlimited losses, regardless of the size of the initial investment. Swaps can increase a portfolio's risk exposure to underlying references and their attendant risks, such as credit risk, market risk, foreign currency risk and interest rate risk, while also exposing it to correlation risk, counterparty risk, hedging risk, inflation risk, leverage risk, liquidity risk, pricing risk and volatility risk.

**Derivatives Risk – Credit Default Swaps Risk.** A credit default swap (including a swap on a credit default index, sometimes referred to as a credit default swap index) is a derivative and special type of swap where one party pays, in effect, an insurance premium through a stream of payments to another party in exchange for the right to receive a specified return upon the occurrence of a particular credit event by one or more third parties, such as bankruptcy, default or a similar event. A credit default swap may be embedded within a structured note or other derivative instrument. Credit default swaps enable an investor to buy or sell protection against such a credit event (such as an issuer's bankruptcy, restructuring or failure to make timely payments of interest or principal). Credit default swap indices are indices that reflect the performance of a basket of credit default swaps and are subject to the same risks as credit default swaps. If such a default were to occur, any contractual remedies that a portfolio may have may be subject to bankruptcy and insolvency laws, which could delay or limit a portfolio's recovery. Thus, if the counterparty under a credit default swap defaults on its obligation to make payments thereunder, as a result of its bankruptcy or otherwise, a portfolio may lose such payments altogether, or collect only a portion thereof, which collection could involve costs or delays. A portfolio's return from investment in a credit default swap index may not match the return of the referenced index. Further, investment in a credit default swap index could result in losses if the referenced index does not perform as expected. Unexpected changes in the composition of the index may also affect performance of the credit default swap index. If a referenced index has a dramatic intraday move that causes a material decline in a portfolio's net assets, the terms of a portfolio's credit default swap index may permit the counterparty to immediately close out the transaction. In that event, a portfolio may be unable to enter into another credit default swap index or otherwise achieve desired exposure, even if the referenced index reverses all or a portion of its intraday move.

**Derivatives Risk - Swaptions Risk.** A swaption is an options contract on a swap agreement. These transactions give the purchasing party the right (but not the obligation) to enter into new swap agreements or to shorten, extend, cancel or otherwise modify an existing swap agreement at some designated future time on specified terms, in return for payment of the purchase price (the "premium") of the option. A portfolio may write (sell) and purchase put and call swaptions to the same extent it may make use of standard options on securities or other instruments. The writer of the contract receives the premium and bears the risk of unfavorable changes in the market value on the underlying swap agreement. Swaptions can be bundled and sold as a package. These are commonly called interest rate caps, floors and collars.

**Early Close/Late Close/Trading Halt Risk.** An exchange or market may close early, close late or issue trading halts on specific securities, or the ability to buy or sell these securities may be restricted, which may result in the investment manager being unable to buy or sell these securities.

**Emerging Market Securities Risk.** Securities issued by foreign governments or companies in emerging market countries are more likely to have greater exposure to the risks of investing in foreign securities that are described in Foreign Securities Risk. In addition, emerging market countries are more likely to experience instability resulting, for example, from rapid changes or developments in social, political, economic or other conditions. Their economies are usually less mature and their securities markets are typically less developed with more limited trading activity (i.e., lower trading volumes and less liquidity) than more developed countries. Emerging market securities tend to be more volatile, and may be more susceptible to market manipulation, than securities in more developed markets. Many emerging market countries are heavily dependent on international trade and have fewer trading partners, which makes them more sensitive to world commodity prices and economic downturns in other countries, and some have a higher risk of currency devaluations. Due to the differences in the nature and quality of financial information of issuers of emerging market securities, including auditing and financial reporting standards, financial information and disclosures about such issuers may be unavailable or, if made available, may be considerably less reliable than publicly available information about other foreign securities.

**Environmental, Social and Governance Investment Research Tools Risk.** The investment manager's proprietary ESGM Ratings system and screens are subjective (based on the investment manager's opinion) research tools incorporated into the Index constituent selection process. These research tools may not operate as intended and may cause the portfolio to underperform other investment strategies. Portfolio performance will depend on the quality and accuracy of the assumptions and framework (which may be amended over time) on which these research tools are based. Portfolio performance will also depend on the accuracy and availability of data that the research tools employ and such data may be based on proprietary research, based on third-party research, or by the issuers themselves (which also may be based upon data obtained from third parties). Any errors in the data could adversely affect these research tools and portfolio performance.

These research tools depend, in part, upon subjective selection and application of factors and data inputs. The investment manager has discretion to determine the data collected and incorporated into these research tools, as well as in interpreting and applying the data used in these research tools. It is not practicable for these research tools to factor in all available data, and no assurance can be given that such data will be helpful or be free from errors. Information the investment manager deems sufficient to calculate a company's ESGM Rating may not be available for certain companies.

**Exchange-Traded Fund (ETF) Risk.** Investments in ETFs have unique characteristics, including, but not limited to, the expense structure and additional expenses associated with investing in ETFs. ETFs are subject to, among other risks, tracking risk and passive and, in some cases, active investment risk. In addition, investors bear both a portfolio's expenses, and indirectly the ETF's expenses, incurred through the portfolio's ownership of the ETF. Because the expenses and costs of an underlying ETF are shared by its investors, redemptions by other investors in the ETF could result in decreased economies of scale and increased operating expenses for such ETF. The ETFs may not achieve their investment objective.

**Focused Portfolio Risk.** Because a portfolio may invest in a more limited number of companies, the portfolio as a whole is subject to greater risk of loss if any of those securities decline in price.

**Foreign Currency Risk.** The performance of a portfolio may be materially affected positively or negatively by foreign currency strength or weakness relative to the U.S. dollar, particularly if a portfolio invests a significant percentage of its assets in foreign securities or other assets denominated in currencies other than the U.S. dollar.

**Foreign Securities Risk.** Investments in or exposure to securities of foreign companies may involve heightened risks relative to investments in or exposure to securities of U.S. companies. Investing in securities of foreign companies subjects the portfolio to the risks associated with an issuer's (and any of its related companies') country of organization and places of business operations, including risks related to political, regulatory, economic, social, diplomatic and other conditions or events (including, for example, military confrontations and actions, war, other conflicts, terrorism and disease/virus outbreaks and epidemics) occurring in the country or region, as well as risks associated with less developed custody and settlement practices. Foreign securities may be more volatile and less liquid than securities of U.S. companies and are subject to the risks associated with potential imposition of economic and other sanctions against a particular foreign country, its nationals or industries or businesses within the country. In addition, foreign governments may impose withholding or other taxes on the portfolio's income, capital gains or proceeds from the disposition of foreign securities, which could reduce the portfolio's return on such securities.

**Forward Commitments on Mortgage-Backed Securities (including Dollar Rolls) Risk.** When purchasing mortgage-backed securities in the "to be announced" (TBA) market (MBS TBAs), the seller agrees to deliver mortgage-backed securities for an agreed upon price on an agreed upon date, but may make no guarantee as to the specific securities to be delivered. In lieu of taking delivery of mortgage-backed securities, a portfolio could enter into dollar rolls, which are transactions in which it purchases securities from a counterparty for settlement in a future month. Before the purchase settlement date, the Fund will sell the security for the same settlement date, pairing off the trade for a realized gain or loss. The Fund may then purchase another mortgage-backed security to settle the next month. Dollar rolls involve the risk that the market value of the purchased security may decrease before the pairing sale or that the counterparty may default on its obligations. If the Fund invests the cash held until settlement of the purchased security, it will also be subject to the risk that the investments purchased with such proceeds will decline in value (a form of leverage risk). MBS TBAs and dollar rolls are subject to the risk that the counterparty to the transaction may not perform or be unable to perform in accordance with the terms of the instrument.

**Frequent Trading Risk.** The portfolio managers may actively and frequently trade investments in a portfolio to carry out its investment strategies. Frequent trading of investments increases the possibility that a portfolio, as relevant, will realize taxable capital gains (including short-term capital gains, which are generally taxable at higher rates than long-term capital gains for U.S. federal income tax purposes), which could reduce a portfolio's after-tax return. Frequent trading can also mean higher brokerage and other transaction costs, which could reduce a portfolio's return. The trading costs associated with portfolio turnover may adversely affect its performance.

**Frontier Market Risk.** Frontier market countries generally have smaller economies and even less developed capital markets than traditional emerging market countries (which themselves have increased investment risk relative to more developed market countries) and, as a

result, a portfolio's exposure to risks associated with investing in emerging market countries are magnified when it invests in frontier market countries. Increased risks include: the potential for extreme price volatility and illiquidity in frontier market countries; government ownership or control of the private sector and of certain companies; trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist and similar measures imposed or negotiated by the countries with which frontier market countries trade; and the relatively new and unsettled securities laws in many frontier market countries.

**Geographic Focus Risk.** A portfolio may be particularly susceptible to economic, political, regulatory or other events or conditions affecting issuers and countries within the specific geographic regions in which a portfolio invests. A portfolio may be more volatile than a more geographically diversified portfolio.

**Geographic Focus Risk - Asia Pacific Region Risk.** Many of the countries in the Asia Pacific region are considered underdeveloped or developing, including from a political, economic and/or social perspective, and may have relatively unstable governments and economies based on limited business, industries and/or natural resources or commodities. Events in any one country within the region may impact other countries in the region or the region as a whole. As a result, events in the region will generally have a greater effect on a portfolio than if it were more geographically diversified. This could result in increased volatility in the value of the investments and losses within a portfolio. Also, securities of some companies in the region can be less liquid than U.S. or other foreign securities, potentially making it difficult to sell such securities at a desirable time and price.

**Geographic Focus Risk - Europe Risk.** A portfolio is particularly susceptible to risks related to economic, political, regulatory or other events or conditions, including acts of war or other conflicts in the region, affecting issuers and countries in Europe. Countries in Europe are often closely connected and interdependent, and events in one European country can have an adverse impact on, and potentially spread to, other European countries. In addition, private and public sectors' significant debt problems of a single European Union (EU) country can pose economic risks to the EU as a whole. As a result, a portfolio may be more volatile than a more geographically diversified portfolio. If securities of issuers in Europe fall out of favor, it may cause a portfolio to underperform other portfolios that do not focus their investments in this region of the world. Uncertainty caused by the departure of the United Kingdom (UK) from the EU, which occurred in January 2020, could have negative impacts on the UK and the EU as well as other European economies and the broader global these could include negative impacts on currencies and financial markets. Such impacts could result in increased volatility and illiquidity, and potentially lower economic growth in markets in Europe, which could adversely affect the value of a portfolio's investment.

