

An overview of Columbia Active Risk Allocation Portfolios

At a glance

🎯 **Investor goal**
Managing volatility

★ **Potential benefits**

Risk-allocated for more consistency.

Allocating risk across global markets may help investors achieve their goals more consistently.

Active and passive implementation.

Diverse investment options allocate across global asset classes, through ETFs and mutual funds.

Global multi-asset diversification.

Invests in an array of global asset classes, enhancing diversification and potentially mitigating the effects of market volatility.

Adaptive approach.

Using tactical and dynamic repositioning can adapt and shift the diversification mix when market conditions change.

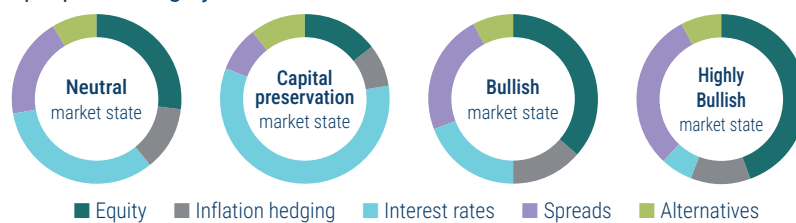
What do they do?

These model portfolios are built to pursue more consistent returns with a strategy designed to adjust risk exposure as market conditions change.

What makes them unique?

The portfolios follow a rules-based and systematic process that reallocates the portfolios on a monthly basis to align with current market conditions, helping the portfolio to participate in market opportunities and seeking to mitigate risk during extreme conditions.

Sample positioning by market state

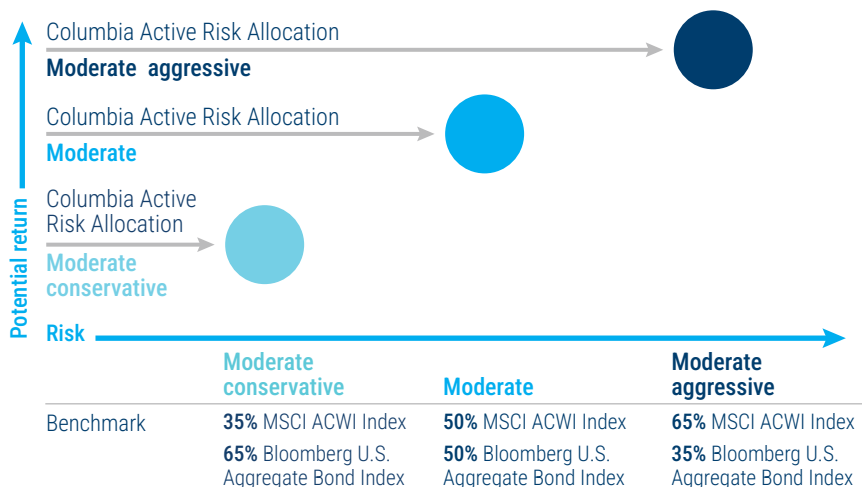


Sample positioning based on the moderate portfolio. Actual allocations subject to change.

How do they work?

These global, multi-manager, risk-allocated portfolios are constructed to adapt exposure to asset classes in traditional, nontraditional and alternative strategies. They adhere to a **rules-based market-state classification process**, adjusting risk exposure as market environments change to pursue consistent returns in all markets.

Select the portfolio that best aligns with your tolerance for risk.



The MSCI All Country World Index (MSCI ACWI Index) is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance in the global developed and emerging markets. The Bloomberg U.S. Aggregate Bond Index is a market value-weighted index that tracks the daily price, coupon, paydowns and total return performance of fixed-rate, publicly placed, dollar-denominated and nonconvertible investment-grade debt issues with at least \$250 million par amount outstanding and with at least one year to final maturity. It is not possible to invest directly in an index.

There is no guarantee that the investment objective will be achieved or that return expectations will be met. Diversification does not assure a profit or protect against loss.

