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Advisory Brochure

(Part 2A of Form ADV)

for

Columbia Wanger Asset Management, LLC

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Chicago, IL 60606

www.columbiathreadneedle.com/us

March 30, 2023

This brochure provides information about the qualifications and business practices of Columbia Wanger Asset Management, LLC. If you have any questions about the contents of this brochure, please contact us at (312) 634-9200. 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 Wanger Asset Management, LLC is an-SEC registered investment adviser. This registration does not imply a certain level of skill or training. Additional information about Columbia Wanger Asset Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. Columbia Threadneedle Investments is the global brand of the Columbia and Threadneedle group of companies.

Material Changes Summary

This Brochure dated March 30, 2023, has been updated to reflect important information related to changes in our business practices from our last Brochure dated July 18, 2022.

While there have been no material changes to report from the previous amendment, certain routine updates have been made.

A copy of our current Brochure may be requested from shareholder services or by calling (312) 634-9200 at any time, without charge. Upon request we will provide you with a new Brochure at any time, without charge.

Additional information about Columbia Wanger Asset Management, LLC is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Columbia Wanger Asset Management, LLC who are registered, or are required to be registered, as investment adviser representatives of Columbia Wanger Asset Management, LLC

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ADVISORY BUSINESS

Columbia Wanger Asset Management, LLC (“Columbia Wanger”), an investment adviser registered with the U.S. Securities and Exchange Commission, serves as the investment adviser for the Columbia Acorn Funds, the Wanger Advisors Trust and other institutional accounts. Columbia Wanger and its predecessors have managed mutual funds, since 1992.

Columbia Wanger, a Delaware limited liability company based in Chicago, Illinois, is wholly owned by Columbia Management Investment Advisers, LLC (“CMIA” or “Columbia Management Investment Advisers”), a Minnesota limited liability company. CMIA is a wholly owned subsidiary of Ameriprise Financial, Inc. (“Ameriprise Financial”). This disclosure document describes the investment advisory services offered by Columbia Wanger and in this disclosure document, “we,” “our,” “us,” “the firm,” or “our firm” and similar words mean Columbia Wanger. We are providing this disclosure document to persons who receive or who may receive investment advisory services in order to ensure compliance with the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

Our General Services

Columbia Wanger provides professional management of global equity assets using in-house resources to seek superior long-term results. We follow a fundamental, research-intensive investment style characterized by unconventional stock picking and multiyear time horizon. We seek to build wealth for our clients and communicate clearly, honestly and creatively with them. We attract and retain the best talent by creating a stimulating and financially rewarding environment. We develop the skills of our people to serve the needs of our clients, in the belief that the firm’s growth and profitability rest on our clients’ satisfaction.

Columbia Wanger Funds

Columbia Wanger is the investment adviser to the following open-end mutual funds (the “Funds”), that are series or portfolios of Columbia Acorn Trust and Wanger Advisors Trust, two registered investment companies sponsored by Columbia Wanger:

Columbia Acorn Trust

Columbia Acorn Fund

Columbia Acorn USA (to be merged into Columbia Acorn Fund effective May 1, 2023)

Columbia Acorn International

Columbia Acorn International Select

Columbia Thermostat Fund

Columbia Acorn European Fund

Wanger Advisors Trust

Wanger Acorn

Wanger International (to be merged into Wanger Acorn effective May 1, 2023)

Wanger Select

Investment Policies and Objectives

We currently manage \$6.3 billion (as of December 31, 2022) in discretionary assets (reported as Regulatory Assets Under Management). Columbia Acorn Fund, Columbia Acorn USA, and Wanger Acorn (a variable annuity fund) are our domestic small-cap funds, which invest a majority of their net assets in the common stock of small- and mid-sized companies with market capitalizations generally in the range of market capitalizations in the Russell 2500 Growth Index, the Funds’ benchmark, (the Index) at the time of purchase (between \$21.5 million and \$30 billion as of March 31, 2022). The market capitalization range and composition of companies in the Index are subject to change. As such, the size of the companies in which the Funds invest may change. Columbia Acorn International Fund and Wanger International (a variable annuity fund) are our international small-cap funds, which invest a majority of their net assets in the common stock of small- and mid-sized companies with

market capitalizations generally in the range of market capitalizations in the MSCI ACWI ex USA SMID Cap Growth Index (Net), the Funds' primary benchmark, (the Index) at the time of purchase (between \$55.8 million and \$29.7 billion as of March 31, 2022). The market capitalization range and composition of companies in the Index are subject to change. As such, the size of the companies in which the Fund invests may change. We do not sell successful stocks solely because they have appreciated beyond an arbitrary capitalization limit.

Our domestic mid-cap fund, Wanger Select invests a majority of its net assets in the common stock of small- and mid-sized companies with market capitalizations generally in the range of market capitalizations in the Russell 2500 Growth Index, the Fund's benchmark, (the Index) at the time of purchase (between \$21.5 million and \$30 billion as of March 31, 2022). The market capitalization range and composition of companies in the Index are subject to change. As such, the size of the companies in which the Fund invests may change.

Our international mid-cap funds, Columbia Acorn International Select (a variable annuity fund), invest a majority of their net assets in the common stock of small- and mid-sized companies with market capitalizations generally in the range of market capitalizations in the MSCI ACWI ex USA Growth Index (Net), the Funds' primary benchmark, (the Index) at the time of purchase (between \$912.3 million and \$2.3trillion as of March 31, 2022). The market capitalization range and composition of companies in the Index are subject to change. As such, the size of the companies in which the Funds invest may change..

Columbia Acorn European Fund is our European small-cap fund, which invests primarily in common stock of small- and mid- sized companies with market capitalizations generally in the range of market capitalizations in the MSCI AC Europe Small Cap Index (Net), the Fund's benchmark, (the Index) at the time of purchase (between \$85.4 million and \$10.6 billion as of March 31, 2022). The market capitalization range and composition of companies in the Index are subject to change. As such, the size of the companies in which the Fund invests may change. As such, the size of the companies in which the Fund invests may change. The Fund determines a company's market capitalization at the time of investment. As long as a majority of its net assets are invested in companies within the Index, the Fund may continue to hold and make new investments in a security even if the company's market capitalization grows beyond the market capitalization of the largest company within the Index or falls below the market capitalization of the smallest company within the Index. The Investment Manager from time to time emphasizes one or more sectors in selecting the Fund's investments, including the industrials, information technology, and health care sectors.

The investment objectives, strategies and risks of the particular funds are set forth in each Fund's prospectus.

Our style is not easily defined, but most closely resembles GARP -- growth at a reasonable price. Our mission is to buy growing, undervalued companies, grow with them, and sell them when their growth slows or we believe they are fully valued. We are particularly interested in underfollowed stocks and niche companies. We like companies that benefit from long-term trends that we identify. We use dividend discount, private market value, and cash flow models to value stocks. We especially like companies with hidden values beyond reported EPS, such as unusually high free cash flow (due to goodwill, tax loss carryforwards, or other factors), masked earnings power (often caused by a startup or underperforming division offsetting a great core business), or hidden assets. We usually avoid companies in highly competitive or unpredictable industries, such as airlines, commodity semiconductors, and many natural resource areas.

Our best brokers filter their analysts' work and target us with only ideas that fit our style. They recognize that we are not interested in all of their firm's ideas, but that we will take major positions in stocks that fit.

Columbia Wanger invests client assets in certain small to medium capitalization companies, both U.S. and foreign, that it believes have growth potential, financial strength and fundamental value. Although Columbia Wanger invests its managed assets primarily in equity securities, it may also invest in other types of securities. At a client's request, substantially all of the client's portfolio may be invested in:

- U.S. securities (a "domestic portfolio"),
- non-U.S. securities (an "international portfolio"), or

- a portfolio including both U.S. and non-U.S. securities (a “global portfolio”).

Investments are generally long-term (at least three to five years); although an investment may be liquidated within a shorter period if Columbia Wanger deems it advisable. Columbia Wanger also considers any investment policies and restrictions to which a client is subject or which the client has established for Columbia Wanger. Columbia Wanger may invest certain discretionary client accounts in shares of one or more mutual funds advised by Columbia Wanger or its affiliates. Columbia Wanger generally will make such investments only to the extent specifically authorized by each client in its investment management agreement.

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 Columbia Management Investment Advisers 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®). 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.

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 may enter 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”) and Threadneedle Investments Singapore (Pte.) Limited (“TIS”), Threadneedle Investments Services Limited (“TISL”), Columbia Threadneedle Asset Management Limited (“CTML”), Columbia Threadneedle Fund Management Limited (“CTFML”), Columbia Threadneedle (EM) Investments Limited (“CTIL”), Pyrford International (“Pyrford”) 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 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, CTIL, 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 our U.S. Advisory Affiliates, including Columbia Management Investment Advisers, LLC (“CMIA”) 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.

FEES AND COMPENSATION

Columbia Wanger receives monthly or quarterly management fees from its institutional clients, based on the amount of value of the accounts under its management. Fees, however, may be subject to negotiation and variation, to take into account circumstances that Columbia Wanger may deem appropriate. A lower fee or a flat fee may be charged depending on the size and/or entirety of Columbia Wanger’s relationship with a particular client. Clients managed within the same investment strategy may be subject to varying fees. Lower fees for comparable services may be available from other sources. Clients may arrange to have their fees debited directly from their account held at the custodian for credit to Columbia Wanger, subject to applicable law and requirements. Columbia Wanger may enter into performance-based compensation arrangements with eligible clients, subject to compliance with applicable laws and regulations.

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.

Separate Account Fees

The following fee schedules apply to new separate accounts. Actual fees and minimums may differ from the amounts shown in these schedules. In addition, there are in effect historical fee arrangements that may differ from those applicable to new clients.