**Geographic Focus Risk - Greater China.** The Greater China region consists of Hong Kong, The People's Republic of China and Taiwan, among other countries, and the portfolio's investments in the region are particularly susceptible to risks in that region. These economies can be significantly affected by currency fluctuations and increasing competition from other emerging economies. Adverse events in the region will generally have a greater effect on the portfolio than if the portfolio were more geographically diversified, which could result in greater volatility in the portfolio's NAV and losses. Markets in the Greater China region can experience significant volatility due to social, economic, regulatory and political uncertainties. Many Chinese companies to which the portfolio seeks investment exposure use a structure known as a variable interest entity (a VIE) to address Chinese restrictions on direct foreign investment in Chinese companies operating in certain sectors. The portfolio's investment exposure to VIEs may pose additional risks because the portfolio's investment is in a holding company domiciled outside of China (a Holding Company) whose interests in the business of the underlying Chinese operating company (the VIE) are established through contracts rather than equity ownership. The VIE structure is a longstanding practice in China that, until recently, was not acknowledged by the Chinese government, creating uncertainty over the possibility that the Chinese government might cease to tolerate VIE structures at any time or impose new restrictions on the structure. In such a scenario, the Chinese operating company could be subject to penalties, including revocation of its business and operating license, or the Holding Company could forfeit its interest in the business of the Chinese operating company. Further, in case of a dispute, the remedies and rights of the portfolio may be limited, and such legal uncertainty may be exploited against the interests of the portfolio. Control over a VIE may also be jeopardized if a natural person who holds the equity interest in the VIE breaches the terms of the contractual arrangements, is subject to legal proceedings, or if any physical instruments or property of the VIE, such as seals, business registration certificates, financial data and licensing arrangements (sometimes referred to as "chops"), are used without authorization. In the event of such an occurrence, the portfolio, as a foreign investor, may have little or no legal recourse. In addition to the risk of government intervention, investments through a VIE structure are subject to the risk that the China-based company (or its officers, directors, or Chinese equity owners) may breach the contractual arrangements, that Chinese law changes in a way that adversely affects the enforceability of the arrangements, or that the contracts are otherwise not enforceable under Chinese law. In any of these cases, it may suffer significant losses on its investments through a VIE structure with little or no recourse available. Further, it is not a VIE owner/shareholder and cannot exert influence through proxy voting or other means. Foreign companies listed on stock exchanges in the United States, including companies using the VIE structure, could also face delisting or other ramifications for failure to meet the expectations and/or requirements of U.S. regulators. Recently, China has proposed the adoption of rules which would affirm that VIEs are legally permissible, though there remains significant uncertainty over how these rules will operate.

**Geographic Focus Risk - Japan.** A portfolio is particularly susceptible to the social, political, economic, regulatory and other conditions or events that may affect Japan's economy. The Japanese economy is heavily dependent upon international trade, including, among other things, the export of finished goods and the import of oil and other commodities and raw materials. Because of its trade dependence, the Japanese economy is particularly exposed to the risks of currency fluctuation, foreign trade policy and regional and global economic disruption, including the risk of increased tariffs, embargoes, and other trade limitations or factors. Strained relationships between Japan and its neighboring countries, including China, South Korea and North Korea, based on historical grievances, territorial disputes, and defense concerns, may also inject uncertainty into Japanese markets. As a result, additional tariffs, other trade barriers, or boycotts may have an adverse impact on the Japanese economy. Japanese government policy has been characterized by economic regulation, intervention, protectionism and large government deficits. The Japanese economy is also challenged by an unstable financial services sector, highly leveraged corporate balance sheets and extensive cross-ownership among major corporations. Structural social and labor market changes, including an aging workforce, population decline and traditional aversion to labor mobility may adversely affect Japan's economic competitiveness and growth potential. The potential for natural disasters, such as earthquakes, volcanic eruptions, typhoons and tsunamis, could also have significant negative effects on Japan's economy. As a result of a portfolio's investment in Japanese securities, its return may be more volatile than that of a more geographically diversified portfolio. If securities of issuers in Japan fall out of favor, it may cause a portfolio to underperform other portfolios that do not focus their investments in Japan.



**Global Economic Risk.** Global economies and financial markets are increasingly interconnected, which increases the possibility that conditions in one country or region might adversely impact issuers in a different country or region or across the globe. The severity or duration of adverse economic conditions may also be affected by policy changes made by governments or quasi-governmental organizations. The imposition of sanctions by the United States or another government on a country could cause disruptions to the country's financial system and economy, which could negatively impact the value of securities.

**EuroZone.** A number of countries in the European Union (EU) have experienced, and may continue to experience, severe economic and financial difficulties. Additional EU member countries may also fall subject to such difficulties. These events could negatively affect the value and liquidity of the portfolios investments in euro-denominated securities and derivatives contracts, securities of issuers located in the EU or with significant exposure to EU issuers or countries. If the euro is dissolved entirely, the legal and contractual consequences for holders of euro-denominated obligations and derivative contracts would be determined by laws in effect at such time. Such investments may continue to be held, or purchased, to the extent consistent with the portfolio's investment objective and permitted under applicable law. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of your investment in the portfolio.

Certain countries in the EU have had to accept assistance from supra-governmental agencies such as the International Monetary Fund, the European Stability Mechanism (the ESM) or other supra-governmental agencies. The European Central Bank has also been intervening to purchase Eurozone debt in an attempt to stabilize markets and reduce borrowing costs.

There can be no assurance that these agencies will continue to intervene or provide further assistance and markets may react adversely to any expected reduction in the financial support provided by these agencies. Responses to the financial problems by European governments, central banks and others including austerity measures and reforms, may not work, may result in social unrest and may limit future growth and economic recovery or have other unintended consequences. In addition, one or more countries may abandon the euro and/or withdraw from the EU. The impact of these actions, especially if they occur in a disorderly fashion, could be significant and far-reaching.

**Brexit.** Following the withdrawal by the UK from the EU, the UK and the EU entered a Trade and Cooperation Agreement (TCA) in 2021, which governs certain parts of the future relationship between the UK and the EU. The TCA does not provide the UK with the same level of rights or access to all goods and services in the EU as the UK previously maintained as a member of the EU. In particular, the TCA does not include an agreement on financial services. Accordingly, uncertainty remains in certain areas as to the future relationship between the UK and the EU. The uncertainty caused by the UK's departure from the EU, which occurred in January 2020, could lead to prolonged political, legal, regulatory, tax and economic uncertainty and wider instability and volatility in the financial markets of the UK and more broadly across Europe. It may also lead to weakening corporate and financial confidence in such markets as the UK renegotiates the regulation of the provision of financial services within and to persons in the EU and potentially lower economic growth in the UK, Europe and globally, which may adversely affect the value of an investment in a portfolio.

**Growth Securities Risk.** Growth securities typically trade at a higher multiple of earnings than other types of equity securities. Accordingly, the market values of growth securities may never reach their expected market value and may decline in price. In addition, growth securities, at times, may not perform as well as value securities or the stock market in general, and may be out of favor with investors for varying periods of time. Growth securities may also be sensitive to movements in interest rates.

**Hedging Transactions Risk.** A portfolio may invest in securities and utilize financial instruments for a variety of hedging purposes. Hedging transactions may limit the opportunity for gain if the value of a portfolio position should increase. There can be no assurance that a portfolio will engage in hedging transactions at any given time, even under volatile market conditions, or that any hedging transactions a portfolio engages in will be successful. Moreover, it may not be possible for a portfolio to enter into a hedging transaction at a price sufficient to protect its assets. A portfolio may not anticipate a particular risk so as to hedge against it.

**Highly Leveraged Transactions Risk.** The loans or other debt instruments in which a portfolio invests may include highly leveraged transactions whereby the borrower assumes large amounts of debt in order to have the financial resources to attempt to achieve its business objectives. Loans or other debt instruments that are part of highly leveraged transactions involve a greater risk (including default and bankruptcy) than other investments.

**High-Yield Investments Risk.** Securities and other debt instruments held by a portfolio that are rated below investment grade (commonly called "high-yield" or "junk" bonds) and unrated debt instruments of comparable quality expose a portfolio to a greater risk of loss of principal and income than a strategy that invests solely or primarily in investment grade debt instruments. In addition, these investments have greater price fluctuations, are less liquid and are more likely to experience a default than higher-rated debt instruments. High-yield debt instruments are considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal.

**Impairment of Collateral Risk.** The value of collateral, if any, securing a loan can decline, and may be insufficient to meet the borrower's obligations or difficult or costly to liquidate. In addition, a portfolio's access to collateral may be limited by bankruptcy or other insolvency laws. Further, certain floating rate and other loans may not be fully collateralized and may decline in value.

**Index Methodology Risk.** A portfolio seeks performance that corresponds to the performance of the Index. There is no guarantee or assurance that the Index will achieve high, or even positive, returns. The Index may underperform more traditional indices. In turn, a portfolio could lose value while other indices or measures of market performance increase in value or performance. In addition, the portfolio may be subject to the risk that the Index provider may make errors in Index computation, construction, reconstitution and/or rebalancing despite any procedures designed to prevent such occurrences and due diligence conducted by the portfolio manager. Errors may result in a negative performance impact to a portfolio.

**Inflation-Protected Securities Risk.** Inflation-protected debt securities tend to react to changes in real interest rates (i.e., nominal interest rates minus the expected impact of inflation). In general, the price of such securities falls when real interest rates rise, and rises when real interest rates fall. Interest payments on these securities will vary and may be more volatile than interest paid on ordinary bonds. In periods of deflation, a portfolio may have no income at all from such investments.

**Inflation Risk.** Inflation risk is the uncertainty over the future real value (after inflation) of an investment. Inflation rates may change frequently and drastically as a result of various factors, including unexpected shifts in the domestic or global economy, and a portfolio's investments may not keep pace with inflation, which may result in losses to investors.

**Interest Rate Risk.** Interest rate risk is the risk of losses attributable to changes in interest rates. In general, if prevailing interest rates rise, the values of debt instruments tend to fall, and if interest rates fall, the values of debt instruments tend to rise. Changes in the value of a debt instrument usually will not affect the amount of income a portfolio receives from it but will generally affect the value of an investor's investment in a portfolio. Changes in interest rates may also affect the liquidity of a portfolio's investments in debt instruments. In general, the longer the maturity or duration of a debt instrument, the greater its sensitivity to changes in interest rates. Interest rate declines also may increase prepayments of debt obligations, which, in turn, would increase prepayment risk. A portfolio is subject to the risk that the income generated by its investments may not keep pace with inflation. Actions by governments and central banking authorities can result in increases or decreases in interest rates. Higher periods of inflation could lead such authorities to raise interest rates. Such actions may negatively affect the value of debt instruments held by a portfolio, resulting in a negative impact on a portfolio's performance. Any interest rate increases could cause the value of a portfolio's investments in debt instruments to decrease.

**Large-Cap Stock Risk.** Investments in larger companies may involve certain risks associated with their larger size. For instance, larger companies may be less able to respond quickly to new competitive challenges, such as changes in consumer tastes or innovation from smaller competitors. Also, larger companies are sometimes less able to achieve as high growth rates as successful smaller companies, especially during extended periods of economic expansion.

**Leverage Risk.** Leverage occurs when a portfolio increases its assets available for investment using borrowings, derivatives, or similar instruments or techniques. Use of leverage can produce volatility and may exaggerate changes in a portfolio's value and in the return of a portfolio, which may increase the risk that a portfolio will lose more than it has invested. If a portfolio uses leverage, through the purchase of particular instruments such as derivatives, a portfolio may experience capital losses that exceed the net assets of a portfolio. Leverage can create interest expense. Leverage presents the opportunity for increased net income and capital gains, but may also exaggerate a portfolio's volatility and risk of loss. There can be no guarantee that a leverage strategy will be successful.