Backed by experts

Our **Multi-Asset Solutions Team** harnesses deep expertise and firmwide resources to ensure we are creating and implementing strategies to help our clients reach their investment goals.

\$71.4 billion
in assets under management¹

15 years
of investment experience
on average

22
asset allocation
investment professionals

Complement your expertise with ours

We offer model portfolios across a diverse suite of 51 strategies, helping investors reach their investment goals for more than 16 years.



Proven expertise.

Broad asset allocation capabilities, multi-manager research and strong underlying investment strategies are all informed by our risk-aware philosophy.

Strong partnership.

Simplify your practice and strengthen your client offerings with access to resources that can scale and grow your practice.

A focus on clients.

Every strategy is built with your clients in mind, seeking to align their investment goals with financial outcomes.

To speak to one of our model portfolio specialists,
call **800.870.8582**.



¹ Asset allocation team assets shown reflect Columbia Management Investment Advisers, LLC assets as of December 31, 2024. Investment experience and model information as of December 31, 2024.

Market risk may affect a single issuer, sector of the economy, industry or the market as a whole. The portfolios are subject to the investment performance (positive or negative), risks and expenses of **underlying funds** in which they invest. **Asset allocation** does not assure a profit or protect against loss. ETFs trade like stocks, are subject to investment risk and will fluctuate in market value. Investing in **derivatives** is a specialized activity that involves special risks that subject the portfolio to significant loss potential, including when used as **leverage**, and may result in greater fluctuation in portfolio value. The portfolio's use of **leverage** allows for investment exposure in excess of net assets, thereby potentially magnifying volatility of returns and risk of loss. **Counterparty** risk is the risk that a counterparty to a transaction in a financial instrument held by investments inside the portfolio(s) may become insolvent or otherwise fail to perform its obligations. As a result, the underlying fund may obtain no or limited recovery of its investment, and any recovery may be significantly delayed. **Commodity** investments may be affected by the overall market and industry-and commodity-specific factors, and may be more volatile and less liquid than other investments. **Short** positions (where the underlying asset is not owned) can create unlimited risk. **International** investing involves certain risks and volatility due to potential political, economic or currency instabilities and different financial and accounting standards. Risks are enhanced for **emerging market** issuers. Fixed-income securities present issuer **default** risk. A rise in **interest rates** may result in a price decline of fixed-income instruments held by the portfolio, negatively impacting its performance and NAV. Falling rates may result in the portfolio investing in lower yielding debt instruments, lowering the portfolio's income and yield. These risks may be heightened for longer maturity and duration securities. Interest payments on inflation-protected securities may be more volatile than interest paid on ordinary bonds. **Inflation-protected securities** can provide investors with a hedge against inflation, as the securities have an inflation adjustment feature which helps preserve the purchasing power of the investment. Because of this inflation adjustment feature, inflation protected bonds typically have lower yields-to-maturity than conventional duration equivalent fixed rate bonds. In periods of deflation, inflation-protected securities may provide no income and will likely decline in price, which could result in losses.

Market state classification: The management team employs quantitative and fundamental methods to identify four distinct market environments, described as neutral, capital preservation, bullish and highly bullish. The market states are generally characterized by a combination of bond and stock market conditions as follows: **capital preservation** (unfavorable bond market and neutral stock market conditions), **neutral** (neutral bond and stock market conditions), **bullish** (neutral bond market and favorable stock market conditions) and **highly bullish** (unfavorable bond market and favorable stock market conditions). A strategic risk allocation is created for each environment by analyzing multiple market indicators such as interest rates, inflation measures, yield curve, momentum, volatility and valuations. The neutral market state represents the environment that the management team expects to be in the most frequently and under normal circumstances. Within the other market states, the management team may increase or decrease the risk exposure to certain asset classes with the goal of generating attractive risk-adjusted returns and minimizing drawdown in that environment.

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Not FDIC or NCUA Insured No Financial Institution Guarantee May Lose Value

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