Separate Account – CWAM U.S. Small Cap Equity

0.95% on first \$25 million
 0.90% on next \$25 million
 0.85% on next \$50 million
 Negotiable over \$100 million
 Minimum account size \$ 25 million

Separate Account – CWAM U.S. SMID Cap Equity

0.80% on first \$25 million
 0.75% on next \$25 million
 0.70% on next \$50 million
 Negotiable over \$100 million
 Minimum account size \$25 million

Separate Account – CWAM International Small Cap Equity

1.00% on first \$25 million
 0.95% on next \$25 million
 0.90% on next \$50 million
 Negotiable over \$100 million
 Minimum account size \$25 million

Separate Account – CWAM International SMID Cap Equity

0.95% on first \$25 million
 0.90% on next \$25 million
 0.85% on next \$50 million
 Negotiable over \$100 million
 Minimum account size \$25 million

Separate Account – CWAM International Small Cap Equity and CWAM European Equity

1.00% on first \$25 million
 0.95% on next \$25 million
 0.90% on next \$50 million
 Negotiable over \$100 million
 Minimum account size \$25 million

In some cases (to meet a particular client need) and where authorized by the client, CWAM may invest all or a portion of a client's assets in one or more Funds managed by it or an affiliate. The management fees for such Funds are described in the Fund's prospectus or other offering document. Assets invested in a Fund managed by CWAM or an affiliate for which CWAM or an affiliate receives a fund-level advisory fee typically will bear no separate account level advisory fee. Certain expenses such as management and brokerage fees and custodian expenses are incurred by Funds in which CWAM may invest and are thus indirectly borne by the client in addition to any separate account advisory fee that CWAM may charge.

Mutual Fund Fees

Fund advisory fees are set forth in each fund's prospectus and statement of additional information. Fees for the Funds and other investment companies are negotiated on a case-by-case basis and are reviewed annually with the Boards of Directors/Trustees of the Funds ("Boards"). These fees may be higher or lower than the representative fee schedules shown above

Investment Company Fees

We serve in a sub-advisory capacity for registered U.S investment companies that are advised by third parties. Fees for such services are negotiated with the client and set forth in the fund's registration statement or other similar offering document.

These fees are established prior to the initiation of Columbia Wanger's services. In the case of clients that are investment companies registered under the Investment Company Act of 1940 (the "Act"), fees are subject to periodic review and approval by the funds' Board of Trustees in accordance with the requirements of that Act.

Administrative Services Fees

In connection with administrative services provided by Columbia Wanger to certain registered investment company clients, Columbia Wanger receives administrative service fees from such clients. The amount of the fees is described in the registration statement filed by the registered investment company to which Columbia Wanger provides the administrative services. Columbia Wanger, as well as its affiliates, CMIA, Columbia Management Investment Distributors, Inc. and Columbia Management Investment Services, Corp., may (i) pay certain financial services companies or broker dealers a specified percentage of the average net assets held in certain accounts or other compensation on a per account basis for accounting, account servicing and distribution services these entities provide for the products Columbia Wanger manages and (ii) pay or reimburse employee benefit plans for participant recordkeeping expenses.

Termination Policies

Typically, a client or Columbia Wanger may terminate advisory agreements on not more than 60 days' written notice, although this may vary depending on applicable law and client negotiation. If a client terminates the services of Columbia Wanger, Columbia Wanger will pro-rate fees paid in advance to the date of termination and will refund any unearned portion to a client.

Compensation for the Sale of Securities and Other Investment Products

CWAM employees who refer investment advisory business to us may be compensated through CWAM's incentive compensation plan. Representatives of our affiliates who refer investment advisory business may be compensated on the basis of a percentage of the management fees earned 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 mutual funds and private funds managed by affiliates. The compensation paid by our affiliates is based on a percentage of investment management fees in accordance with a commission schedule. Where employees of our affiliates are selling Funds and collective funds through our affiliated broker-dealer, compensation is paid to these individuals by that broker-dealer and the commission schedule may be different.

Our affiliates' client service personnel receive incentive compensation attributable to solicitation activities based on a percentage of management fees collected in the first three years following the sale.

Some of our affiliates' 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. Our affiliates do not charge commissions or mark ups to their clients.

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, 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 Columbia Management 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 Investment Manager. 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

Like other investment professionals with multiple clients, a Fund's portfolio manager(s) will face certain potential conflicts of interest in connection with managing both the Fund and other accounts at the same time. Columbia Wanger and the Funds have adopted compliance policies and procedures that attempt to address certain of the potential conflicts that portfolio managers face in this regard. Certain of these conflicts of interest are summarized below.

The management of accounts with different advisory fee rates and/or fee structures, including accounts that pay advisory fees based on account performance (performance fee accounts), if any, may raise potential conflicts of interest for a portfolio manager by creating an incentive to favor higher fee accounts. Potential conflicts of interest also may arise when a portfolio manager has personal investments in other accounts that may create an incentive to favor those accounts. As a general matter and subject to the Global Code of Ethics and certain limited exceptions, Columbia Wanger's investment professionals do not have the opportunity to invest in client accounts, other than the pooled investment vehicles.

A portfolio manager who is responsible for managing multiple funds and/or accounts may devote unequal time and attention to the management of those funds and/or accounts. The effects of this potential conflict may be more pronounced where funds and/or accounts managed by a particular portfolio manager have different investment strategies.

A portfolio manager may be able to influence the selection of the broker/dealers that are used to execute securities transactions for the funds. A portfolio manager's influence as to the selection of broker/dealers could produce disproportionate costs and benefits among the funds and the other accounts the portfolio manager manages.

A potential conflict of interest may arise when a portfolio manager buys or sells the same securities for a fund and other accounts. On occasions when a portfolio manager considers the purchase or sale of a security to be in the best interests of a fund as well as other accounts, Columbia Wanger trading desk will, to the extent consistent with applicable laws and regulations, aggregate the securities to be sold or bought in order to seek best execution. All

clients participating in the aggregated execution receive the same execution price and transaction costs are shared pro-rata. Aggregation of trades may create the potential for unfairness to a fund or another account if a portfolio manager favors one account over another in allocating the securities bought or sold.

Another potential conflict of interest may arise based on the different investment objectives and strategies of a fund and other accounts managed by its portfolio manager(s). Depending on another account's objectives and other factors, a portfolio manager may give advice to and make decisions for a fund that may differ from advice given, or the timing or nature of decisions made, with respect to another account. A portfolio manager's investment decisions are the product of many factors in addition to basic suitability for the particular account involved. Thus, a portfolio manager may buy or sell a particular security for certain accounts, and not for a fund, even though it could have been bought or sold for the fund at the same time. A portfolio manager also may buy a particular security for one or more accounts when one or more other accounts are selling the security (including short sales). There may be circumstances when a portfolio manager's purchases or sales of portfolio securities for one or more accounts may have an adverse effect on other accounts, including the Funds.

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. In addition, our client holdings may be limited in certain investments because Ameriprise Financial intends to become a financial holding company and accordingly may be subject to certain bank regulatory requirements which may in some cases apply to the investments for the Funds and accounts we and 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 these instances, we (and therefore our clients) may be limited or prevented from acquiring securities of an issuer that we may otherwise prefer to purchase. For example, many countries limit the amount of outstanding shares that an organization, including any of its affiliates also holding shares, may hold in a bank holding company with a locally domiciled bank. In this circumstance, we may be limited or prevented from purchasing additional shares of that issuer for our client accounts if the 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. 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.

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.

A fund's portfolio manager(s) also may have other potential conflicts of interest in managing the fund, and the description above is not a complete description of every conflict that could exist in managing the fund and other accounts. Many of the potential conflicts of interest to which Columbia Wanger's portfolio managers are subject are essentially the same as or similar to the potential conflicts of interest related to the investment management activities of Columbia Wanger and its affiliates.

TYPES OF CLIENTS

We may 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 and other types of institutional 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;
- Mutual Funds, including Columbia Funds, registered with the U.S. Securities and Exchange Commission branded as “Columbia,” and “Columbia Seligman”;
- Mutual Funds that are used as funding vehicles by separate accounts for variable annuity contracts and/or variable life insurance policies issued by our insurance company affiliates and third party, unaffiliated insurance companies;
- various private, pooled investment vehicles organized as limited partnerships, limited liability corporations, foreign (non-U.S.) entities or other legal form (“Private Funds”);

Conditions for Managing Accounts

In general, Columbia Wanger does not accept accounts, or groups or related accounts, which have initial asset values of less than \$25,000,000. Columbia Wanger may set a higher or lower minimum account size, depending on circumstances it believes relevant, such as historic relationships with officers, expectation of additions to the account in the future and other circumstances.

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.

We reserve the right to decline any account in our sole discretion. We reserve the right to resign as investment adviser to any account, 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 basic 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. 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.

Methods of Analysis

The primary methods of analysis and the material risks involved for the standard investment strategies that we offer to our Private Funds are described in the offering materials relating to the product.

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 below.

Risk 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 of which are material, and other 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 separate account strategies as listed in the chart below 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 therefore, the value of its securities may 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.

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, 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 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 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.

Separate Account Strategy or Fund Name	Primary Methods of Analysis	Material Risks
Columbia Acorn	<p>Focuses on small and mid-sized companies with market capitalizations generally in the range of market capitalizations in the Russell 2500 Growth Index, the Fund's benchmark, at the time of purchase (between \$21.5 million and \$30 billion as of March 31, 2022).</p> <ul style="list-style-type: none"> •Uses quantitative and fundamental research as well as the management team's perspectives for stock selection 	<p>Active Management Risk Small- and Mid-Cap Company Securities Risk Foreign Securities Risk Liquidity and Trading Volume Risk Emerging Market Securities Risk Growth Securities Risk</p>
Columbia Acorn International	<p>Focuses on small and mid-sized companies with market capitalizations generally in the range of market capitalizations in the MSCI ACWI ex USA SMID Cap Growth Index (Net), the Fund's primary benchmark, at the time of purchase (between \$55.8 million and \$29.7 billion as of March 31, 2022)</p> <ul style="list-style-type: none"> •The Fund invests at least 75% of its net assets in foreign companies in developed markets and emerging markets •Uses quantitative and fundamental research as well as the management team's perspectives for stock selection 	<p>Active Management Risk Small-and Mid-Cap Company Securities Risk Sector Risk Foreign Securities Risk Emerging Market Securities Risk Liquidity and Trading Volume Risk Foreign Currency Risk Growth Securities Risk Geographic Focus Risk</p>
Columbia Acorn International Select	<ul style="list-style-type: none"> •The Fund invests at least 65% of its net assets in foreign companies in developed markets and up to 35% of its total assets in emerging markets <p>Invests a majority of its net assets in the common stock of small- and mid-sized companies with market capitalizations generally in the range of market capitalizations in the MSCI ACWI ex USA Growth Index (Net), the Fund's primary benchmark, at the time of purchase (between \$912.3 million and \$2.3 trillion as of March 31, 2022).</p> <ul style="list-style-type: none"> •Uses quantitative and fundamental research as well as the management team's perspectives for stock selection 	<p>Active Management Risk Select Portfolio Risk Sector Risk Liquidity and Trading Volume Risk Foreign Securities Risk Emerging Market Securities Risk Small- and Mid-Cap Securities Risk Foreign Currency Risk Growth Securities Risk Geographic Focus Risk Large Cap Company Securities Risk</p>
Columbia Acorn USA (Fund to be merged into Columbia Acorn effective May 1, 2023)	<ul style="list-style-type: none"> •Focuses on small and mid-sized companies with market capitalizations under \$5 billion at the time of investment. •Uses quantitative and fundamental research as well as the management team's perspectives for stock selection 	<p>Active Management Risk Small- and Mid-Cap Company Securities Risk Growth Securities Risk Sector Risk Foreign Currency Risk Foreign Securities Risk Depositary Receipt Risk Liquidity and Trading Volume Risk</p>
Columbia Thermostat	<ul style="list-style-type: none"> •Invests in other mutual funds and allocates at least 95% of its net assets among a selected group of stock and bond mutual funds according to the current level of Standard & 	<p>Allocation Risk Allocation Risk Fund-of-Funds Risk Active Management Risk</p>