**Risks Related to LIBOR Transition & Reference Benchmarks.** The London Interbank Offered Rate ("LIBOR") was the offered rate for short-term Eurodollar deposits between major international banks. The terms of investments, financings or other transactions (including certain derivatives transactions) to which the portfolio may be a party have historically been tied to LIBOR. In connection with the global transition away from LIBOR led by regulators and market participants, LIBOR was last published on a representative basis at the end of June 2023. Alternative reference rates to LIBOR have been established in most major currencies and the transition to new reference rates continues. Markets in these new rates are developing, but questions around liquidity and how to appropriately mitigate any economic value transfer as a result of the transition remain a concern. The transition away from LIBOR and the use of replacement rates may adversely affect transactions that used LIBOR as a reference rate, financial institutions, portfolios and other market participants that engaged in such transactions, and the financial markets generally. The impact of the transition away from LIBOR on a portfolio or the financial instruments in which a portfolio invests cannot yet be fully determined.

In addition, interest rates or other types of rates and indices which are classed as "benchmarks" have been the subject of ongoing national and international regulatory reform, including under the European Union regulation on indices used as benchmarks in financial instruments and financial contracts (known as the "Benchmarks Regulation"). The Benchmarks Regulation has been enacted into United Kingdom law by virtue of the European Union (Withdrawal) Act 2018 (as amended), subject to amendments made by the Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019 (SI 2019/657) and other statutory instruments. Following the implementation of these reforms, the manner of administration of benchmarks has changed and may further change in the future, with the result that relevant benchmarks may perform differently than in the past, the use of benchmarks that are not compliant with the new standards by certain supervised entities may be restricted, and certain benchmarks may be eliminated entirely. Additionally, there could be other consequences which cannot be predicted.

**Liquidity Risk.** Liquidity risk is the risk associated with any event, circumstance, or characteristic of an investment or market that negatively impacts a portfolio's ability to sell, or realize the proceeds from the sale of, an investment at a desirable time or price. Liquidity risk may arise because of, for example, a lack of marketability of the investment, which means that when seeking to sell its portfolio investments, a portfolio could find that selling is more difficult than anticipated, especially during times of high market volatility. Market participants attempting to sell the same or a similar instrument at the same time as a portfolio could exacerbate a portfolio's exposure to liquidity risk. A portfolio may have to accept a lower selling price for the holding, sell other liquid or more liquid investments that it might otherwise prefer to hold (thereby increasing the proportion of a portfolio's investments in less liquid or illiquid securities), or forego another more appealing investment opportunity. The liquidity of portfolio investments may change significantly over time and certain investments that were liquid when purchased by a portfolio may later become illiquid, particularly in times of overall economic distress. Changing regulatory, market or other conditions or environments (for example, the interest rate or credit environments) may also adversely affect the liquidity and the price of a portfolio's investments. Judgment plays a larger role in valuing illiquid or less liquid investments as compared to valuing liquid or more liquid investments. Price volatility may be higher for illiquid or less liquid investments as a result of, for example, the relatively less frequent pricing of such securities (as compared to liquid or more liquid investments). Generally, the less liquid the market at the time a portfolio sells a portfolio investment, the greater the risk of loss or decline of value to a portfolio.

**Loan Assignment/Loan Participation Risk.** If a bank loan is acquired through an assignment, a portfolio may not be able to unilaterally enforce all rights and remedies under the loan and with regard to any associated collateral. If a bank loan is acquired through a participation, a portfolio generally will have no right to enforce compliance by the borrower with the terms of the loan agreement, and a portfolio may not benefit from the collateral supporting the debt obligation in which it has purchased the participation. As a result, a portfolio will be exposed to the credit risk of both the borrower and the institution selling the participation.

**Loan Interests Risk.** Loan interests may not be considered “securities,” and purchasers therefore may not be entitled to rely on the anti-fraud protections of the federal securities laws. Loan interests generally are subject to restrictions on transfer, and a portfolio may be unable to sell its loan interests at a time when it may otherwise be desirable to do so or may be able to sell them only at prices that are less than what it regards as their fair market value. Accordingly, loan interests may at times be illiquid. Loan interests may be difficult to value and typically have extended settlement periods (generally greater than 7 days). In seeking to meet liquidity demands, a portfolio could be forced to sell investments at unfavorable prices, or borrow money or effect short settlements when possible, in an effort to generate sufficient cash. Those actions in this regard may not be successful. Interests in loans made to finance highly leveraged companies or transactions, such as corporate acquisitions, may be especially vulnerable to adverse changes in economic or market conditions. Interests in loans created to finance highly leveraged companies or transactions, such as corporate acquisitions, may be especially vulnerable to adverse changes in economic or market conditions. Interests in secured loans have the benefit of collateral and, typically, of restrictive covenants limiting the ability of the borrower to further encumber its assets. There is a risk that the value of any collateral securing a loan in which a portfolio has an interest may decline and that the collateral may not be sufficient to cover the amount owed on the loan. In the event the borrower defaults, a portfolio’s access to the collateral may be limited or delayed by bankruptcy or other insolvency laws. Further, there is a risk that a court could take action with respect to a loan that is adverse to the holders of the loan, and a portfolio, to enforce its rights in the event of a default, bankruptcy or similar situation, may need to retain legal or similar counsel. This may increase a portfolio’s operating expenses and adversely affect its return. Loans that have a lower priority for repayment in an issuer’s capital structure may involve a higher degree of overall risk than more senior loans of the same borrower. In the event of a default, second lien secured loans will generally be paid only if the value of the collateral exceeds the amount of the borrower’s obligations to the first lien secured lenders, and the remaining collateral may not be sufficient to cover the full amount owed on the loan in which a portfolio has an interest. A portfolio may acquire a participation interest in a loan that is held by another party. When a portfolio’s loan interest is a participation, it may have less control over the exercise of remedies than the party selling the participation interest, and it normally would not have any direct rights against the borrower.

**Mid-Cap Stock Risk.** Investments in mid-capitalization companies (mid-cap companies) often involve greater risks than investments in larger, more established companies (larger companies) because mid-cap companies tend to have less predictable earnings and may lack the management experience, financial resources, product diversification and competitive strengths of larger companies, and may be less liquid than the securities of larger companies.

**Money Market Fund Investment Risk.** An investment in a money market fund is not a bank deposit and is not insured or guaranteed by any bank, the FDIC or any other government agency. Certain money market funds float their NAV while others seek to preserve the value of investments at a stable NAV (typically, \$1.00 per share). An investment in a money market fund, even an investment in a fund seeking to maintain a stable NAV per share, is not guaranteed and it is possible to lose money by investing in these and other types of money market funds. If daily net redemptions from certain types of money market funds exceed 5%, the funds may impose a liquidity fee on redemptions. In addition, money market funds may impose a liquidity fee on redemptions if such fee is determined to be in the best interest of the fund. These fees are applied on redemption proceeds and may result in an investment loss. In addition to the fees and expenses that a portfolio directly bears, a portfolio indirectly bears the fees and expenses of any money market funds in which it invests, including affiliated money market funds. By investing in a money market fund, a portfolio will be exposed to the investment risks of the money market fund in direct proportion to the amount of its investment. To the extent a portfolio invests in instruments such as derivatives, the portfolio may hold investments, which may be significant, in money market fund shares to cover its obligations resulting from the portfolio’s investments in derivatives. Money market funds and the securities they invest in are subject to comprehensive regulations. The enactment of new legislation or regulations, as well as changes in interpretation and enforcement of current laws, may affect the manner of operation, performance and/or yield of money market funds.

**Mortgage-Backed Securities Risk.** The value of any mortgage-backed securities including collateralized debt obligations, if any, held by a portfolio may be affected by, among other things, changes or perceived changes in: interest rates; factors concerning the interests in and structure of the issuer or the originator of the mortgages; the creditworthiness of the entities that provide any supporting letters of credit, surety bonds or other credit enhancements; or the market’s assessment of the quality of underlying assets. Payment of principal and interest on some mortgage-backed securities (but not the market value of the securities themselves) may be guaranteed by the full faith and credit of a particular U.S. Government agency, authority, enterprise or instrumentality, and some, but not all, are also insured or guaranteed by the U.S. Government. Mortgage-backed securities issued by non-governmental issuers (such as commercial banks, savings and loan institutions, private mortgage insurance companies, mortgage bankers and other secondary market issuers) may entail greater risk than obligations guaranteed by the U.S. Government. Mortgage-backed securities are subject to liquidity risk and prepayment risk. A decline or flattening of housing values may cause delinquencies in mortgages (especially sub-prime or non-prime mortgages) underlying mortgage-backed securities and thereby adversely affect the ability of the mortgage-backed securities issuer to make principal and/or interest payments to mortgage-backed securities holders, including a portfolio. Rising or high interest rates tend to extend the duration of mortgage-backed securities, making their prices more volatile and more sensitive to changes in interest rates.

**Municipal Securities Risk.** Municipal securities are debt obligations generally issued to obtain funds for various public purposes, including general financing for state and local governments, or financing for a specific project or public facility, and include obligations of the governments of the U.S. territories, commonwealths and possessions such as Guam, Puerto Rico and the U.S. Virgin Islands, to the extent such obligations are exempt from state and U.S. federal income taxes. The value of municipal securities can be significantly affected by actual or expected political and legislative changes at the federal or state level. Municipal securities may be fully or partially backed by the taxing authority of the local government, by the credit of a private issuer, by the current or anticipated revenues from a specific project or specific assets or by domestic or foreign entities providing credit support, such as letters of credit, guarantees or insurance, and are generally classified into general obligation bonds and special revenue obligations. Because many municipal securities are issued to finance projects in sectors such as education, health care, transportation and utilities, conditions in those sectors can affect the overall municipal market.

Issuers in a state, territory, commonwealth or possession in which a portfolio invests may experience significant financial difficulties for various reasons, including as the result of events that cannot be reasonably anticipated or controlled such as economic downturns or similar periods of economic stress, social conflict or unrest, labor disruption and other natural disasters. Such financial difficulties may lead to credit rating downgrades

or defaults of such issuers which in turn, could affect the market values and marketability of many or all municipal obligations of issuers in such state, territory, commonwealth or possession. The value of a portfolio will be negatively impacted to the extent it invests in such securities.

**Non-Diversification Risk.** A non-diversified portfolio will generally invest a greater percentage of its total assets in the securities of fewer issuers than if it were a diversified portfolio. This increases the risk that a change in the value of any one investment held in a portfolio could affect the overall value of a portfolio more than it would affect that of a diversified portfolio holding a greater number of investments. Accordingly, a non-diversified portfolio's value will likely be more volatile than the value of a more diversified one.

**Passive Investment Risk.** A portfolio is not actively managed and may be affected by a general decline in market segments related to its tracking index. A portfolio invests in securities or instruments included in, or believed by the portfolio manager to be representative of, its tracking index, regardless of their investment merits. A portfolio does not seek temporary defensive positions when markets decline or appear overvalued.

**Portfolio Turnover Risk.** A portfolio may pay transaction costs, such as commissions and/or spreads, when it buys and sells securities or other holdings (or "turns over" its portfolio), including in connection with index rebalancing or index reconstitutions. High levels of transactions increase brokerage and other transaction costs and may result in increased taxable capital gains.

