

# News Release

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## Columbia Threadneedle Investments Launches Columbia Diversified Fixed Income Allocation ETF (DIAL)

**Boston – October 12, 2017** – Columbia Threadneedle Investments today announced the expansion of its strategic beta exchange-traded fund (ETF) offerings, with the launch of Columbia Diversified Fixed Income Allocation ETF (NYSE Arca: DIAL). DIAL will track the *Beta Advantage*<sup>®</sup> Multi-Sector Bond Index, which provides a rules-based approach to investing in six fixed income sectors. Columbia Threadneedle drew upon its expertise as a leading, fixed income manager to create the strategic beta rules that are the foundation of the index. The index is owned and calculated by Bloomberg Index Services Limited.

An all-in-one approach to fixed income investing, DIAL provides investors with a diversified portfolio of fixed income securities across six sectors that is designed to serve as a core fixed income allocation, creating a multi-sector bond strategy focused on balancing yield, quality and liquidity. These sectors include U.S. Treasuries, global treasuries ex-U.S., U.S. investment-grade corporate bonds, U.S. mortgage-backed securities, U.S. high-yield corporate bonds and emerging market sovereign debt. DIAL's rules-based investment approach aims to address investor concerns of having consistent income with downside protection, regardless of the interest rate environment.



“As the market enters a new rate regime, investors may need to adjust their fixed income allocations and broaden their opportunity set. Unlike traditional ETFs, strategic beta ETFs do more than track a benchmark,” said Gene Tannuzzo, CFA, senior portfolio manager at Columbia Threadneedle Investments. “They incorporate active insights and are outcome-oriented.”

The traditional benchmark fixed income index does not foster diversification, with an outsized weighting to sovereign bonds and high correlation between its two largest sectors, U.S. Treasuries and U.S. mortgage-backed securities.

“DIAL’s disciplined process is designed to seek more sources of income and avoid the overconcentration found in traditional fixed income benchmarks,” said Marc Zeitoun, CFA, head of strategic beta at Columbia Threadneedle Investments. “Few strategic beta fixed income ETFs on the market today effectively address clients’ fixed income needs around yield, quality and liquidity in a thoughtful way.”

While the strategic beta fixed income ETF market is in the early stages of adoption, according to a recent Columbia Threadneedle Investments survey of financial advisors and investment managers, over half would consider investing in a strategic beta fixed income ETF. Respondents ranked expertise as an active fixed income manager and track record as the top considerations (both 20 percent) when purchasing a fixed income strategic beta product.

The survey was conducted online during the month of June 2017 among 220 financial advisors and investment professionals. More than 49 percent of survey participants manage more than \$100 million in assets.

DIAL launches today with a 90-day contractual management fee waiver and is thereafter competitively priced at 28 basis points.<sup>1</sup>

#### **About Columbia Threadneedle Investments:**

Columbia Threadneedle Investments is a leading global asset manager that provides a broad range of investment strategies and solutions for individual, institutional and corporate clients around the world. With more than 2,000 people, including over 450 investment professionals based in North America, Europe and Asia, we manage \$473 billion<sup>2</sup> of assets across developed and emerging market equities, fixed income, asset allocation solutions and alternatives.

Columbia Threadneedle Investments is the global asset management group of Ameriprise Financial, Inc. (NYSE: AMP).

For more information, please visit <https://www.columbiathreadneedleus.com/>.

For more information about our ETFs, please visit <http://www.columbiathreadneedleetf.com/>.

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<sup>1</sup>Columbia Management Investment Advisers, LLC has contractually agreed to waive its entire 0.28% management fee for a period of 90 calendar days, commencing from October 12, 2017 and ending on January 9, 2018.

<sup>2</sup>As of June 30, 2017.

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**Carefully consider the fund's investment objectives, risk factors and charges and expenses before investing. This and other information can be found in the fund's prospectus, which may be obtained by calling 888.800.4347 or by visiting the fund's website [www.columbiathreadneedleetf.com](http://www.columbiathreadneedleetf.com) to view or download a prospectus. Read the prospectus carefully before investing. Investing involves risk, including possible loss of principal.**

The Columbia Diversified Fixed Income Allocation ETF (the Fund) seeks investment results that, before fees and expenses, closely correspond to the performance of the *Beta Advantage*<sup>®</sup> Multi-Sector Bond Index.

Investment risks — Fixed income securities involve interest rate, credit, inflation, illiquidity and reinvestment risks. As interest rates rise, the value of fixed income securities falls. High yield investments possess greater price volatility, illiquidity, and possibility of default. International investments are subject to special risks, including currency fluctuations, and social, economic and political uncertainties, which could increase volatility. These risks are magnified in emerging markets. Asset-backed, mortgage-backed or mortgage-related securities are subject to prepayment and extension risks. Although the Fund's shares are listed on the Exchange, there can be no assurance that an active, liquid or otherwise orderly trading market for shares will be established or maintained. In addition to the multi-sector bond strategies employed, the Fund may invest in other securities, including private placements. The Fund may have portfolio turnover, which may cause an adverse cost impact.

This fund is newly organized and does not have an operating history. There is no guarantee that the investment objectives will be achieved or that return expectations will be met.

*Shares are not individually redeemable. Investors buy and sell shares on a secondary market. Only market makers or "authorized participants" may trade directly with the Fund(s), typically in blocks of 50,000 shares.*

*Shares are not FDIC insured, may lose value and have no bank guarantee.*

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The fund is distributed by **ALPS Distributors, Inc.**, and managed by Columbia Management Investment Advisers, LLC. (CMIA). ALPS is not affiliated with CMIA.

Investment products are not federally or FDIC-insured, deposits or obligations of or guaranteed by any financial institution and involve risks, including possible loss of principal and fluctuation in value.

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