Separate Account Strategy or Fund Name	Primary Methods of Analysis	Material Risks
	<p>Poor's (S&P) 500® Index</p> <ul style="list-style-type: none"> •Uses quantitative and fundamental research as well as the management team's perspectives for stock selection 	<p>Interest Rate Risk Credit Risk Preferred Stock Risk High-Yield Investment Risk Value Securities Risk Growth Securities Risk Sector Risk Foreign Securities Risk Emerging Market Securities Risk Foreign Currency Risk Derivatives Risk U.S. Government Obligations Risk Mortgage and Other Asset-Backed Securities Risk Stripped Securities Risk Prepayment and Extension Risk Reinvestment Risk Liquidity and Trading Volume Risk Changing Distribution Level Risk Exchange-Traded Fund Risk LIBOR Replacement Risk Index Fund Risk Depositary Receipts Risk Geographic Focus Risk Real Estate Related Investment Risk Qualitative Model Risk Rule 144A and Other Exempted Securities Risk Derivatives Risk – Swaps Risk Counterparty Risk Liquidity Risk Derivatives Risk – Forward Contracts Risk Derivatives Risk – Options Risk Derivatives Risk – Swaptions Risk Focused Portfolio Risk Frequent Trading Risk Leverage Risk Sovereign Debt Risk Stripped Mortgage-Backed Securities Risk Passive Investment Risk Index Methodology Risk Index Fund Risk</p>

Separate Account Strategy or Fund Name	Primary Methods of Analysis	Material Risks
		Correlation/Tracking Error Risk Secondary Market Trading Risk Market Price Relative to NAV Risk Authorized Participant Concentration Risk Fund Shares Liquidity Risk Early/Late Close/Trading Halt Risk Concentration Risk
Columbia Acorn European	Fund invests a majority of its net assets in the common stock of small-and mid-sized companies with the market capitalizations in the MSCI AC Europe Small Cap Index (Net), the Fund's benchmark, (the Index) at the time of purchase (between \$85.4 million and \$10.6 billion as of March 31, 2022). •The Fund invests at least 80% of its net assets in companies located in European companies. •Uses quantitative and fundamental research as well as the management team's perspectives for stock selection	Active Management Risk Liquidity and Trading Volume Risk Foreign Securities Risk Geographic Focus Risk Emerging Market Securities Risk Small- and Mid-Cap Securities Risk Foreign Currency Risk Sector Risk Growth Securities Risk
Wanger Acorn	Focuses on small and mid-sized companies with market capitalizations generally in the range of market capitalizations in the Russell 2500 Growth Index, the Fund's benchmark, (the Index) at the time of purchase (between \$21.5 million and \$30 billion as of March 31, 2022). •Uses quantitative and fundamental research as well as the management team's perspectives for stock selection	Active Management Risk Small- and Mid-Cap Company Securities Risk Growth Securities Risk Sector Risk Liquidity and Trading Volume Risk Foreign Securities Risk Foreign Trading Risk Emerging Market Securities Risk
Wanger Select	•Invests a majority of its net assets in the common stock of small- and mid-sized companies with market capitalizations generally in the range of market capitalizations in the Russell 2500 Growth Index, the Fund's benchmark, (the Index) at the time of purchase (between \$21.5 million and \$30 billion as of March 31, 2022).Uses quantitative and fundamental research as well as the management team's perspectives	Active Management Risk Small- and Mid-Cap Securities Risk Select Portfolio Risk-Sector Risk Foreign Securities Risk Frequent Trading Risk Liquidity and Trading Volume Risk Emerging Market Securities Risk Foreign Currency Risk Growth Securities Risk
Wanger International (Fund to be merged into Wanger Acorn Effective	Focuses on small and mid-sized companies with market capitalizations generally in the range of market capitalizations in the MSCI ACWI ex	Active Management Risk Small- and Mid-Cap Company Securities Risk

Separate Account Strategy or Fund Name	Primary Methods of Analysis	Material Risks
May 1, 2023)	<p>USA Small Cap Growth Index (Net), the Fund's primary benchmark, (the Index) at the time of purchase (between \$55.5 million and \$10.6 billion as of March 31, 2022).</p> <ul style="list-style-type: none"> •The Fund invests at least 65% of its total assets in foreign companies in developed markets and emerging markets •Uses quantitative and fundamental research as well as the management team's perspectives for stock selection 	<p>Emerging Market Securities Risk</p> <p>Liquidity and Trading Volume Risk</p> <p>Sector Risk</p> <p>Foreign Currency Risk</p> <p>Geographic Focus Risk</p> <p>Foreign Securities Risk</p> <p>Growth Securities Risk</p>

DISCIPLINARY INFORMATION

Ameriprise Financial, Inc. and certain of its affiliates, including us, have been involved in other 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 of 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 affiliates, is 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.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Columbia Wanger is not a registered broker-dealer however some of our directors and principal executive officers ("Directors and Officers") hold one or more securities licenses with the Financial Industry Regulatory Authority (FINRA) though our affiliated broker-dealer, Columbia Management Investment Distributors. Neither Columbia Wanger nor any of its Directors and Officers are registered or have an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading adviser or an associated person of the foregoing entities. More information about our Directors and Officers can be found in the Part 1A of our Form ADV.

Columbia Wanger, the adviser to the Columbia Acorn Trust and Wanger Advisors Trust, has determined that it is not required to register as a Commodity Pool Operator under the amendments to Rule 4.5 adopted by the Commodity Futures Trading Commission. We currently anticipate that each of the funds in the Columbia Acorn Trust and Wanger Advisors Trust will continue to be eligible for the Rule 4.5 exemption.

The following are the educational and business backgrounds of the Directors and principal executive officers of Columbia Wanger:

Michael G. Clarke, Senior Vice President, and Head of Global 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. Mr. Clarke assumed his

current role in 2022, 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.

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 Growth strategy, Columbia Global Equity Value strategy and Columbia Global Strategic Equity 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.

Dan Beckman, Vice- President – Head of North America Product, for Columbia Management Investment Advisers, LLC (CMIA) since 2015. In this role, he leads a team of professionals to drive product strategy, development and management, with the goal of ensuring that the current and future needs of CMIA's customer base are met across the institutional and intermediary channels. Mr. Beckman has served as the President of the Columbia Funds since 2021, and as an officer of the Columbia Funds and affiliated funds since 2020. He has served as a director of Columbia Management Investment Distributors, Inc. since November 2018 and as Co-President and board member of Columbia Wanger Asset Management, LLC, since January 2022. Mr. Beckman received a B.A., magna cum laude from Hobart College and an MBA from Northeastern University. In addition, he holds the Chartered Financial Analyst® designation.

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.

Joseph C. LaPalm, is the Chief Compliance Officer of Columbia Wanger and also serves as a Vice President of Ameriprise Financial. Before joining Columbia Wanger in 2005, Mr. LaPalm was a compliance officer with William Blair & Company, beginning in 2000. Mr. LaPalm received his B.S. degree in Economics and Political Science from Florida State University in 1993.

Stephen J. Harasimowicz , Senior Vice President and Global Head of Trading. In addition to his role as the Global Head of Trading, Mr. Harasimowicz is also a member of the Investment Oversight, Valuation and Trading Committees and Chairman of the Complex Securities Committee. He joined one of the Columbia Threadneedle Investments legacy firms in 1994 as the Head of Fixed Income Trading. Previously, Mr. Harasimowicz was a director of fixed-income proprietary trading at CDC Capital in New York. Before that, he was employed in the institutional trading departments at Chase Manhattan Bank, Kidder Peabody and E.F. Hutton. He has been a member of the investment community since 1982. Mr. Harasimowicz received a B.A. in economics from Middlebury College and an M.B.A. from the New York University Stern School of Business.

Stephen Kusmierczak, is Vice President of Columbia Wanger and Head of Columbia Wanger International Equities. Mr. Kusmierczak received his B.A. from Bowdoin College in 1989 and his M.P.A. from Princeton University, Woodrow Wilson School of Public and International Affairs in 1998. Mr. Kusmierczak is also a Certified Financial Analyst.

Multiple Roles Played by Certain Directors and Officers

Some of our Directors and Officers and employees are also directors, officers or employees of our ultimate 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's or Officer's time. We believe these potential conflicts are mitigated because our employees and those of our affiliates 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 support 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 support services are provided by a wholly owned subsidiary of Ameriprise Financial based in India. Threadneedle, an organization more fully described below, assists us in meeting various international regulatory requirements and collaborates with us in providing certain asset management services. 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."

As described below, many of our affiliates engage in activities that are material to our advisory business or to our clients. We may utilize, suggest or recommend the services of these affiliated entities.

Our policies and procedures require these Management Persons and employees put our clients' interests first, but they may have an incentive to make recommendations, or take actions, that benefit the affiliated entity or put the affiliated entity's interests ahead of our own.