**Preferred Stock Risk.** Preferred stock is a type of stock that may pay dividends at a different rate than common stock of the same issuer, if at all, and that has preference over common stock in the payment of dividends and the liquidation of assets. Preferred stock does not ordinarily carry voting rights. The price of a preferred stock is generally determined by earnings, type of products or services, projected growth rates, experience of management, liquidity, and general market conditions of the markets on which the stock trades. The most significant risks associated with investments in preferred stock include issuer risk, market risk and interest rate risk (i.e., the risk of losses attributable to changes in interest rates).

**Prepayment and Extension Risk.** Prepayment and extension risk is the risk that a loan, bond or other security or investment might, in the case of prepayment risk, be called or otherwise converted, prepaid or redeemed before maturity and, in the case of extension risk, that the investment might not be called as expected. In the case of prepayment risk, if the investment is converted, prepaid or redeemed before maturity, a portfolio manager may not be able to invest the proceeds in other investments providing as high a level of income, resulting in a reduced yield to a portfolio. In the case of mortgage- or asset-backed securities, as interest rates decrease or spreads narrow, the likelihood of prepayment increases. Conversely, extension risk is the risk that an unexpected rise in interest rates will extend the life of a mortgage- or asset-backed security beyond the prepayment time. If a portfolio's investments are locked in at a lower interest rate for a longer period of time, a portfolio manager may be unable to capitalize on securities with higher interest rates or wider spreads.

**Quantitative Model Risk.** Quantitative models used by a portfolio may cause it to underperform other investment strategies. Flaws or errors in the quantitative model's assumptions, design, execution, or data inputs may adversely affect a portfolio's performance. Quantitative models may not perform as expected and may underperform in certain market environments including in stressed or volatile market conditions. There can be no assurance that the use of quantitative models will enable a portfolio to achieve its objective.

**Real Estate-Related Investment Risk.** Investments in real estate investment trusts (REITs) and in securities of other companies (wherever organized) subject a portfolio to, among other things, risks similar to those of direct investments in real estate and the real estate industry in general. These include risks related to general and local economic conditions, possible lack of availability of financing and changes in interest rates or property values. REITs are entities that either own properties or make construction or mortgage loans, and also may include operating or finance companies. The value of interests in a REIT may be affected by, among other factors, changes in the value of the underlying properties owned by the REIT, changes in the prospect for earnings and/or cash flow growth of the REIT itself, defaults by borrowers or tenants, market saturation, decreases in market rates for rents, and other economic, political, or regulatory matters affecting the real estate industry, including REITs. REITs and similar non-U.S. entities depend upon specialized management skills, may have limited financial resources, may have less trading volume in their securities, and may be subject to more abrupt or erratic price movements than the overall securities markets. In a rising interest rate environment, the stock prices of real estate-related investments may decline and the borrowing costs of these companies may increase. REITs are also subject to the risk of failing to qualify for favorable tax treatment under the Internal Revenue Code of 1986, as amended. The failure of a REIT to continue to qualify as a REIT for tax purposes can materially and adversely affect its value. Some REITs (especially mortgage REITs) are affected by risks similar to those associated with investments in debt securities including changes in interest rates and the quality of credit extended.

**Regulatory Risk — Alternative Investments.** Legal, tax, and regulatory developments may adversely affect a portfolio and its investments. The regulatory environment for a portfolio and certain of its investments is evolving, and changes in the regulation of investment funds, their managers, and their trading activities and capital markets, or a regulator's disagreement with a portfolio's or others' interpretation of the application of certain regulations, may adversely affect the ability of a portfolio to pursue its investment strategy, its ability to obtain leverage and financing, and the value of investments held by a portfolio. There has been an increase in governmental, as well as self-regulatory, scrutiny of the investment industry in general and the alternative investment industry in particular. It is impossible to predict what, if any, changes in regulations may occur, but any regulation that restricts the ability of a portfolio or any underlying funds or other investments to trade in securities or other instruments or the ability of a portfolio or underlying funds to employ, or brokers and other counterparties to extend, credit in their trading (as well as other regulatory changes that result) could have a material adverse impact on a portfolio's performance.

**Reinvestment Risk.** Reinvestment risk arises when a portfolio is unable to reinvest income or principal at the same or at least the same rate of return it is currently earning.

**Repurchase Agreements Risk.** Repurchase agreements are agreements in which the seller of a security to a portfolio agrees to repurchase that security from a portfolio at a mutually agreed upon price and time. Repurchase agreements carry the risk that the counterparty may not fulfill its obligations under the agreement. This could cause a portfolio's income and value to decline.

**Reverse Repurchase Agreements Risk.** Reverse repurchase agreements are agreements in which a portfolio sells a security to a counterparty, such as a bank or broker-dealer, in return for cash and agrees to repurchase that security at a mutually agreed upon price and time. Reverse repurchase agreements carry the risk that the market value of the security sold by a portfolio may decline below the price at which a portfolio must repurchase the security. Reverse repurchase agreements also may be viewed as a form of borrowing, and borrowed assets used for investment creates leverage risk (the risk that losses may be greater than the amount invested). Leverage can create an interest expense that may lower a portfolio's overall returns. Leverage presents the opportunity for increased net income and capital gains, but may also exaggerate a portfolio's volatility and risk of loss.

**Rule 144A and Other Exempted Securities Risk.** A portfolio may invest in privately placed and other securities or instruments exempt from SEC registration (collectively "private placements"). In the U.S. market, private placements are typically sold only to qualified institutional buyers, or qualified purchasers, as applicable. An insufficient number of buyers interested in purchasing private placements at a particular time could adversely affect the marketability of such investments and a portfolio might be unable to dispose of them promptly or at reasonable prices, subjecting a portfolio to liquidity risk. A portfolio may invest in private placements determined to be liquid as well as those determined to be illiquid. Even if determined to be liquid, a portfolio's holdings of private placements may increase the level of portfolio illiquidity if eligible buyers are unable or unwilling to purchase them at a particular time. Issuers of Rule 144A eligible securities are required to furnish information to potential investors upon request. However, the required disclosure is much less extensive than that required of public companies and is not publicly available since the offering is not filed with the SEC. Further, issuers of Rule 144A eligible securities can require recipients of the information (such as a portfolio) to agree contractually to keep the information confidential, which could also adversely affect a portfolio's ability to dispose of the security.

**Russia and Russia-related Investment Risk.** The Russian securities market is exposed to a variety of risks described above in "Emerging Market Securities Risk" not encountered in more developed markets. The Russian securities market is relatively new, and a substantial portion of securities transactions are privately negotiated outside of stock exchanges. The inexperience of the Russian securities market and the limited volume of trading in securities in the market may make obtaining accurate prices on portfolio securities from independent sources more difficult than in more developed markets.

Because of the recent formation of the Russian securities markets, the relatively underdeveloped state of Russia's banking and telecommunication systems and the legal and regulatory framework in Russia, settlement, clearing and registration of securities transactions are subject to additional risks. Prior to 2013, there was no central registration system for equity share registration in Russia and registration was carried out either by the issuers themselves or by registrars located throughout Russia. These registrars may not have been subject to effective state supervision or licensed with any governmental entity. In 2013, Russia established the National Settlement Depository ("NSD") as a recognized central securities depository, and title to Russian equities is now based on the records of the NSD and not on the records of the local registrars. The implementation of the NSD is generally expected to decrease the risk of loss in connection with recording and transferring title to securities; however, loss may still occur. Additionally, issuers and registrars remain prominent in the validation and approval of documentation requirements for corporate action processing in Russia, and there remain inconsistent market standards in the Russian market with respect to the completion and submission of corporate action elections. To the extent that a portfolio suffers a loss relating to title or corporate actions relating to its portfolio securities, it may be difficult for a portfolio to enforce its rights or otherwise remedy the loss.

In addition, Russia also may attempt to assert its influence in the region through economic or military measures, as it did with Georgia in the summer of 2008 and Ukraine in 2014 and 2022. Russia launched a large-scale invasion of Ukraine in February 2022, significantly amplifying already existing geopolitical tensions. The extent and duration of the military action, the resulting sanctions or other punitive actions and the resulting future market disruptions, including declines in its stock markets, the value of Russian sovereign debt and the value of the ruble against the U.S. dollar, are impossible to predict, but have been and could continue to be significant. Any such disruptions caused by Russian military action or other hostile actions (including cyberattacks and espionage) or resulting actual and threatened responses to such activity, including potential widening of the scope of the conflict, purchasing and financing restrictions, potential suspension of trading Russian securities on stock exchanges, boycotts or changes in consumer or purchaser preferences, sanctions, tariffs or cyberattacks on the Russian government, Russian companies or Russian individuals, including politicians, have impacted and may continue to impact Russia's economy and Russian issuers of securities in which a portfolio invests. Actual and threatened responses to such military action have impacted, and may continue to impact the markets for certain Russian commodities, such as oil and natural gas, as well as other sectors of the Russian economy, and may likely have collateral impacts on such sectors globally. Further, several large corporations and U.S. states have announced plans to divest interests or otherwise curtail business dealings with certain Russian businesses.

Governments in the United States, Canada, the United Kingdom, the European Union and many other countries (collectively, the "Sanctioning Bodies") have imposed broad-ranging economic sanctions, including banning Russia from global payments systems that facilitate cross-border payments, prohibiting certain securities trades and certain private transactions in the energy sector, asset freezes and prohibition of all business, against certain Russian individuals (including politicians) both inside Russia and globally, as well as Russian corporate and banking entities. The Sanctioning Bodies, and/or others, could also institute or threaten further sanctions, which may result in the decline of the value and liquidity of Russian securities, further downgrades in the credit ratings of Russia or Russian issuers, a further weakening of the ruble or other adverse consequences for the Russian economy. These sanctions may include the immediate freeze of Russian securities and/or funds invested in prohibited assets, impairing the ability of a portfolio to buy, sell, receive or deliver those securities and/or assets. Sanctions may also result in Russia taking counter measures or retaliatory actions which may further impair the value and liquidity of Russian securities. For instance, in response to sanctions, the government of Russia imposed capital controls to restrict movements of capital entering and exiting the country and the Russian Central Bank suspended the sales of Russian securities by non-residents of Russia on its local stock exchange. Any market disruptions caused by Russian military action, resulting sanctions and/or counter measures or actions thereto may magnify the impact of other risks to a portfolio. Market events are rapidly evolving and present uncertainty and risk with respect to markets globally and the performance of a portfolio and its investments could be negatively impacted.

**Sector Risk.** At times, a portfolio may have a significant portion of its assets invested in securities of companies conducting business within one or more economic sectors. Companies in the same sector may be similarly affected by economic, regulatory, political or market events or conditions, which may make a portfolio vulnerable to unfavorable developments in that sector.

**The Consumer Discretionary/ Staples Sectors.** A portfolio may be vulnerable to the particular risks that may affect companies in the consumer discretionary/staples sectors. Companies in the consumer discretionary/staples sectors are subject to certain risks, including fluctuations in the performance of the overall domestic and international economies, interest rate changes, currency exchange rates, increased competition and consumer confidence. Performance of such companies may be affected by factors including reduced disposable household income, reduced consumer spending, changing demographics and consumer tastes.

**The Energy Sector.** A portfolio may be vulnerable to the particular risks that may affect companies in the energy sector. Companies in the energy sector are subject to certain risks, including legislative or regulatory changes, adverse market conditions and increased competition. Performance of such companies may be affected by factors including, among others, fluctuations in energy prices, energy fuel supply and demand factors, energy conservation, the success of exploration projects, local and international politics, and events occurring in nature. For instance, natural events (such as earthquakes, hurricanes or fires in prime natural resources areas) and political events (such as government instability or military confrontations) can affect the value of companies involved in business activities in the energy sector. Other risks may include liabilities for environmental damage and general civil liabilities, depletion of resources, and mandated expenditures for safety and pollution control. The energy sector may also be affected by economic cycles, rising interest rates, high inflation, technical progress, labor relations, legislative or regulatory changes, local and international politics, and adverse market conditions.

**The Financials Sector.** A portfolio may be vulnerable to the particular risks that may affect companies in the financial services sector. Companies in the financial services sector are subject to certain risks, including the risk of regulatory change, decreased liquidity in credit markets and unstable interest rates. Such companies may have concentrated portfolios, such as a high level of loans to one or more industries or sectors, which makes them vulnerable to economic conditions that affect such industries or sectors. Performance of such companies may be affected by competitive pressures and exposure to investments, agreements and counterparties, including credit products that, under certain circumstances, may lead to losses (e.g., subprime loans). Companies in the financial services sector are subject to extensive governmental regulation that may limit the amount and types of loans and other financial commitments they can make, and interest rates and fees that they may charge. In addition, profitability of such companies is largely dependent upon the availability and the cost of capital.

**The Health Care Sector.** A portfolio may be vulnerable to the particular risks that may affect companies in the health care sector. Companies in the health care sector are subject to certain risks, including restrictions on government reimbursement for medical expenses, government approval of medical products and services, competitive pricing pressures, and the rising cost of medical products and services (especially for companies dependent upon a relatively limited number of products or services), among others. Performance of such companies may be affected by factors including, government regulation, obtaining and protecting patents (or the failure to do so), product liability and other similar litigation as well as product obsolescence.

**The Industrials Sector.** A portfolio may be vulnerable to the particular risks that may affect companies in the industrials sector. Companies in the industrials sector are subject to certain risks, including changes in supply and demand for their specific product or service and for industrial sector products in general, including decline in demand for such products due to rapid technological developments and frequent new product introduction. Performance of such companies may be affected by factors including government regulation, world events and economic conditions and risks for environmental damage and product liability claims.

**The Materials Sector.** A portfolio may be vulnerable to the particular risks that may affect companies in the materials sector. Companies in the materials sector are subject to certain risks, including that many materials companies are significantly affected by the level and volatility of commodity prices, exchange rates, import controls, increased competition, environmental policies, consumer demand, and events occurring in nature. For instance, natural events (such as earthquakes, hurricanes or fires in prime natural resource areas) and political events (such as government instability or military confrontations) can affect the value of companies involved in business activities in the materials sector. Performance of such companies may be affected by factors including, among others, that at times worldwide production of industrial materials has exceeded demand as a result of over-building or economic downturns, leading to poor investment returns or losses. Other risks may include liabilities for environmental damage and general civil liabilities, depletion of resources, and mandated expenditures for safety and pollution control. The materials sector may also be affected by economic cycles, rising interest rates, high inflation, technical progress, labor relations, legislative or regulatory changes, local and international politics, and adverse market conditions. In addition, prices of, and thus a portfolio's investments in, precious metals are considered speculative and are affected by a variety of worldwide and economic, financial and political factors. Prices of precious metals may fluctuate sharply.

**The Information Technology Sector.** A portfolio vulnerable to the particular risks that may affect companies in the information technology sector. Companies in the information technology sector are subject to certain risks, including the risk that new services, equipment or technologies will not be accepted by consumers and businesses or will become rapidly obsolete. Performance of such companies may be affected by factors including obtaining and protecting patents (or the failure to do so) and significant competitive pressures, including aggressive pricing of their products or services, new market entrants, competition for market share and short product cycles due to an accelerated rate of technological developments. Such competitive pressures may lead to limited earnings and/or falling profit margins. As a result, the value of their securities may fall or fail to rise. In addition, many information technology sector companies have limited operating histories and prices of these companies' securities historically have been more volatile than other securities, especially over the short term. Some companies in the information technology sector are facing increased government and regulatory scrutiny and may be subject to adverse government or regulatory action, which could negatively impact the value of their securities.

**Short Positions Risk.** A portfolio may establish short positions which introduce more risk to a portfolio than long positions (where a portfolio owns the instrument or other asset) because the maximum sustainable loss on an instrument or other asset purchased (held long) is limited to the amount

paid for the instrument or other asset plus the transaction costs, whereas there is no maximum price of the shorted instrument or other asset when purchased in the open market. Therefore, in theory, short positions have unlimited risk. A portfolio's use of short positions in effect "leverages" a portfolio. Leverage potentially exposes a portfolio to greater risks of loss due to unanticipated market movements, which may magnify losses and increase the volatility of returns. To the extent a portfolio takes a short position in a derivative instrument or other asset, this involves the risk of a potentially unlimited increase in the value of the underlying instrument or other asset.

**Small- and Mid-Cap Stock Risk.** Investments in small- and mid-cap companies often involve greater risks than investments in larger, more established companies (larger companies) because small- and mid-cap companies tend to have less predictable earnings and may lack the management experience, financial resources, product diversification and competitive strengths of larger companies. Securities of small- and mid-cap companies may be less liquid and more volatile than the securities of larger companies.

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**Social Impact Investment Risk.** The investment manager's consideration of social impact may limit a portfolio's investment opportunities and, as a result, a portfolio may underperform portfolios that do not consider social impact or consider it but make different investment decisions based thereon.

**Sovereign Debt Risk.** The willingness or ability of a sovereign or quasi-sovereign debtor to repay principal and pay interest in a timely manner may be affected by a variety of factors, including its cash flow situation, the extent of its reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the sovereign or quasi-sovereign debtor's policy toward international lenders, and the political constraints to which such debtor may be subject. Sovereign debt risk is increased for emerging market issuers.

**Special Situations Risk.** Securities of companies that are involved in an initial public offering or a major corporate event, such as a business consolidation or restructuring, may be exposed to heightened risk because of the high degree of uncertainty that can be associated with such events. Securities issued in initial public offerings often are issued by companies that are in the early stages of development, have a history of little or no revenues and may operate at a loss following the offering. It is possible that there will be no active trading market for the securities after the offering, and that the market price of the securities may be subject to significant and unpredictable fluctuations. Certain "special situation" investments are investments in securities or other instruments that are determined to be illiquid or lacking a readily ascertainable fair value. Certain special situation investments prevent ownership interests therein from being withdrawn until the special situation investment, or a portion thereof, is realized or deemed realized, which may negatively impact portfolio performance. Investing in special situations may have a magnified effect on the performance of portfolios with small amounts of assets.

**Stripped Mortgage-Backed Securities Risk.** Stripped mortgage-backed securities are a type of mortgage-backed security that receive differing proportions of the interest and principal payments from the underlying assets. Generally, there are two classes of stripped mortgage-backed securities: Interest Only (IO) and Principal Only (PO). IOs entitle the holder to receive distributions consisting of all or a portion of the interest on the underlying pool of mortgage loans or mortgage-backed securities. POs entitle the holder to receive distributions consisting of all or a portion of the principal of the underlying pool of mortgage loans or mortgage-backed securities. The cash flows and yields on IOs and POs are extremely sensitive to the rate of principal payments (including prepayments) on the underlying mortgage loans or mortgage-backed securities. A rapid rate of principal payments may adversely affect the yield to maturity of IOs. A slow rate of principal payments may adversely affect the yield to maturity of POs. If prepayments of principal are greater than anticipated, an investor in IOs may incur substantial losses. If prepayments of principal are slower than anticipated, the yield on a PO will be affected more severely than would be the case with a traditional mortgage-backed security.

**Tax-Managed Investing Risk.** Market conditions may limit the ability to generate tax losses or to generate dividend income taxed at favorable tax rates. A tax-managed strategy may cause a client portfolio to hold a security in order to achieve more favorable tax treatment or to sell a security in order to create tax losses. The ability to utilize various tax-management techniques may be curtailed or eliminated in the future by tax legislation or regulation. The benefit of tax-managed investing to an individual investor is dependent upon the tax liability of an investor. Over time, the ability of an investor in a tax-managed strategy to harvest losses may decrease and gains may build up in a securities portfolio. The ability to fully realize the benefits of tax-loss harvesting through a Retail Managed Account Program may also be diminished by an investor's failure to select the optimal cost basis methodology and/or failure by an investor or his or her financial advisor to communicate such selection to us in a timely manner.

**Tax Risk – Municipal Securities.** Municipal securities generally pay interest that, in the opinion of bond counsel, is free from U.S. federal income tax (and in most cases, the U.S. federal alternative minimum tax). Income from tax-exempt municipal obligations could be declared taxable, possibly retroactively, because of unfavorable changes in tax laws, adverse interpretations by the Internal Revenue Service, the non-compliant conduct of a bond issuer or under other circumstances. In such event, the value of the security would likely fall. An investor may be required to file an amended tax return and pay additional taxes.

**U.S. Government Obligations Risk.** While U.S. Treasury obligations are backed by the "full faith and credit" of the U.S. Government, such securities are nonetheless subject to credit risk (i.e., the risk that the U.S. Government may be, or be perceived to be, unable or unwilling to honor its financial obligations, such as making payments). Securities issued or guaranteed by federal agencies or authorities and U.S. Government-sponsored instrumentalities or enterprises may or may not be backed by the full faith and credit of the U.S. Government.

**Valuation Risk.** The sales price a portfolio could receive, or actually receives, for any particular investment may differ from a portfolio's valuation of the investment, particularly for securities that trade in thin or volatile markets, debt securities sold in amounts less than institutional-sized lots

(typically referred to as odd lots) or securities that are valued using a fair value methodology that produces an estimate of the fair value of the security/instrument.

**Value Securities Risk.** Value securities are securities of companies that may have experienced, for example, adverse business, industry or other developments or may be subject to special risks that have caused the securities to be out of favor and, in turn, potentially undervalued. The market value of a portfolio security may not meet a the perceived value assessment of that security, or may decline in price, even though the securities are already believed to be undervalued by the portfolio manager. There is also a risk that it may take longer than expected for the value of these investments to rise to the perceived value as determined by the portfolio manager. In addition, value securities, at times, may not perform as well as growth securities or the stock market in general, and may be out of favor with investors for varying periods of time.

**Volatility Risk.** A portfolio may have investments that appreciate or decrease significantly in value over short periods of time. This may cause a portfolio to experience significant increases or declines in value over short periods of time, however, all investments, whether long- or short-term, are subject to risk of loss.