Broker-Dealers

Columbia Management Investment Distributors, an SEC-registered broker-dealer, serves as the principal underwriter and distributor of the Funds and serves as a placement agent or distributor of Private Funds managed by us. Our sales personnel are registered representatives of Columbia Management Investment Distributors and may present investment opportunities in the Funds and Private Funds managed by us to our current and prospective clients and receive compensation to do so. Columbia Management Investment Distributors also serves as the distributor of the investment companies offered and sold to insurance companies as part of the Columbia Funds Variable Insurance Trust, the Columbia Funds Variable Insurance Trust I and the Columbia Funds Variable Series Trust II (the "Variable Series Trust funds") and the Wanger Advisors Trust funds. Columbia Management Investment Distributors is also a member of the Municipal Securities Rulemaking Board and serves as the program manager for 529 Plans.

We are also affiliated with Ameriprise Financial Services, LLC ("Ameriprise Financial Services"), an SEC-registered broker-dealer and investment adviser that is a wholly owned subsidiary of Ameriprise Financial. Ameriprise Financial Services and other third-party broker dealers distribute the shares of the Mutual Funds we or an affiliate manage and may also offer and sell shares of any registered Closed-End Funds that we or an affiliate develop or currently manage.

Investment Companies and Other Pooled Investment Vehicles

We are affiliated with investment companies managed by us or our Advisory Affiliates, including the Funds, certain Private Funds and sub-advised funds. Ameriprise Financial provides administrative and accounting services for the Funds. To the extent employees of Ameriprise Financial or Advisory Affiliates gain 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

Columbia Wanger, a Delaware limited liability company based in Chicago, Illinois, is wholly owned by Columbia Management Investment Advisers, LLC, a Minnesota limited liability company. CMIA is a wholly owned subsidiary of Ameriprise Financial, Inc.

Our ultimate parent company, Ameriprise Financial, indirectly owns certain of our advisory affiliates, including Columbia Cent CLO Advisers, LLC (“CCCA”), an SEC-registered investment adviser that serves as collateral manager to CLOs; Threadneedle International Limited (“TINTL”), a Financial Conduct Authority (“FCA”) and SEC SEC-registered adviser; Threadneedle Asset Management Limited (“TAML”), an FCA-registered adviser; TMLSA, an investment management company regulated by the Commission de Surveillance du Secteur Financier in Grand Duchy of Luxembourg; and Threadneedle Investments Singapore (Pte) Ltd. (“TIS”), a capital markets services licensee regulated by the Monetary Authority of Singapore. 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, CTIL 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.

Our affiliate, 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, also 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 Mutual Funds or other products managed by us. Ameriprise Financial Services, an affiliate that is not involved in our asset management business, may provide pension consulting services from time to time.

Banking or Thrift Institutions

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, variable life, and disability insurance and fixed and variable annuities.

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.

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 counsel and help ensure compliance with some of these policies and procedures. Some of the key committees (or subcommittees) supporting our compliance program efforts include those committees (or subcommittees) responsible for investment oversight, proxy voting, Code of Ethics oversight, valuation, trading 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. The Code addresses the "Global Policy-Inside Information" which prohibits the misuse of material non-public information by us and our associated persons. 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 nonpublic information, or (c) disclose that information to others (except legal and compliance personnel who assist in administering the Inside Information 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 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, Columbia Management Investment Distributors, may offer qualified clients the opportunity to invest in a Mutual Fund managed by us. This creates a potential conflict we mitigate for 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 then it will be done in accordance with applicable legal requirements.

Our employees are investors in the Mutual Funds 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.

BROKERAGE PRACTICES

Choosing a Broker

Subject to any client direction to utilize a particular broker or dealer, or a broker or dealer meeting specified criteria, for execution of transactions in that client's account, Columbia Wanger's overriding objective in effecting portfolio transactions is to seek to obtain the best combination of net price and execution. The best net price, giving effect to brokerage commission, if any, and other transaction costs, is normally an important factor in this decision, but a number of other judgmental factors may also enter into the decision. These factors include:

- negotiated commission rates currently available and other current transaction costs;
- the nature and liquidity of the security being traded; the size of the transaction, the desired time of the trade, the marketplace at the time of execution;

- evaluation of competing markets, including exchanges, over-the-counter markets, electronic communications networks or other alternative trading facilities;
- the activity existing and expected in the market for a particular security;
- confidentiality;
- the execution, clearance and settlement capabilities of the broker or dealer selected and others which are considered;
- the financial stability of the broker or dealer selected and such other brokers or dealers or any operational problems that the broker or dealer may have;
- the broker's or dealer's responsiveness to Columbia Wanger; and
- actual or apparent operational problems of any broker or dealer.

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 light of these factors, Columbia Wanger's clients may pay a brokerage commission in excess of that which another broker might have charged for effecting the same transaction.

Columbia Wanger's Trade Market Oversight Committee ("TMOC") assists in evaluating executing brokers and dealers. The TMOC also assists in reviewing reports generated by various vendors approved by TMOC, which analyzes trading costs and provides analysis on best execution.

Client Directed Brokerage Arrangements

As noted above, clients may direct Columbia Wanger (subject to certain conditions that Columbia Wanger may impose from time to time) to effect portfolio transactions through particular brokers or dealers, or brokers or dealers meeting stated criteria. Such a direction to utilize a particular broker or dealer may be conditioned by the client on the broker or dealer being competitive as to price and execution of each transaction, or may be subject to varying degrees of "restriction", i.e., an instruction to utilize the broker or dealer whether or not competitive, or at specified levels of commissions or commission discounts which are less favorable than might otherwise be attained by Columbia Wanger. Columbia Wanger is not obligated to negotiate lowest commission rates from such brokers or dealers on behalf of such clients. 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.

Clients sometimes wish to restrict brokerage to a particular broker or dealer in recognition of custodial or other services provided to the client by the broker dealer. A client who chooses to designate use of a particular broker dealer on a "restricted" basis, including a client who designates use of a broker or dealer as custodian of the client's assets, should consider whether such a designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions on some transactions than might otherwise be attainable by Columbia Wanger, or may receive less favorable execution of some transactions, or both.

A client who "restricts" brokerage may also be subject to the disadvantages discussed below regarding aggregation of orders. In determining whether to instruct Columbia Wanger to utilize a particular broker or dealer on a "restricted" basis in recognition of such services, the client may wish to compare the possible costs or disadvantages of such an arrangement with the value of the custodian or other services provided. While Columbia Wanger will attempt to obtain "best execution" for such trades, in circumstances where the client directs brokerage, best execution may be affected by the factors described above.

Monitoring Commissions

Evaluations of the reasonableness of brokerage commission, based on the foregoing factors, are made on an on-going basis by Columbia Wanger's trading staff while effecting portfolio transactions. Columbia Wanger may to the extent permitted by applicable law, make trades with or through a registered broker-dealer affiliated with it. Such trades will only be affected consistent with Columbia Wanger's obligation to seek best execution for its clients.

It is Columbia Wanger's practice, when feasible, to aggregate for execution as a single transaction orders for the purchase or sale of a particular security, with the same terms and conditions, for the accounts of several clients in order to seek a lower commission or more advantageous net price. All clients participating in the aggregated execution receive the same execution price and transaction costs are shared pro-rata, whenever possible.

However, in the case of a client who has restricted Columbia Wanger to a particular broker or dealer with respect to transactions for that client's account, and has specified particular commission rates for such transactions, such client's accounts generally will be unable to participate in aggregated orders and, where such client's account does not participate in an aggregated order executed with the client's designated broker, the client's specification of a particular commission will preclude that client from receiving the benefit, if any, of a lower commission resulting from the aggregation, and the accounts of other clients participating in the aggregated offer may receive a correspondingly greater benefit.

Additionally, clients that have restricted brokerage to particular brokers will ordinarily have their orders executed after accounts of those clients that do not have such restrictions. It is Columbia Wanger's policy to execute the aggregated orders before directed orders for the same stock.

Where a client restricts Columbia Wanger to a particular broker or dealer with respect to transactions for that client's account, the client may be disadvantaged in obtaining allocations of new issues of securities which Columbia Wanger purchases or recommends for purchase in other client accounts. It is Columbia Wanger's policy that such "restricted" accounts not participate in allocations of new issues of equity or convertible securities obtained through brokers and dealers other than that designated by the client. See the description below with respect to Initial Public Offerings.

Trading

We operate several trading desks in different geographic locations in the United States. These US trading desks support different portfolio management teams managing a variety of accounts and products. Nevertheless, the US equity desks are functionally and operationally integrated so as to operate as one virtual desk. 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.

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.

Allocation of Aggregated Trades

Generally, the portfolio manager or analyst duly delegated by the portfolio manager, allocates the order prior to placing the trade order, according to client objectives and portfolio holdings, except for initial public offerings which, depending on the offering size, are either allocated to suitable accounts in proportion to commission dollars paid in the previous quarter or rotated between suitable accounts. See also the description below with respect to Initial Public Offerings. When the order is placed, the allocation of the execution will normally be on a pro-rata basis, relative to the size of the total outstanding order. Specifically, each account's allocation will be determined by applying its percentage of the total outstanding order to the actual execution received. All clients participating receive the same execution price, which price may be an averaged execution price. Where possible, allocations will be in round lots and in size. However, cash balances, account liquidations, minimum position size, small lot orders, and the need to raise cash for a particular account may result in exceptions to the normal allocation procedure.

FX Trading

Depending on the directions from the client, foreign currency (FX) transactions are affected either through our selection of brokers for trading execution or through the client's custodian. Where hawse have been given authority to place FX trades, the client's portfolio will be set 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. 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. Please refer to the description under "Client Commission Arrangements, 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 equity income trading desk, 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.

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. Aggregation also may not be possible with respect to an account that is not permitted to use soft dollars. See "Client Commission Arrangements, 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.

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 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.

Initial Public Offerings

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 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.

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.

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. 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.

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.

Equity research budgets and reserves are established and approved by senior leaders from Portfolio Management, Research, and Trading. 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 managing 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.
- 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 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.

Pricing Policy

Certain responsibilities and procedures related to pricing client securities have been delegated to Columbia Wanger's ultimate parent, Ameriprise Financial.

Columbia Wanger may provide guidance according to procedures approved by the Columbia Acorn Trust and Wanger Advisors Trust.