**Warrants Risk and Rights.** Warrants are securities giving the holder the right, but not the obligation, to buy the stock of an issuer at a given price (generally higher than the value of the stock at the time of issuance) during a specified period or perpetually. Warrants are subject to the risks associated with the security underlying the warrant, including market risk. Warrants may expire unexercised and are subject to liquidity risk which may result in portfolio losses. Rights are available to existing shareholders of an issuer to enable them to maintain proportionate ownership in the issuer by being able to buy newly issued shares. Rights allow shareholders to buy the shares below the current market price. Holders can exercise the rights and purchase the stock, sell the rights or let them expire. Their value, and their risk of investment loss, is a function of that of the underlying security.

### Additional Risks

The following risk descriptions are designed to help clients anticipate some of the challenges and risks associated with the asset management industry today. Clients should speak with their consultants or other financial advisors for more information regarding these and other risks associated with making an investment. When we provide advisory services to a client, we are serving as an investment manager only with respect to those assets we manage and not with respect to the client's other assets or with an eye towards the client's overall financial situation.

#### Counterparty Arrangements

We enter into many counterparty arrangements in connection with our asset management business. These arrangements support our trading, custody and investment activities, and some of the counterparties we use have relationships with our affiliates as well. Reliable counterparty arrangements and the ability to assess counterparty risks have become a critical part of our day-to-day operations and we endeavor to manage these risks in accordance with our fiduciary duty to clients. While we seek to manage these risks, exposure to counterparty failures, including bankruptcies and defaults, is sometimes unavoidable and can result in sudden and unanticipated shocks to our operations or investments resulting from the inability to carry out transactions or satisfy liquidity demands.

#### Cybersecurity Breaches, Systems Failure and Other Business Disruptions Risks

A client portfolio and its service providers, including Columbia Management and its affiliates (Ameriprise Financial, which is Columbia Management's parent company (together with Columbia Management, referred to herein as "**we, us and our**")), the client portfolio's custodian and other service providers, as well as all their underlying service providers (collectively, the "**Service Providers**"), are heavily dependent on their respective employees, agents and other personnel ("**Personnel**") and proprietary and third-party technology and infrastructure and related business, operational and information systems, networks, computers, devices, programs, applications, data and functions (collectively, "**Systems**") to perform necessary business activities. The Systems and Personnel that a client portfolio and the Service Providers rely upon may be vulnerable to significant disruptions and failures, including those relating to or arising from cybersecurity breaches (including intentional acts, e.g., cyber-attacks, hacking, phishing scams, unauthorized payment requests and other social engineering techniques aimed at Personnel or Systems, and unintentional events or activity), Systems malfunctions, user error, conduct (or misconduct) of or arising from Personnel, and remote access to Systems (particularly important given the increased use of technologies such as the internet to conduct business). The increased use of mobile and cloud technologies and remote work heighten these and other operational risks. In addition, other events or circumstances – whether foreseeable, unforeseeable, or beyond our control, such as acts of war, other conflicts, terrorism, natural disaster, widespread disease, pandemic or other public health crises – may result in, among other things, quarantines and travel restrictions, workforce displacement and loss or reduction in Personnel and other resources. In the above circumstances, a client portfolio and the Service Providers' operations may be significantly impacted, or even temporarily halted. A client portfolio's securities market counterparties or vendors may face the same or similar systems failure, cybersecurity breaches and other business disruptions risks.

Systems and Personnel disruptions and failures, particularly cybersecurity breaches, may result in (i) proprietary or confidential information or data being lost, withheld for ransom, misused, destroyed, stolen, released, corrupted or rendered unavailable, including personal client information (and that of beneficial owners), (ii) unauthorized access to Systems and loss of operational capacity, including from, for example, denial-of-service attacks (i.e., efforts to make network services unavailable to intended users), and (iii) the misappropriation of client assets or sensitive information. Any such events could negatively impact Service Provider Systems and may have significant adverse impacts on our clients.

Systems and Personnel disruptions and failures and cybersecurity breaches may cause delays or mistakes in materials provided to clients and may also interfere with, or negatively impact, the processing of securities transactions, pricing of investments, and trading within our clients' portfolios, while causing or subjecting us to potential financial losses as well as additional compliance, legal, and operational costs. The third-party trading systems relied upon us (and generally much of the asset management and related industries) are vital to our everyday operations, and despite our and our trading system vendor's business continuity and recovery plans, such trading systems may fail or be disrupted, which could cause significant harm to our business and our clients. Such events could negatively impact our clients and affect the business, financial condition and performance or results of operations of us and the Service Providers.



The trend toward broad consumer and general public notification of Systems failures and cybersecurity breaches could exacerbate the harm to our clients and our and Service Provider business, financial condition and performance or results of operations. Even if we and the Service Providers successfully protect our respective Systems from failures or cybersecurity breaches, we may incur significant expenses in connection with our responses to any such events or compliance with evolving laws, as well as the need for adoption, implementation and maintenance of appropriate security measures. We could also suffer harm to our business and reputation if attempted or actual cybersecurity breaches are publicized. We and the Service Providers cannot be certain that evolving threats from cyber-criminals and other cyber-threat actors, exploitation of new vulnerabilities in our respective Systems, or other developments, or data thefts, System break-ins or inappropriate access will not compromise or breach the technology or other security measures protecting our respective Systems.

We routinely face and address evolving cybersecurity threats and have been able to detect and respond to these incidents to date without a material loss of client financial assets or information through the use of ongoing monitoring and continual improvement of our security capabilities and incident response manual. We have been threatened by phishing and spear phishing scams, social engineering attacks, account takeovers, introductions of malware, attempts at electronic break-ins, and the submission of fraudulent payment requests. Systems failures and cybersecurity breaches may be difficult to detect, may go undetected for long periods or may never be detected. The impact of such events may be compounded over time. Although we evaluate the materiality of all Systems failures and cybersecurity breaches detected, we may conclude that some such events are not material and may choose not to address them. Such conclusions may not prove to be correct.

Although we have established business continuity/disaster recovery plans and systems (“**Continuity and Recovery Plans**”) designed to prevent or mitigate the effects of Systems and Personnel disruptions and failures and cybersecurity breaches, there are inherent limitations in Continuity and Recovery Plans. These limitations include the possibility that certain risks have not been identified, that Continuity and Recovery Plans might not – despite testing and monitoring – operate as designed, that Continuity and Recovery Plans may not be sufficient to stop or mitigate negative impacts, including financial losses, or that Continuity and Recovery Plans may otherwise be unable to achieve their objectives. We and our clients could be negatively impacted as a result. The widespread use of work-from-home arrangements, such as during the COVID-19 pandemic, may increase these risks. Columbia Management and its affiliates have systematically implemented strategies to address the operating environment spurred by the COVID-19 pandemic and its operations teams seek to operate without significant disruptions in service. Columbia Management’s Continuity and Recovery Plans take into consideration that a pandemic could be widespread and may occur in multiple waves, affecting different communities at different times with varying levels of severity. We cannot, however, predict the impact that natural or man-made disasters and conditions, including the COVID-19 pandemic (and its variants), may have on the ability of us and the Service Providers to continue ordinary business operations and technology functions over near- or longer-term periods. In addition, Columbia Management cannot control the Continuity and Recovery Plans of the Service Providers. As a result, there can be no assurance that we or our clients will not suffer financial losses relating to Systems or Personnel disruptions or failures or cybersecurity breaches affecting them or us in the future.

Systems and Personnel disruptions and failures and cybersecurity breaches may necessitate significant investment to repair or replace impacted Systems. In addition, we may incur substantial costs for risk management in connection with failures or interruptions of Systems, Personnel, Continuity and Recovery Plans and cybersecurity defense measures in order to attempt to prevent any such events or incidents in the future, which, if they should occur, may be prolonged, negatively impacting business operations.

Any insurance or other risk-shifting tools available to us in order to manage or mitigate the risks associated with Systems and Personnel disruptions and failures and cybersecurity breaches are generally subject to terms and conditions such as deductibles, coinsurance, limits and policy exclusions, as well as risk of counterparty denial of coverage, default or insolvency. While Ameriprise Financial and its affiliates maintain cyber liability insurance that provides both third-party liability and first-party liability coverages, this insurance may not be sufficient to protect us against all losses. In addition, contractual remedies may not be available with respect to Service Providers or may prove inadequate if available (e.g., because of limits on the liability of the Service Providers) to protect against all losses.

Stock and other market exchanges, financial intermediaries, issuers of, and counterparties to, a portfolio’s investments and, in the case of ETFs, market makers and authorized participants, also may be adversely impacted by Systems and Personnel disruptions and failures and cybersecurity breaches, in their own businesses, subjecting them to the risks described here, as well as other additional or enhanced risks particular to their businesses, which could result in losses to a client portfolio. Issuers of securities or other instruments in which we invest may also experience Systems and Personnel disruptions and failures and cybersecurity breaches, which could result in material adverse consequences for such issuers, which may cause client portfolios’ investment in such issuers to lose money.

### **Implementation Risk**

Disorderly market conditions or periods of market stress may make it difficult or impossible for us to pursue an investment strategy or objective. During these periods, it may be difficult or impossible to buy or sell investments at certain prices or at all. Moreover, volatility or events associated with markets, sectors or issuers may make it difficult to implement certain policies and procedures designed to ensure equal treatment among client accounts. For example, while our trading procedures are designed to ensure equal treatment among all clients, volatility on any given day may cause clients to receive materially different prices on the same securities. This may create performance dispersions among accounts with the same or similar investment mandate.

### **Investing Defensively**

When authorized by the client, we may from time to time seek to take temporary defensive investment positions that may be inconsistent with the principal investment strategy of a client account in attempting to respond to adverse market, economic, political, and social or other conditions. These temporary defensive investment positions may include, but are not limited to; (i) investing some or all of the client account assets in money market instruments or shares of affiliated or unaffiliated money market funds, (ii) holding some or all of the client account assets in cash or cash equivalents, or (iii) investing in derivatives, such as futures (e.g., index futures) or options on futures, for various purposes, including among others, investing in particular derivatives to achieve indirect investment exposures to a sector, country or region where we believe such defensive positioning is appropriate. While a client account is so positioned defensively, derivatives could comprise a substantial portion of the account’s investments.

See above for more information on the risks of investing in derivatives. A client account may not achieve its investment objective while it is investing defensively. During these times, a portfolio manager may make frequent portfolio holding changes, which could result in increased trading expenses and taxes, and decreased investment performance.

Where a client does not authorize the temporary defensive strategies described above, the client account will not achieve any potential benefits that other clients may achieve who have granted us the flexibility to employ temporary defensive strategies for their account. Further, where a client is not able to or does not authorize the use of certain derivative instruments, the temporary defensive strategies may be implemented less effectively and at greater cost to the client than if derivative instruments were employed in the account.

### **No Guarantee of Performance**

All investments involve risk (the amount of which may vary significantly), and investment performance can never be predicted or guaranteed, even when employing very conservative strategies such as those employed by money market mutual funds or other accounts that seek preservation of capital. The market value of client assets will fluctuate due to market conditions and other factors, such as liquidity and volatility. The assumptions associated with certain investment strategies that are derived and tested over longer periods (e.g., quantitative strategies) may not be meaningful, and such strategies may demonstrate relative weakness, during periods of unprecedented market conditions, since, by definition, those conditions may not be reflected in any historical data or research conducted to create the strategies.

**Regulatory Risk — Banking.** Ameriprise Financial, the ultimate parent company of ours, is a savings and loan holding company and a financial holding company (“FHC”) and therefore, along with its direct and indirect subsidiaries, subject to regulation and supervision by the Board of Governors of the Federal Reserve System (the “Federal Reserve”) and to the provisions of, and regulations under, certain U.S. banking laws, such as the Homeowner’s Loan Act, the Bank Holding Company Act (including the rules and regulations created thereunder, the “BHCA”) and the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”). The BHCA and the Dodd-Frank Act (and other applicable banking laws, and their interpretation and administration by the appropriate regulatory agencies, including but not limited to the Federal Reserve) may restrict the transactions and relationships among Ameriprise Financial, its affiliates (including us) and our clients, and may restrict our investments, transactions and operations. For example, under the BHCA (including rules and regulations promulgated thereunder), positions held by Ameriprise Financial and its affiliates for client and proprietary accounts may need to be aggregated with positions held by clients of ours and our affiliates. The BHCA may also impose a cap on the amount of a position that may be held where such a cap otherwise would not exist or that is lower for us than it would be for an entity not subject to the BHCA. In this case, where the BHCA imposes a cap on the amount of a position that may be held, we may be required to limit or prevent the purchasing of additional shares that we otherwise would prefer to purchase. If there is an inadvertent breach and/or a change in the number of outstanding shares in an issuer, we also may be required to liquidate certain positions we otherwise would prefer to hold in order to comply with such limitation.

Under the BHCA, if we or an affiliate were deemed to “control” a fund managed by us, investments by such fund would be subject to limitations under the BHCA that are substantially similar to those applicable to Ameriprise Financial and its affiliates. Such limitations would place certain restrictions on the fund’s investments in non-financial companies. These restrictions would include limits on the ability of the fund to be involved in the day-to-day management of the underlying non-financial company and the limitations on the period of time that the fund could retain its investment in such company. In addition, the fund, together with interests held by Ameriprise Financial and its affiliates, may be limited from owning or controlling, directly or indirectly, interests in third parties that exceed 5% of any class of voting securities or 25% of total equity of any security. These limitations may have a material adverse effect on the activities of the relevant fund.

The Dodd-Frank Act added Section 13 to the BHCA and its implementing regulations (together the “Volcker Rule”) under which a “banking entity” (including us and our affiliates) is restricted from acquiring or retaining an equity, partnership or other ownership interest in, or sponsoring, a “covered fund” (which is defined to include certain pooled investment vehicles) unless the investment or activity is conducted in accordance with an exclusion or exemption. The Volcker Rule’s asset management exemption permits a banking entity, such as us, to invest in or sponsor a covered fund, subject to satisfaction of certain requirements, which include, among other things, that a banking entity only hold a de minimis interest (no more than 3%) in the covered fund and that only directors and employees directly engaged in providing investment advisory or other qualifying services to the covered fund are permitted to invest. In addition, the Volcker Rule generally prohibits a banking entity from engaging in transactions that would cause it or its affiliates to have credit exposure to a covered fund managed or advised by its affiliates that would involve or result in a material conflict of interest between the banking entity and its clients, customers or counterparties or that would result, directly or indirectly, in a material exposure by the banking entity to high-risk assets or high-risk trading strategies. As a result, the Volcker Rule impacts the processes by which we and our affiliates seed, invest in and operate certain of its funds, including the Private Funds.

There can be no assurance that the bank regulatory requirements applicable to Ameriprise Financial and/or its affiliates will not change, or that any change will not have a material adverse effect on the investments and/or investment performance of our clients.

### **Resource Constraints**

Unfavorable market conditions and budget constraints may impact our ability to retain or attract talented employees or allocate resources as we otherwise would during periods of economic stability. Moreover, the inherent conflict of interest associated with certain arrangements (e.g., the receipt of research in exchange for client commissions) is heightened when our business is under pressure to reduce overhead expenses in response to market conditions that impact our revenues. While we may make resource allocations designed to streamline or bring more efficiency to our operations during periods of economic stress, we will not compromise our fiduciary standards or compliance with our policies and procedures that are reasonably designed to prevent violations.

### **Segregated Account Advantages**

Investors in pooled vehicles may wish to consider the different levels of liquidity and transparency provided to segregated account owners pursuing the same investment strategy as a pooled vehicle. Greater visibility and access to underlying holdings could allow a segregated account holder to implement strategies (e.g., hedging techniques) that could prove disadvantageous to pooled fund vehicles or their investors. It is our current policy to

seek representations from segregated account clients indicating that they are establishing and will be maintaining their accounts solely for the purpose of investing and not with a view to effecting securities transactions based upon such information or providing such information to another party.

### **Strategy-Specific Risks**

Clients should also consider risks associated with the investment mandate you have engaged us to implement. Each client should consider those risks in its decision to engage us and in connection with the client's overall investment program. A consultant or financial advisor engaged to evaluate a client's overall investment program can assist clients with an evaluation of risks associated with investment strategies.

### **Terrorism, War, Natural Disaster and Epidemic Risk.**

Terrorism, war, military confrontations and related geopolitical events (and their aftermath) have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally. Likewise, natural and environmental disasters, such as, for example, earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, as well as widespread disease and virus outbreaks, epidemics and pandemics, have been and can be highly disruptive to economies and markets, adversely affecting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a portfolio's investments. Given the increasing interdependence among global economies and markets, conditions in one country, market, or region are increasingly likely to adversely affect markets, issuers, and/or foreign exchange rates in other countries, including the U.S. These disruptions could prevent a portfolio from executing advantageous investment decisions in a timely manner and negatively impact the portfolio's ability to achieve its investment objectives. Any such event(s) could have a significant adverse impact on the value and risk profile of a client portfolio.

**Withdrawal Risk.** A portfolio may need to sell securities to meet a client's cash withdrawal request. A portfolio could experience a loss when selling securities to meet such request if there is (i) significant selling activity in the market, (ii) a disruption in the normal operation of the markets in which a portfolio's securities are bought and sold, or (iii) the inability of a portfolio to sell securities because such securities are illiquid. In such events, the forced sale of securities at unfavorable prices in an effort to generate sufficient cash to pay a client seeking to withdraw funds from its account may create substantial losses.

## **RETAIL MANAGED ACCOUNT PROGRAM APPENDIX**

### ***Methods Of Analysis, Investment Strategies and Risk Of Loss***

<b>Strategies</b>	<b>Primary Methods of Analysis</b>	<b>Material Risks</b>
Columbia Contrarian Core	<ul style="list-style-type: none"> <li>Contrarian philosophy based on belief that the best investment opportunities can be found where market displays pessimism</li> <li>Uses fundamental and quantitative research as well as the management team's perspectives for stock selection</li> <li>Bottom-up analysis drives stock selection</li> </ul>	Active Management Risk Depositary Receipts Risks Foreign Securities Risk Growth Securities Risk Large-Cap Stock Risk Value Securities Risk
Columbia Disciplined Value	<ul style="list-style-type: none"> <li>Uses quantitative analysis to interpret key quality, valuation and catalyst measures such as company assets, historical returns, cash flow, profitability, and momentum measures of large cap U.S. stocks</li> <li>Focuses on stock-specific risk rather than systemic risk</li> <li>Maintains characteristics similar to the benchmark for a specified tracking error level</li> </ul>	Active Management Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk
Columbia Dividend Income	<ul style="list-style-type: none"> <li>Focuses on free cash flow from operations and ability to sustain and grow dividends</li> <li>Uses fundamental and quantitative research as well as the management team's perspectives for stock selection</li> </ul>	Active Management Risk Convertible Securities Risk Credit Risk Depositary Receipts Risks Growth Securities Risk Large-Cap Stock Risk Preferred Stock Risk Quantitative Model Risk Sector Risk Small- and Mid-Cap Stock Risk Value Securities Risk
Columbia Dividend Opportunity	<ul style="list-style-type: none"> <li>Focuses on companies that have historically paid consistent and increasing dividends to generate a high level of current income</li> <li>Fundamental contrarian analysis- behavioral/sentiment insight</li> <li>Focuses on valuation and free cash flow yield</li> <li>Seeks to identify industry and stock level chronic inefficiencies</li> </ul>	Active Management Risk Large-Cap Stock Risk Preferred Stock Risk Small- and Mid-Cap Stock Risk Value Securities Risk
Columbia U.S. Integrated Dividend Income	<ul style="list-style-type: none"> <li>A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance while simultaneously providing an attractive above-market dividend yield.</li> <li>Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk
Columbia Integrated U.S. Focused LCC	<ul style="list-style-type: none"> <li>A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance while</li> <li>simultaneously providing an attractive above-market dividend yield.</li> <li>Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary</li> </ul>	Active Management Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk

	<p>factors: fundamentals, valuation, and investor interest.</p> <ul style="list-style-type: none"> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Growth Securities Risk
Columbia Integrated U.S. Large Cap Growth	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk Growth Securities Risk
Columbia Integrated U.S. Large Cap Value	<ul style="list-style-type: none"> <li>• A fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.</li> <li>• Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation, and investor interest.</li> <li>• Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.</li> <li>• Adaptive &amp; proactive process – the team uses a proprietary dashboard that enables better interpretations of the current market environment.</li> </ul>	Active Management Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk
Columbia Large Cap Enhanced Core	<ul style="list-style-type: none"> <li>• Quantitative analysis used to evaluate the relative attractiveness of potential investments</li> <li>• Optimization techniques used to maintain a portfolio that generally matches the risk characteristics of the S&amp;P 500 Index.</li> </ul>	Active Management Risk Large-Cap Stock Risk Quantitative Model Risk Sector Risk Value Securities Risk
Columbia Large Cap Growth	<ul style="list-style-type: none"> <li>• Focuses on companies with sustainable growth prospects, improving margins and high returns on capital with market capitalizations similar to the constituents of the Russell 1000 Growth Index</li> <li>• Uses fundamental and quantitative research as well as the management team's perspectives for stock selection</li> <li>• Bottom-up analysis drives stock selection</li> </ul>	Active Management Risk Convertible Securities Risk Depositary Receipts Risk Foreign Securities Risk Growth Securities Risk Large-Cap Stock Risk Sector Risk
Columbia 1 to 10 Year Municipal Ladder	<ul style="list-style-type: none"> <li>• Top-down/bottom-up process focused on identifying relative value opportunities</li> <li>• Fundamental research used to balance credit fundamentals and incremental yield while managing risk</li> </ul>	Active Management Risk Changing Distribution Level Risk Credit Risk High-Yield Investments Risk Interest Rate Risk Liquidity Risk Municipal Securities Risk Prepayment and Extension Risk Reinvestment Risk Tax Risk – Municipal Securities