For the Columbia Acorn Trust funds and the Wanger Advisors Trust funds, Ameriprise Financial acts as Columbia Wanger's pricing agent. Ameriprise Financial has primary responsibility to furnish prices for securities held by such funds, subject to comparison by Columbia Wanger. Ice Data Services serves as an independent pricing vendor and provides to Ameriprise Financial fair values for certain foreign securities. Columbia Wanger also may utilize additional sources to compare pricing information. Columbia Wanger generally has no responsibility with respect to pricing securities held by the separate accounts or those clients for whom Columbia Wanger acts as sub-advisor. Such clients' respective custodians have primary responsibility for pricing of securities held by such clients.

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. 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 to the client's account, we allow the client to keep the benefit, unless the gain offsets a loss in connection with a single transaction or occurrence or a series of related transactions, in which case any such gains and losses are netted. Such netting may result in lowering the amount, if any, we must reimburse the client account.

Use of Affiliated Brokers and 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 from time to time 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.

Valuation Committees

Valuation Committees may be established in order to determine valuations for securities for which reliable market quotations are unavailable, or when Columbia Wanger believes that available market quotations are unreliable. In such instances, a Valuation Committee determines a fair value for the security.

Columbia Wanger may determine to establish additional Valuation Committees to determine whether to fair value a security held by a sub-advised or a separate account. The recommendations are only information for each client's own valuation committees to use in making their own valuation determination. Such additional Valuation Committees' membership will be drawn solely from Columbia Wanger personnel.

In certain instances, a security to be valued may be held by more than one client. A valuation of a security generally will be uniform across all client portfolios, unless there are reasons to maintain different valuations, such as differing valuation determinations by separate Valuation Committees of clients including registered investment company clients. Columbia Wanger personnel may inform one Valuation Committee of a valuation made by another Valuation Committee. However, the final valuation determination will be made by each Valuation Committee independently.

REVIEW OF ACCOUNTS

Reviewers and Reviews of Accounts

Each account managed by Columbia Wanger is assigned to a specific portfolio manager. The portfolio manager is responsible for becoming familiar with the client's investment objectives, policies and investment restrictions. The portfolio manager is then responsible for monitoring the client's accounts. The portfolio manager may be assisted by other managers or analysts, depending on the size, complexity and investment strategy of the account. In addition, CMIA may provide input for inspection by the portfolio managers when completing their reviews. Except for Columbia Wanger's president, who has overall responsibility for all accounts, no portfolio manager is responsible for reviewing more than ten accounts.

At least monthly, the compliance department (i) reviews the account through an examination of a detailed holdings report, (ii) analyzes the account for compliance with client investment objectives, investment policies and restrictions, and (iii) considers the industry and, where applicable, the country weighting and position sizes. At least quarterly, the portfolio manager expands the monthly review to include a review of the account's investment performance and, if applicable, compares the performance against established benchmarks and other accounts with similar investment objectives and restrictions. Columbia Wanger, or each account's respective custodian, sends monthly account statements to all clients.

Nature and Frequency of Regular Reports to Clients

Columbia Wanger provides its clients with regular reports as requested by the client and/or as agreed upon in the investment advisory agreement between the client and Columbia Wanger. Generally, Columbia Wanger or the client's custodian bank will provide the client with reports that summarize their account activities. If Columbia Wanger provides a summary, the report may also provide a summary cover sheet listing the performance data for each security, the quantity of each security owned, the market value of the securities, and the percentage holding of the portfolio. Columbia Wanger may provide more frequent reports or reports containing additional information to the extent reasonably requested by the client.

Investment Companies

Columbia Wanger responds to clients that are registered investment companies at regularly scheduled meetings of the trustees/directors of those entities. The trustees/directors typically meet at least quarterly. Columbia Wanger reports information in the form and scope requested by the trustees/directors or their counsel.

CLIENT REFERRALS AND OTHER COMPENSATION

Compensation for Client Referrals and Promoter Arrangements

Columbia Wanger may from time to time compensate, either directly or indirectly, persons, including employees of Ameriprise Financial/or its affiliates, or third-parties for promoting the services of, or referring or soliciting clients for Columbia Wanger or for investment in an investment company or other entity to which Columbia Wanger provides management or investment services. In some cases these persons may be compensated on the amount of assets invested. If Columbia Wanger pays fees to persons for promoting, referring or soliciting clients to its firm, it will not then charge those clients any additional fees to compensate for its payments to persons unless fully disclosed to the client as required by law. Columbia Wanger charges clients only those fees in accordance with the investment management agreement between the client and Columbia Wanger. Any payment of compensation for promotional arrangements/referrals shall comply with all applicable federal and state laws.

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. 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 cash solicitation arrangements described above.

Other Compensation

We receive fees from third-party sponsors of certain managed account or asset allocation programs for services rendered. To the extent that the program sponsor is not considered our client, we would technically be receiving cash from a non-client (the program sponsor) in connection with giving advice indirectly to managed account or asset allocation program clients.

Our equity investment teams rely on one or more designated traders to support the trading function associated with the accounts they manage. A portion of the bonus pool for our equity trading personnel is based on the performance of the investment management teams and accounts they support. Our trading procedures dealing with aggregation and allocation of orders are designed to address conflicts of interest this compensation system may present (e.g., a trader's incentive to favor an account a trader supports over an account a trader does not support in order to increase the bonus pool).

CUSTODY

Columbia Wanger does not have custody as defined in Rule 206(4)-2 of the Investment Advisers Act of 1940 of client funds or securities.

INVESTMENT DISCRETION

Investment and Brokerage Discretion

Clients may retain Columbia Wanger on either a discretionary or non-discretionary basis.

Investment Discretion

With investment discretion, Columbia Wanger will normally have authority to supervise and direct the investments of and for the client's account without prior consultation with the client and will normally determine which securities are bought and sold for the account, the total amount of such purchases and sales, the brokers or dealers through which transactions will be executed, and the commission rates paid to effect the transactions. Columbia Wanger's authority may be subject to conditions imposed by the client, e.g., where the client restricts or

prohibits transactions on certain types of securities or directs that transactions be effected through specific brokers or dealers.

Non-Investment Discretion

When a client does not grant investment discretion, Columbia Wanger recommends to the client which securities to buy or sell and the amounts to buy or sell. Upon approval of recommended transactions, the client may request that Columbia Wanger direct the execution of purchase or sale orders to implement the recommendations. Columbia Wanger may then have the authority to determine the brokers or dealers through which the transactions will be executed and the commission rates paid to effect the transactions. As described above with respect to discretionary accounts, the client may direct that transactions be effected through specific brokers or dealers.

Notwithstanding the above, for all accounts which Columbia Wanger currently manages, it has investment discretion.

VOTING CLIENT SECURITIES

Proxy Voting

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 voting stances on matters 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, social and governance practices, and certain other matters. We regularly review and may amend the proxy voting principles 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 may 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 to 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 reasonable control (e.g., delays or incomplete information from intermediaries such as custodians and proxy agents), 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, Columbia Wanger and its 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 Columbia Wanger can hold for clients. As a result, in limited circumstances in order to comply with such limits and/or internal policies designed to comply with such regulatory or compliance limits, Columbia Wanger 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 operation of Columbia Wanger's proxy voting policy and procedures is overseen by a Proxy Policy Committee ("Proxy Committee"), the membership of which includes senior investment personnel and senior non-investment personnel of Columbia Wanger. The Proxy Committee has the responsibility to review, at least annually, Columbia Wanger's proxy voting policies and proxy voting principles. The Proxy Committee may adopt different proxy voting guidelines for different clients, based on the specific goals (investment or other) of such accounts.

Columbia Wanger has engaged its affiliate Columbia Management Investment Advisers, LLC ("Columbia Management") to administer the proxy voting policy and implement the proxy voting principles for Columbia Wanger. Columbia Wanger and Columbia Management rely on the services of a designated third party service provider for proxy voting administration. 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 material conflicts of interest as well as the conflicts of interest identified by the third-party service providers.

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 material 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. Portfolio managers and Proxy Committee members with a personal conflict of interest that may be material regarding any particular proxy vote must recuse themselves from any discussion or decision with respect to that proxy. In the event that a portfolio manager of a client account has a conflict of interest, then the Proxy Committee shall be responsible for determining how to vote on such proposal. 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.

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 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 nonpublic 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 or with respect to any natural person 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 nonpublic personal information, please call your Client Relationship Manager or see [Privacy & Security | Columbia Threadneedle Investments US](#) (columbiathreadneedleus.com) for more information.

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, there is a risk a fund could underperform its benchmark index and/or other portfolios with a similar investment objectives and/or strategy.

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. Although a portfolio will pursue its objective by allocating investment risks across asset classes that may react differently to various market states, there is no guarantee that it will be successful. The portfolio manager may not correctly estimate expected returns, volatility and correlations of various asset classes, causing a portfolio's risk allocation methodology to fail to meet the portfolio's investment objective.

Alternative Strategies Investment Risk.

An investment in alternative investment strategies (Alternative Strategies), whether through direct investment or through a Portfolio Fund or other underlying fund, involves risks, which may be significant. Alternative Strategies may include strategies, instruments or other assets, such as derivatives, that seek investment returns uncorrelated with the broad equity and fixed income/debt markets, as well as those providing exposure to other markets (such as commodity markets), including but not limited to absolute (positive) return strategies. Alternative Strategies may fail to achieve their desired performance, market or other exposure, or their returns (or lack thereof) may be more correlated with the broad equity and/or fixed income/debt markets than was anticipated, and a Fund may lose money.

To the extent that a Portfolio Fund or other underlying fund is charged a performance (or incentive) fee (which would indirectly be borne by a Fund's shareholders), such fees may create incentives for the Portfolio Fund's or other underlying fund's manager to make investments that are riskier or more speculative than in the absence of these fees. Because these fees are often based on both realized and unrealized appreciation, the fee may be greater than if it were based only on realized gains. In addition, a Portfolio Fund's or other underlying fund's manager may receive compensation for relative performance of the Portfolio Fund or other underlying fund even if the Portfolio Fund's or other underlying fund's overall returns are negative.

Asset-Backed Securities Risk.

The value of a Fund's asset-backed securities may be affected by, among other things, changes in interest rates, factors concerning the interests in and structure of the issuer or the originator of the receivables, 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. Asset-backed securities represent interests in, or are backed by, pools of receivables such as credit card, auto, student and home equity loans. They may also be backed by securities backed by these types of loans and others, such as mortgage loans. Asset-backed securities can have a fixed or an adjustable rate. Most asset-backed securities are subject to liquidity risk (the risk that it may not be possible for the Fund to liquidate the instrument at an advantageous time or price), and prepayment risk (the risk that the Fund will have to reinvest the money received in securities that have lower yields). In addition, the impact of prepayments on the value of asset-backed securities may be difficult to predict and may result in greater volatility. Rising or high interest rates tend to extend the duration of asset-backed securities, resulting in valuations that are volatile and sensitive to changes in interest rates.

Authorized Participant Concentration Risk.

Only an Authorized Participant may engage in creation or redemption transactions directly with Portfolio Funds that are ETFs. An “Authorized Participant” is a participant of the Continuous Net Settlement System of the NSCC or the DTC that has executed a Participant Agreement with the Distributor, and accepted by the Transfer Agent. Authorized Participants may purchase creation units of ETF shares, and sell individual ETF shares on the NYSE Arca, Inc. (the Exchange). ETF Portfolio Funds have a limited number of institutions that may act as Authorized Participants, none of which are or will be obligated to engage in creation or redemption transactions. To the extent that these institutions exit the business or are unable or unwilling to proceed with creation and/or redemption orders with respect to the ETF Portfolio Fund and no other Authorized Participant is able or willing to step forward to create or redeem creation units, ETF Portfolio Fund shares may trade at a discount to NAV and possibly face trading halts and/or delisting from the Exchange. This risk is heightened in times of market stress, including at both the ETF Portfolio Fund share level and at the ETF Portfolio Fund holdings level.

Changing Distribution Levels Risk.

Each Fund will normally receive income which may include interest, dividends and/or capital gains, depending upon its investments. The distribution amounts paid by the Fund pays will vary and generally depend on the amount of income the Fund earns (less expenses) its portfolio holdings, and capital gains or losses it recognizes. A decline in the Fund’s income or net capital gains arising from its investments may reduce its distribution level.

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 the Fund or by a special purpose or structured vehicle invested in by the Fund may become insolvent or otherwise fail to perform its obligations. As a result, the Fund 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 loans or other debt instruments may decline if the issuer of the instrument 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 the 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 loans or instruments held by the Fund 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 instruments, or if the ratings of such loans or instruments held by the Fund are lowered after purchase, the Fund will depend on analysis of credit risk more heavily than usual.

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 the Fund. A potential conflict of interest exists to the extent that the Fund invests in ADRs for which the Fund's custodian serves as depository bank.

Derivatives Risk.

Derivatives may involve significant risks. Derivatives are financial contracts, traded on an exchange or in the over-the-counter (OTC) markets, with a value related to, or derived from, the value of an underlying asset(s) (such as a security, commodity or currency) or other reference point, such as an index, rate or other economic indicator (each an underlying reference). Derivatives that the Fund enters into may be standardized as to their terms or, alternately, privately negotiated between the Fund and a counterparty. Derivatives that constitute securities under federal laws may be privately placed or otherwise exempt from SEC registration, including certain Rule 144A eligible securities. Derivatives could result in Fund 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 Fund's derivatives strategy may not be successful and could result in substantial, potentially unlimited, losses to the Fund regardless of the Fund'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 for a Fund. Derivatives may be, or over the term of the contract may become, more volatile than other types of investments and the use of derivatives may increase the volatility of a Fund's NAV. Derivatives can increase a Fund's risk exposure to underlying references, including the risk of an adverse credit event associated with the underlying reference (credit risk), the risk of an adverse movement in the value, price or rate of the underlying reference (market risk), the risk of an adverse movement in the value of underlying currencies (foreign currency risk) and the risk of an adverse movement in underlying interest rates (interest rate 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 the type of forward contracts traded by the Fund are not standardized or traded on exchanges. A relatively small price movement in a forward contract may result in substantial losses to a Fund, exceeding the amount of any margin paid by the Fund in respect of the contract. The use of forwards may increase the volatility of a Fund's NAV. Forward contracts can increase a Fund'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 the Fund to correlation risk, counterparty risk, hedging 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 — 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 may also exhibit greater volatility in price movement, which could result in significant losses for a Fund. 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 for a Fund. There is a risk that the current interest rate on variable and floating rate instruments may not accurately reflect current market interest rates or adequately compensate the holder for the current creditworthiness of the issuer. Inverse floaters can increase a Fund'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 the Fund to correlation risk, counterparty risk, hedging risk, leverage risk, liquidity risk, pricing risk and volatility risk.

Derivatives Risk — Options Risk.

Options are derivatives that give the purchaser the right to buy (in the case of a call option) or sell (in the case of a put option) an underlying reference from or to a counterparty at a specified price (the strike price) on or before an expiration date. A Fund may purchase or write put and call options on an underlying reference it is otherwise permitted to invest in or to which it is otherwise permitted to have economic exposure. Writing an option is also referred to as selling that option. When writing options, a Fund 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. Or, if the option is

cash settled, then the Fund is exposed to the risk that it may be required to make payments to the other party to the contract based upon changes in the value of the underlying reference over the term of the contract. If a Fund sells a put option that settles by delivery of the underlying, the Fund may be required to buy the underlying reference at a strike price that is above market price, resulting in a loss. If the put option sold by the Fund is cash settled, then that loss would be in the form of a payment that corresponds to the amount by which the strike price under the contract exceeds the market price of the underlying reference. If a Fund sells a call option that settles by delivery of the underlying, the Fund may be required to sell the underlying reference at a strike price that is below market price, resulting in a loss. If the call option sold by the Fund is cash settled, then that loss would be in the form of a payment that corresponds to the amount by which the market price of the underlying reference exceeds the strike price under the contract. If a Fund sells a call option that is not covered (meaning that the Fund does not own the underlying reference), the Fund's losses are potentially unlimited. Options may involve economic leverage, which could result in greater volatility in price movement. Options may be traded on an exchange or in the over-the-counter market. At or prior to maturity of an options contract, a Fund 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 Fund's risk exposure to underlying references such as credit risk, market risk, foreign currency risk and interest rate risk, while also exposing the Fund to correlation risk, counterparty risk, hedging 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 Fund. Structured investments can increase a Fund'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 the Fund to correlation risk, counterparty risk, hedging risk, leverage risk, liquidity risk, pricing risk and volatility risk.

Derivatives Risk — Swaps Risk.

. In a typical swap transaction, two parties agree to exchange an amount equal to the return, based upon an agreed-upon notional value, 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, or over the term of the contract may become, difficult to value and may be illiquid. Swaps could result in Fund 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 Fund. 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 Fund'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 Fund to correlation risk, counterparty risk, hedging risk, inflation risk, leverage risk, liquidity risk, pricing risk and volatility risk.

Emerging Market 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.

Event-Driven Trading Risk

A Fund may seek to profit from the occurrence of specific corporate or other events. A delay in the timing of these events, or the failure of these events to occur at all, may have a significant negative effect on a Fund's performance.

Event-driven investing requires the Investment Manager to make predictions about (i) the likelihood that an event will occur and (ii) the impact such event will have on the value of a company's securities. If the event fails to occur or it does not have the effect foreseen, losses can result. For example, the adoption of new business strategies, a meaningful change in management or the sale of a division or other significant assets by a company may not be valued as highly by the market as the Investment Manager had anticipated, resulting in losses. In addition, a company may announce a plan of restructuring which promises to enhance value and fail to implement it, resulting in losses to investors.

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.

Foreign Currency Risk

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

Foreign Security Risk

Investments in or exposure to foreign companies involve heightened risks relative to investments in or exposure to securities of U.S. companies. Investing in foreign companies subjects a portfolio to the risks associated with issuer's (and any of its related companies') country of organization and places of business operations and exposures, including 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 a portfolio's income, capital gains or proceeds from the disposition of foreign securities, which could reduce a 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 Fund or a Portfolio Fund could enter into dollar rolls, which are transactions in which the Fund or Portfolio Funds sells securities to a counterparty and simultaneously agrees to purchase those or similar securities in the future at a predetermined price. Dollar rolls involve the risk that the market value of the securities a Fund or a Portfolio Fund is obligated to repurchase may decline below the repurchase price, or that the counterparty may default on its obligations. These transactions may also increase a Fund's or a Portfolio Fund's turnover rate. If a fund or a Portfolio Fund reinvests the proceeds of the security sold, the Fund or the Portfolio Fund 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 the Fund's portfolio to carry out its investment strategies. Frequent trading of investments increases the possibility that the Fund will realize taxable capital gains (including short-term capital gains, which are generally taxable to shareholders at higher rates than long-term capital gains for U.S. federal income tax purposes), which could reduce the Fund's after-tax return. Frequent trading can also mean higher brokerage and other transaction costs, which could reduce the Fund's return. The trading costs and tax effects associated with portfolio turnover may adversely affect the Fund's performance.

Frontier Market Risk

Frontier market countries generally have smaller economies and even less developed capital markets than typical emerging market countries (which themselves have increased investment risk relative to more developed market countries) and, as a result, a Fund's exposure to risks associated with investing in emerging market countries are magnified when a Fund invests in frontier market countries. The increased risks include: the potential for extreme price volatility and illiquidity in frontier market countries; government ownership or control of parts of the private sector and of certain companies; trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist 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. In addition, frontier market countries are more likely to experience instability resulting, for example, from rapid changes or developments in social, political and economic conditions. Many frontier market countries are heavily dependent on international trade, which makes them more sensitive to world commodity prices and economic downturns and other conditions in other countries. Some frontier market countries have a higher risk of currency devaluations, and some of these countries may experience periods of high inflation or rapid changes in inflation rates and may have hostile relations with other countries. Securities issued by foreign governments or companies in frontier market countries are even more likely than emerging markets securities to have greater exposure to the risks of investing in foreign securities that are described in *Foreign Securities Risk*.

Fund-of-Funds Risk.