Columbia 5 to 10 Year Municipal Ladder	<ul style="list-style-type: none"> <li>• Top-down/bottom-up process focused on identifying relative value opportunities</li> <li>• Fundamental research used to balance credit fundamentals and incremental yield while managing risk</li> </ul>	Active Management Risk Changing Distribution Level Risk Credit Risk High-Yield Investments Risk Interest Rate Risk Liquidity Risk Municipal Securities Risk Prepayment and Extension Risk Reinvestment Risk Tax Risk – Municipal Securities
Columbia 10 to 15 Year Municipal Ladder	<ul style="list-style-type: none"> <li>• Top-down/bottom-up process focused on identifying relative value opportunities</li> <li>• Fundamental research used to balance credit fundamentals and incremental yield while managing risk</li> </ul>	Active Management Risk Changing Distribution Level Risk Credit Risk High-Yield Investments Risk Interest Rate Risk Liquidity Risk Municipal Securities Risk Prepayment and Extension Risk Reinvestment Risk Tax Risk – Municipal Securities
Columbia Intermediate Municipal	<ul style="list-style-type: none"> <li>• Top-down/bottom-up process focused on identifying relative value opportunities</li> <li>• Fundamental research used to balance credit fundamentals and incremental yield while managing risk</li> </ul>	Active Management Risk Changing Distribution Level Risk Credit Risk High-Yield Investments Risk Interest Rate Risk Liquidity Risk Municipal Securities Risk Prepayment and Extension Risk Reinvestment Risk Tax Risk – Municipal Securities
Columbia Short Term Municipal	<ul style="list-style-type: none"> <li>• Top-down/bottom-up process focused on identifying relative value opportunities</li> <li>• Fundamental research used to balance credit fundamentals and incremental yield while managing risk</li> </ul>	Active Management Risk Changing Distribution Level Risk Credit Risk High-Yield Investments Risk Interest Rate Risk Liquidity Risk Municipal Securities Risk Prepayment and Extension Risk Reinvestment Risk Tax Risk – Municipal Securities
Columbia Short-Intermediate Municipal	<ul style="list-style-type: none"> <li>• Top-down/bottom-up process focused on identifying relative value opportunities</li> <li>• Fundamental research used to balance credit fundamentals and incremental yield while managing risk</li> </ul>	Active Management Risk Changing Distribution Level Risk Credit Risk High-Yield Investments Risk Interest Rate Risk Liquidity Risk Municipal Securities Risk Prepayment and Extension Risk Reinvestment Risk

Columbia Overseas Value	<ul style="list-style-type: none"> <li>• Uses fundamental and systematic research as well as the management team's perspectives for stock selection</li> <li>• Typically invests in equity securities of foreign companies</li> <li>• Focuses on companies that have compelling valuations, higher growth, better returns on capital, higher profitability, lower leverage, and catalysts for change</li> </ul>	Active Management Risk Closed-end Investment Company Risk Depositary Receipts Risk Emerging Market Securities Risk Foreign Securities Risk Global Economic Risk Sector Risk Small- and Mid-Cap Stock Risk Value Securities Risk
Columbia Select Large Cap Equity	<ul style="list-style-type: none"> <li>• Uses fundamental and centralized research as well as the management team's perspectives for stock selection</li> <li>• Managers consider stock selection and portfolio construction when managing the portfolio, investing in companies in which they have strong conviction.</li> </ul>	Active Management Risk Depositary Receipts Risk Foreign Securities Risk Growth Securities Risk Large-Cap Stock Risk
Columbia Select Large Cap Growth	<ul style="list-style-type: none"> <li>• Focuses on high quality, high growth companies with market capitalizations above \$3B</li> <li>• Concentrated portfolio of 25-35 companies with high returns on capital and low debt to equity ratios</li> <li>• Fundamental analysis with quantitative judgment drives portfolio construction and risk management</li> </ul>	Active Management Risk Depositary Receipts Risk Focused Portfolio Risk Foreign Securities Risk Growth Securities Risk Large-Cap Stock Risk Sector Risk
Columbia Select Large Cap Value	<ul style="list-style-type: none"> <li>• Bottom-up, fundamental investment process</li> <li>• Screens companies, focusing on financial analysis, management, valuation assessment</li> </ul>	Active Management Risk Focused Portfolio Risk Large-Cap Stock Risk Sector Risk Value Securities Risk
Columbia Select Mid Cap Growth	<ul style="list-style-type: none"> <li>• Focuses on companies with sustainable growth prospects, improving margins and high returns on capital with market capitalizations similar to the constituents of the Russell Mid Cap Growth Index</li> <li>• Uses quantitative and fundamental research as well as the management team's perspectives for stock selection</li> <li>• Bottom-up analysis drives stock selection</li> </ul>	Active Management Risk Convertible Securities Risk Depositary Receipts Risk Foreign Securities Risk Frequent Trading Risk Growth Securities Risk Mid-Cap Stock Risk Preferred Stock Risk Sector Risk Special Situations Risk
Columbia Select Mid Cap Value	<ul style="list-style-type: none"> <li>• Bottom-up, fundamental investment process</li> <li>• Screens companies, focusing on financial analysis, management, valuation assessment</li> </ul>	Active Management Risk Focused Portfolio Risk Foreign Securities Risk Real Estate-Related Investment Risk Sector Risk Small- and Mid-Cap Stock Risk Value Securities Risk
Columbia Select Small Cap Value	<ul style="list-style-type: none"> <li>• Bottom-up, fundamental investment process</li> <li>• Screens companies, focusing on financial analysis, management, valuation assessment</li> </ul>	Active Management Risk Focused Portfolio Risk Foreign Securities Risk Real Estate-Related Investment Risk Sector Risk Small-Cap Stock Risk Value Securities Risk

Columbia Seligman Technology & Information	<ul style="list-style-type: none"> <li>Bottom-up, fundamental investment process leveraging in-depth research into specific companies</li> </ul>	Active Management Risk Depository Receipts Risk Foreign Securities Risk Frequent Trading Risk Global Economic Risk Growth Securities Risk Large-Cap Stock Risk Liquidity Risk Sector Risk Small-Cap Stock Risk
Columbia Small Cap Growth	<ul style="list-style-type: none"> <li>Focuses on companies with sustainable growth prospects with attractive valuations, improving sales and cash flows with market capitalizations similar to the constituents of the Russell Small Cap Growth Index</li> <li>Uses fundamental and quantitative research to identify strong business models that have sustainable competitive advantages.</li> <li>Bottom-up fundamental analysis drives stock selection</li> </ul>	Active Management Risk Convertible Securities Risk Depository Receipts Risk Foreign Securities Risk Frequent Trading Risk Growth Securities Risk Preferred Stock Risk Sector Risk Small-Cap Stock Risk Special Situations Risk
Columbia Small Cap Value II	<ul style="list-style-type: none"> <li>Focuses on companies trading at attractive valuations that exhibit positive upward inflection points</li> <li>Uses a propriety quantitative model and management team's rigorous fundamental research as bottom-up analysis drives stock selection</li> <li>Leverages centralized fundamental research for sector expertise</li> </ul>	Active Management Risk Depository Receipts Risk Foreign Securities Risk Quantitative Model Risk Real Estate-Related Investment Risk Sector Risk Small-Cap Stock Risk Value Securities Risk
Columbia Multisector Bond	<ul style="list-style-type: none"> <li>Bottom-up, fundamental, proprietary research drives credit selection</li> <li>Tactical sector allocation assessing technical, fundamental and valuation factors</li> <li>Diversified allocation to a broad set of fixed income risks incorporates viewpoints of investment professionals across the organization</li> </ul>	Active Management Risk Convertible Securities Risk Credit Risk Derivatives Risk Derivatives Risk/Forward Contracts Risk Derivatives Risk/Futures Contracts Risk Derivatives Risk/Options Risk Derivatives Risk/Swaps Risk Emerging Market Securities Risk Foreign Securities Risk Forward Commitments on Mortgage-backed Securities (including Dollar Rolls) Risk High-Yield Investments Risk Impairment of Collateral Risk Inflation-Protected Securities Risk Interest Rate Risk Liquidity Risk Loan Interests Risk Mortgage- and Other Asset-Backed Securities Risk Preferred Stock Risk Prepayment and Extension Risk Reinvestment Risk Rule 144A and Other Exempted Securities Risk Sovereign Debt Risk Stripped Mortgage-Backed Securities Risk



		U.S. Government Obligations Risk
Columbia Tax Efficient Portfolios - U.S. Large Cap	<ul style="list-style-type: none"> <li>• Uses quantitative analysis that seeks to closely match the risk characteristics of the portfolio to the S&amp;P 500 Index</li> </ul>	Market Risk Tax-Managed Investing Risk
Columbia Tax Efficient Portfolios - International ADR	<ul style="list-style-type: none"> <li>• Uses quantitative analysis that seeks to closely match the risk characteristics of the portfolio to the BoNY Classic ADR Index.</li> </ul>	Market Risk Tax-Managed Investing Risk
Columbia Tax Efficient Portfolios - U.S. All Cap	<ul style="list-style-type: none"> <li>• Uses quantitative analysis that seeks to closely match the risk characteristics of the portfolio to the S&amp;P 1500 Index.</li> </ul>	Market Risk Tax-Managed Investing Risk
Columbia Tax Efficient Portfolios - Custom	<ul style="list-style-type: none"> <li>• Uses quantitative analysis that seeks to closely match the risk characteristics of the portfolio to the chosen benchmark.</li> </ul>	Market Risk Tax-Managed Investing Risk
Columbia US Government	<ul style="list-style-type: none"> <li>• Active management decisions intended to maximize risk/reward based on expertise in the Treasury and Agency Mortgage markets</li> </ul>	Credit Risk Interest Rate Risk U.S. Government Obligations Risk
Columbia Researched Enhanced Core	<ul style="list-style-type: none"> <li>• Uses an indexing investment approach that seeks to replicate the performance of the Beta Advantage® Research Enhanced U.S. Equity Index (“Index”). With a starting universe of the Russell 1000® Index, the Index is designed to reflect the performance of U.S. large- and mid-cap growth and value companies through the application of a rules-based methodology. The Index methodology applies the results of the investment manager’s proprietary quantitative investment models to rate each company within the Russell 1000® Index on a 1- through 5- basis, where “1” is the strongest rating and “5” is the weakest rating, based on three main company factor composites: quality (such as earnings quality), value (such as cash flow yield), and catalyst (such as price momentum). The Index is then systematically constructed to include all Buy- rated (“1” or “2” rated) companies. The Index is reconstituted and rebalanced semi-annually in June and December.</li> </ul>	Correlation/Tracking Error Risk Early Close/Late Close/Trading Halt Risk Growth Securities Risk Index Methodology and Provider Risk Issuer Risk Market Risk Passive Investment Risk Quantitative Model Risk Sector Risk Value Securities Risk
Columbia Research Enhanced Value	<ul style="list-style-type: none"> <li>• Research Enhanced U.S. Value Index (“Index”). With a starting universe of the Russell 1000® Value Index, the Index is designed to reflect the performance of U.S. large and mid-cap value companies through the application of a rules-based methodology. The Index methodology applies the results of the investment manager’s proprietary quantitative investment models to rate each company within the Russell 1000® Value Index on a 1- through 5- basis, where “1” is the strongest rating and “5” is the weakest rating, based on three main company factor composites: quality (such as earnings quality), value (such as cash flow yield), and catalyst (such as price momentum). The Index is then systematically constructed to include all Buy- rated (“1” or “2” rated) companies. The Index is reconstituted and rebalanced semi-annually in June and December.</li> </ul>	Correlation/Tracking Error Risk Early Close/Late Close/Trading Halt Risk Growth Securities Risk Index Methodology and Provider Risk Issuer Risk Market Risk Passive Investment Risk Quantitative Model Risk Sector Risk Value Securities Risk