Determinations regarding asset classes or Portfolio Funds and a Fund's allocations thereto may not successfully achieve a Fund's investment objective, in whole or in part. The selected Portfolio Funds' performance may be lower than the performance of the asset class they were selected to represent or may be lower than the performance of alternative Portfolio Funds that could have been selected to represent the asset class. A Fund also is exposed to the same risks as the Portfolio Funds in direct proportion to the allocation of its assets among the Portfolio Funds. By investing in a combination of Portfolio Funds, a Fund has exposure to the risks of many areas of the market. The ability of a Fund to realize its investment objective will depend, in large part, on the extent to which the Portfolio Funds realize their investment objectives. There is no guarantee that the Portfolio Funds will achieve their respective investment objectives. The performance of Portfolio Funds could be adversely affected if other entities that invest in the same Portfolio Funds make relatively large investments or redemptions in such Portfolio Funds. A Fund, and its shareholders, indirectly bear a portion of the expenses of any funds in which the Fund invests. Because the expenses and costs of each Portfolio Fund are shared by its investors, redemptions by other investors in a Portfolio Fund could result in decreased economies of scale and increased operating expenses for such fund. These transactions might also result in higher brokerage, tax or other costs for a Portfolio Fund. This risk may be particularly important when one investor owns a substantial portion of a Portfolio Fund. For certain funds-of-funds, the Investment Manager typically selects Portfolio Funds from among the funds for which it, or an affiliate, acts as the investment manager (affiliated funds) and will select an unaffiliated Portfolio Fund only if the desired investment exposure is not available through an affiliated fund. The Investment Manager has a conflict of interest in choosing affiliated funds over unaffiliated funds when selecting and investing in Portfolio Funds because the Investment Manager and/or its affiliates receive management fees from affiliated funds, and the Investment Manager has a conflict in choosing among affiliated funds when selecting and investing in Portfolio Funds, because the fees paid to the Investment Manager and/or its affiliates by certain affiliated funds are

higher than the fees paid by other affiliated funds. Because of the Investment Manager's confidence in its own strategies, investment philosophy and capacities, it will, in selecting funds, at times prefer Columbia Acorn Funds over alternative investments. There can be no assurance, however, that an Acorn Fund selected for inclusion in Columbia Thermostat Fund will, in fact, outperform similar funds managed by the Investment Manager's affiliates. Also, to the extent that a Fund is constrained/restricted from investing (or investing further) in a particular Portfolio Fund for one or more reasons (e.g. Portfolio Fund capacity constraints or regulatory restrictions) or if a Fund chooses to sell its investment in a Portfolio Fund because of poor investment performance or for other reasons, the Fund may have to invest in another Portfolio Fund(s), including less desirable funds — from a strategy or investment performance standpoint — which could have a negative impact on Fund performance. In addition, Fund performance could be negatively impacted if the Investment Manager is unable to identify an appropriate alternate Portfolio Fund(s) in a timely manner or at all.

Fund Shares Liquidity Risk

Although the shares of Portfolio Funds that are ETFs are listed on the NYSE Arca, Inc. (the Exchange), there can be no assurance that an active, liquid or otherwise orderly trading market for shares will be established or maintained by market makers or Authorized Participants, particularly in times of stressed market conditions. In this regard, there is no obligation for market makers to make a market in the ETF Portfolio Fund's shares or for Authorized Participants to submit purchase or redemption orders for creation units. Accordingly, if such parties determine not to perform their respective roles, this could, in turn, lead to variances between the market price of the ETF Portfolio Fund's shares and the underlying value of those shares. Trading in ETF Portfolio Fund shares on the Exchange also may be disrupted or even halted due to market conditions or for reasons that, in the view of the Exchange, make trading in ETF Portfolio Fund shares inadvisable. In addition, trading in ETF Portfolio Fund shares on the Exchange may be subject to trading halts caused by extraordinary market volatility pursuant to the Exchange "circuit breaker" rules. There also can be no assurance that the requirements of the Exchange necessary to maintain the listing of the ETF Portfolio Fund's shares will continue to be met or will remain unchanged.

Geographic Focus Risk.

A Fund may be particularly susceptible to economic, political, regulatory or other events or conditions affecting issuers and countries within the specific geographic regions in which the Fund invests. Currency devaluations could occur in countries that have not yet experienced currency devaluation to date, or could continue to occur in countries that have already experienced such devaluations. As a result, a Fund's NAV may be more volatile than the NAV of a more geographically diversified fund.

Geographic Focus Risk - Asia Pacific Region Risk.

A number of 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 that country, 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.

The Fund is particularly susceptible 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, significant private and public sectors debt problems of a single European Union (EU) country can pose economic risks to the EU as a whole. As a result, the Fund may be more volatile than a Fund of a more geographically diversified portfolio. If securities of issuers in Europe fall out of favor, it may cause the Fund to underperform other funds that do not focus their investments in this region of the world. The UK's departure from the EU single market became effective January 1, 2021 with the end of the Brexit transition period and the post-Brexit trade deal between the UK and EU taking effect on December 31, 2020. The impact of any partial or complete dissolution of the EU on the United Kingdom (UK)

and European economies and the broader global economy could be significant, resulting in negative impacts on currency and financial markets generally, such as increased volatility and illiquidity, and potentially lower economic growth in markets in UK, Europe and globally, which may adversely affect the value of a Fund's investment.

Geographic Focus Risk - Japan.

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 cause uncertainty in 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 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 a Fund's 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 Fund'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 Fund.

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 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.

High Yield Investment 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.

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.

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 Fund’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.

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 Fund's investments may not keep pace with inflation, which may result in losses to Fund 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 loans and other debt instruments tend to fall, and if interest rates fall, the values of loans and other debt instruments tend to rise. Changes in the value of a debt instrument usually will not affect the amount of income the Fund receives from it but will generally affect the value of your investment in the Fund. Changes in interest rates may also affect the liquidity of the Fund'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 (the risk that the Fund will have to reinvest the money received in securities that have lower yields). Very low or negative interest rates may impact the Fund's yield and may increase the risk that, if followed by rising interest rates, the Fund's performance will be negatively impacted. The Fund 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. Such actions may negatively affect the value of debt instruments held by the Fund, resulting in a negative impact on the Fund's performance. Any interest rate increases could cause the value of the Fund's investments in debt instruments to decrease.

Large-Cap Stock Risk.

Investments in larger, more established companies (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, large-cap companies are sometimes unable 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 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. There can be no guarantee that a leverage strategy will be successful.

LIBOR Replacement Risk

The elimination of London Inter-Bank Offered Rate (LIBOR), among other "inter-bank offered" reference rates, may adversely affect the interest rates on, and value of, certain portfolio investments for which the value is tied to LIBOR. The U.K. Financial Conduct Authority and the ICE Benchmark Administration have announced that a majority of U.S. dollar LIBOR settings will cease publication after June 30, 2023. A subset of non-U.S. dollar LIBOR settings is continuing to be published on a "synthetic" basis and it is possible that a subset of U.S. dollar LIBOR settings will also be published after June 30, 2023 on a "synthetic" basis. Any such publications are or would be considered non-representative of the underlying market. Markets are slowly developing in response to the elimination of LIBOR. Uncertainty related to the liquidity impact of the change in rates, and how to appropriately adjust these rates at the time of transition, poses risks for a portfolio. These risks are likely to persist until new reference rates and fallbacks for both legacy and new instruments and contracts are commercially accepted and market practices become more settled. Alternatives to LIBOR have been established or are in development in most major currencies including the Secured Overnight Financing Rate (SOFR), which the U.S. Federal Reserve is promoting as the alternative reference rate to U.S. dollar LIBOR.

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.

Market Risk

The Fund 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 the Fund, including causing difficulty in assigning prices to hard-to-value assets in thinly traded and closed markets, 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, 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. In addition, as the share of assets invested in passive index-based strategies increases, price correlations among the securities included in an index may increase and the market value of securities, including those included in one or more market indices, may become less correlated with their underlying values. Because index-based strategies generally buy or sell securities based solely on their inclusion in an index, securities prices may rise or fall based on whether money is flowing into or out of these strategies rather than based on an analysis of the securities' underlying values. This valuation disparity could lead to increased price volatility for individual securities, and the market as a whole, which may result in Fund losses.

The coronavirus disease 2019 and its variants (COVID-19 pandemic has resulted in, and may continue to result in, significant global economic and societal disruption and market volatility due to disruptions in market access, resource availability, facilities operations, imposition of tariffs, export controls and supply chain disruption, among others. Such disruptions may be caused, or exacerbated by, quarantines and travel restrictions, workforce displacement and loss in human and other resources. The uncertainty surrounding the magnitude, duration, reach, costs and effects of the global pandemic, as well as actions that have been or could be taken by governmental authorities or other third parties, present unknowns that are yet to unfold. The impacts, as well as the uncertainty over impacts to come, of COVID-19 — and any other infectious illness outbreaks, epidemics and pandemics that may arise in the future — could

negatively affect global economies and markets in ways that cannot necessarily be foreseen. In addition, the impact of infectious illness outbreaks and epidemics in emerging market countries may be greater due to generally less established healthcare systems, governments and financial markets. Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The disruptions caused by COVID-19 could prevent the Fund from executing advantageous investment decisions in a timely manner and negatively impact the Fund's ability to achieve its investment objective. Any such event(s) could have a significant adverse impact on the value and risk profile of the Fund.

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 and commodities markets and significant devaluations of Russian currency. The extent and duration of the military action are impossible to predict but could 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 and other related events could have a negative impact on Fund performance and the value of an investment in the Fund.

Mid-Cap Company Securities 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 the liquidity of a money market fund's portfolio deteriorates below certain levels, the money market fund may suspend redemptions (i.e., impose a redemption gate) and thereby prevent a portfolio from selling its investment in the money market fund or impose a fee of up to 2% on amounts a portfolio redeems from the money market fund (i.e., impose a liquidity fee). These measures may result in an investment loss or prohibit a portfolio from redeeming shares when the portfolio manager would otherwise redeem shares. 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- and Other Asset- Backed Securities.

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.

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 (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 converted, prepaid or redeemed before maturity, the Investment Manager or the investment adviser to a Portfolio Fund 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 Fund. In the case of mortgage- or other 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 Fund's investments are locked in at a lower interest rate for a longer period of time, the Investment Manager or a Portfolio Fund's investment adviser 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 Fund 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. 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.

Redemption Risk.

A Fund may need to sell portfolio securities to meet redemption requests. A Fund could experience a loss when selling portfolio securities to meet redemption requests if there is (i) significant redemption activity by shareholders, including, for example, when a single investor or few large investors make a significant redemption of Fund shares, (ii) a disruption in the normal operation of the markets in which a Fund buys and sells portfolio securities or (iii) the inability of a Fund to sell portfolio securities because such securities are illiquid. In such events, a Fund could be forced to sell portfolio securities at unfavorable prices in an effort to generate sufficient cash to pay redeeming shareholders. A Fund may suspend redemptions or the payment of redemption proceeds when permitted by applicable regulations.

Regulatory Risk — Alternative Investments.

Legal, tax, and regulatory developments may adversely affect a Portfolio Fund that is an ETF and its investments. The regulatory environment for an ETF Portfolio Fund 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 the ETF Portfolio Fund's or others' interpretation of the application of certain regulations, may adversely affect the ability of the ETF Portfolio Fund to pursue its investment strategy, its ability to obtain leverage and financing, and the value of investments held by the ETF Portfolio Fund. 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 an ETF Portfolio Fund or any underlying funds or other investments to trade in securities or other instruments or the ability of the ETF Portfolio Fund 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 the ETF Portfolio Fund's performance.

Shareholders should understand that the business of an ETF Portfolio Fund is dynamic and is expected to change over time. Therefore, an ETF Portfolio Fund and its underlying investments may be subject to new or additional regulatory constraints in the future. Such regulations may have a significant impact on shareholders or the operations of the ETF Portfolio Fund, including, without limitation, restricting the types of investments the ETF Portfolio Fund may make, preventing the ETF Portfolio Fund from exercising its voting rights with regard to certain financial instruments, requiring the ETF Portfolio Fund to disclose the identity of its investors or otherwise. To the extent the ETF Portfolio Fund or its underlying investments are subject to such regulation, such regulations may have a detrimental effect on one or more shareholders. Prospective investors are encouraged to consult their own advisors regarding an investment in an ETF.

Reinvestment Risk.

Reinvestment risk arises when a Fund is unable to reinvest income or principal at the same or at least the same return it is currently earning.

Repurchase Agreements Risk.

Reverse repurchase agreements are agreements in which a Fund 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 Fund may decline below the price at which the Fund 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 Fund's overall returns. Leverage presents the opportunity for increased net income and capital gains, but may also exaggerate a Fund's volatility and risk of loss.

Rule 144A and Other Exempted Securities Risk.

A Fund may invest in privately placed “Rule 144A” and other securities or instruments exempt from SEC registration (collectively, “private placements”) that are determined to be liquid in accordance with procedures adopted by the Board. 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 Fund might be unable to dispose of them promptly or at reasonable prices, subjecting the Fund to liquidity risk (the risk that it may not be possible for the Fund to liquidate the instrument at an advantageous time or price). A Fund’s holdings of private placements may increase the level of Fund illiquidity if eligible buyers are unable or unwilling to purchase them at a particular time. A Fund may also have to bear the expense of registering the securities for resale and the risk of substantial delays in effecting the registration. Additionally, the purchase price and subsequent valuation of private placements typically reflect a discount, which may be significant, from the market price of comparable securities for which a more liquid market exists. 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 information is not filed with the SEC. Further, issuers of Rule 144A eligible securities can require recipients of the offering information (such as a Fund) to agree contractually to keep the information confidential, which could also adversely affect a Fund’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 ruble actions and the resulting future market disruptions, including declines in its stock markets, the value of the 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 cyber attaches on the Russian government, Russian companies or Russian individuals, including politicians, may 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 Fund 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, the portfolio may have a significant portion of its assets invested in securities of companies conducting business in a related group of industries within an economic sector. Companies in the same economic sector may be similarly affected by economic, regulatory, political or market events or conditions, making the portfolio more vulnerable to unfavorable developments in that economic sector than portfolios that invest more broadly. Generally, the more broadly a fund invests the more it spreads risk and potentially reduces the risks of loss and volatility.

Sector Risk — Consumer Discretionary/Staples Sector Investments. A portfolio may be more susceptible to the particular risks that may affect companies in the consumer discretionary/staples sectors than if it were invested in a wider variety of companies in unrelated sectors. Companies in the consumer discretionary/staples sectors are subject to certain risks, including fluctuations in the performance of the overall domestic and international economy, 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.

Sector Risk — Energy Sector Investments. A portfolio may be more susceptible to the particular risks that may affect companies in the energy sector than if it were invested in a wider variety of companies in unrelated sectors. 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.

Sector Risk — Financial Services Sector Investments. A portfolio may be more susceptible to the particular risks that may affect companies in the financial services sector than if it were invested in a wider variety of companies in unrelated sectors. 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.

Sector Risk — Health Care Sector Investments. A portfolio may be more susceptible to the particular risks that may affect companies in the health care sector than if it were invested in a wider variety of companies in unrelated sectors. 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.

Sector Risk — Industrials Sector Investments. A portfolio may be more susceptible to the particular risks that may affect companies in the industrials sector than if it were invested in a wider variety of companies in unrelated sectors. 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.

Sector Risk — Information Technology Sector Investment Risk. A portfolio is more susceptible to the particular risks that may affect companies in the information technology sector than if it were invested in a wider variety of companies in unrelated sectors. 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.

Sector Risk — Materials Investments. To the extent a Fund concentrates its investments in companies in the materials sector, it may be more susceptible to the particular risks that may affect companies in the materials sector than if it were invested in a wider variety of companies in unrelated sectors. 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 Fund'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.

Sector Risk — Utilities Sector Investments. To the extent a Fund concentrates its investments in companies in the energy sector, it may be more susceptible to the particular risks that may affect companies in that sector than if it were invested in a wider variety of companies in unrelated sectors. Companies in the utilities sector are subject to certain risks, including risks associated with government regulation, interest rate changes, financing difficulties, supply and demand for services or products, intense competition, natural resource conservation and commodity price fluctuations.

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.

Sovereign Debt Risk.

A sovereign debtor's willingness or ability 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 debtor's policy toward international lenders, and the political constraints to which a sovereign debtor may be subject.

With respect to sovereign debt of emerging market issuers, investors should be aware that certain emerging market countries are among the largest debtors to commercial banks and foreign governments. At times, certain emerging market countries have declared moratoria on the payment of principal and interest on external debt. Certain emerging market countries have experienced difficulty in servicing their sovereign debt on a timely basis and that has led to defaults and the restructuring of certain indebtedness to the detriment of debtholders. 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 Securities Risk.

Stripped securities are the separate income or principal components of debt securities. These securities are particularly sensitive to changes in interest rates, and therefore subject to greater fluctuations in price than typical interest-bearing debt securities. For example, stripped mortgage-backed securities have greater interest rate risk than mortgage-backed securities with like maturities, and stripped treasury securities have greater interest rate risk than traditional government securities with identical credit ratings.

U.S. Government and Related Obligations.

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.

Warrants and Rights Risk.

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 advisers 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.

COVID-19 Risks

The pandemic caused by the coronavirus disease 2019 and its variants ("COVID-19") pandemic has resulted in, and may continue to result in, significant global economic and societal disruption and market volatility due to disruptions in market access, resource availability, facilities operations, imposition of tariffs, export controls and supply chain disruption, among others. Such disruptions may be caused, or exacerbated by, quarantines and travel restrictions, workforce displacement and loss in human and other resources. The uncertainty surrounding the magnitude, duration, reach, costs and effects of the global pandemic, as well as actions that have been or could be taken by governmental authorities or other third parties, present unknowns that are yet to unfold. The impacts, as well as the uncertainty over impacts to come, of COVID-19 – and any other infectious illness outbreaks, epidemics and pandemics that may arise in the future – could negatively affect global economies and markets in ways that cannot necessarily be foreseen. In addition, the impact of infectious illness outbreaks and epidemics in emerging market countries may be greater due to generally less established healthcare systems, governments and financial markets. Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The disruptions caused by COVID-19 could prevent a client portfolio from executing advantageous investment decisions in a timely manner and negatively impact the portfolio's ability to achieve its investment objective. Any such event(s) could have a significant adverse impact on the value and risk profile of a client portfolio.

Cybersecurity Breaches, Systems Failure and Other Business Disruptions Risks

The Funds and their service providers, including the Investment Manager and its affiliates (Ameriprise Financial, which is the Investment Manager's parent company, the Distributor and the Transfer Agent (together with the Investment Manager, referred to herein as "we, us and our")), any investment subadvisers, the 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 the Funds 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, the Funds' and the Service Providers' operations may be significantly impacted, or even temporarily halted. The Funds' 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 including personal investor information (and that of beneficial owners of investors), being lost, withheld for ransom, misused, destroyed, stolen, released, corrupted or rendered unavailable, (ii) unauthorized access to Systems and loss of operational capacity, including from, but not limited to, for example, denial-of-service attacks (i.e., efforts to make network services and other Systems unavailable to intended users), and (iii) the misappropriation of Fund or investor assets or sensitive information. Any such events could negatively impact Service Provider Personnel and Systems and may have significant adverse impacts on the Funds and their shareholders.

Systems and Personnel disruptions and failures such as cybersecurity breaches may cause delays or mistakes in materials provided to shareholders and may also interfere with, or negatively impact, the processing of Fund investor transactions, pricing of Fund investments, calculating Fund NAVs, and trading within a Fund's portfolio, while causing or subjecting the Funds to potential financial losses as well as additional compliance, legal, and operational costs. Such events could negatively impact the Fund, its shareholders and the business, financial condition and performance or results of operations of 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 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, data thefts, Systems break-ins or other types of 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 ("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. The Funds and their shareholders 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. The Investment Manager and its affiliates have systematically implemented strategies to address the operating environment spurred by the COVID-19 pandemic. The Investment Manager's operations teams seek to operate without significant disruptions in service. Its 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. The Fund 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 on us and As a result, there can be no assurance that the Funds 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, the Funds 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 and may negatively impact 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 the Funds against all losses.

Stock and other market exchanges, financial intermediaries, issuers of, and counterparties to, the Funds' 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 the Funds and their shareholders. Issuers of securities or other instruments in which the Funds 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 the Funds' 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.

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-

today 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.

No Guarantee of Performance

All investments involve risk (the amount of which may vary significantly), 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.

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.

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 adviser engaged to evaluate a client's overall investment program can assist clients with an evaluation of risks associated with investment strategies.

Regulatory Risk — Banking. Ameriprise Financial, the ultimate parent company of Columbia Management Investment Advisers, may in the future be 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 Columbia Management Investment Advisers and its affiliates. 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 and/or liquidate certain client positions.

Under the BHCA, if we or an affiliate were deemed to “control” a fund managed by Columbia Management Investment Advisers, 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 Columbia Management Investment Advisers and its 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 Columbia Management Investment Advisers, 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 Columbia Management Investment Advisers and its 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.

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.

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.