FOURTH QUARTER 2020
INVESTMENT COMMENTARY

COLUMBIA THREADNEEDLE INVESTMENTS

Your success. Our priority.

Share Class	A	Advisor	C	Institutional	Institutional 2	Institutional 3
Symbol	INTAX	CATRX	RTCEX	CATZX	CADNX	CATYX

Columbia Strategic Municipal Income Fund

Overall Morningstar Rating™

★★★★ Class A

★★★★ Institutional Class

The Morningstar Rating is for the indicated share classes only as of 12/31/20; other classes may have different performance characteristics. **The Morningstar ratings for the overall, three-, five- and ten-year periods for Class A shares are 4 stars, 3 stars, 4 stars and 4 stars and for Institutional Class shares are 4 stars, 3 stars, 4 stars and 5 stars among 141, 141, 125 and 101 Muni National Long funds respectively, and are based on a Morningstar Risk-Adjusted Return measure.**

The fund's flexible mandate allows it to focus on generating attractive tax-exempt income while navigating multiple sources of market volatility.

Attractive level of tax-exempt income

Income is the most significant contributor to long-term total return, and targeting diversified sources of income across the municipal bond market can generate more consistent outcomes across market environments.

Flexible investment approach

With the flexibility to opportunistically invest along the yield curve and credit spectrum, the investment team can implement its best ideas to maximize yield and total return potential across various environments.

Driven by proprietary credit research

Management employs rigorous credit research to uncover attractive, undervalued investment opportunities and avoid potential pitfalls.

Expense ratio[2]

Share class	No waiver (gross)	With waiver (net)
Institutional	0.56%	0.55%
A	0.81%	0.80%

The investment manager and certain of its affiliates have contractually (for at least one year from the prospectus date) agreed to waive certain fees and/or to reimburse certain fund expenses.

Fund performance

- Institutional Class shares of Columbia Strategic Municipal Income Fund returned 3.15% for the three months ending December 31, 2020 and 5.34% for the year. For monthly performance information, please check online at columbiathreadneedle.com.
- The fund's benchmark, the Bloomberg Barclays Municipal Bond Index, returned 1.82% for the quarter and 5.21% for the year.
- The fund's relative outperformance for the quarter was aided by duration and yield curve positioning, as well as credit and security selection. (Duration is a measure of a bond's sensitivity to changes in interest rates.)

Market overview

Record issuance during October started the fourth quarter on uneasy footing. As issuers rushed to float new deals ahead of the November election, excess supply and upward rate pressure during the month pushed municipal total returns into negative territory. However, election volatility failed to materialize, and the blue wave priced in by rates markets clung to the slimmest possibility, as it became clear that control of the federal government would hinge on January runoff elections for both senate seats in Georgia. Heading into year end, positive news regarding COVID-19 vaccine approvals sparked a renewed bid for risk assets, including municipals. After having flooded the market with pre-election supply, municipal investors were left with limited new issuance to meet demand in November and December, a dynamic that helped end the year on a positive note. Despite waning supply in the final months of the year and the issuance shutdown in March, total new supply for 2020 set a record at $469 billion. Issuers rushing to take advantage of low rates, and a dramatic increase in taxable issuance bore responsibility for much of the supply surge, though investors readily absorbed new supply, as fund flows ended the year positive by nearly $40 billion.

The Bloomberg Barclays Municipal Bond Index closed the fourth quarter higher by 1.82%, pushing full-year total returns to 5.21%. Higher quality segments of the broad investment-

Average annual total returns (%) for period ending December 31, 2020

Columbia Strategic Municipal Income Fund	3-mon.	1-year	3-year	5-year	10-year
Institutional Class[1]	3.15	5.34	4.93	4.59	5.78
Class A without sales charge	3.08	5.01	4.64	4.31	5.51
Class A with 3.00% maximum sales charge	-0.01	1.80	3.55	3.65	5.20
Bloomberg Barclays Municipal Bond Index	1.82	5.21	4.64	3.91	4.63
Bloomberg Barclays Municipal High Yield Index	4.51	4.89	6.74	6.56	6.86

Performance data shown represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data shown. Please visit columbiathreadneedle.com for performance data current to the most recent month end. Institutional Class shares are sold at net asset value and have limited eligibility. Columbia Management Investment Distributors, Inc. offers multiple share classes, not all necessarily available through all firms, and the share class ratings may vary. Contact us for details.

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Credit Quality (%)
as of December 31, 2020

Columbia Strategic Municipal Income Fund

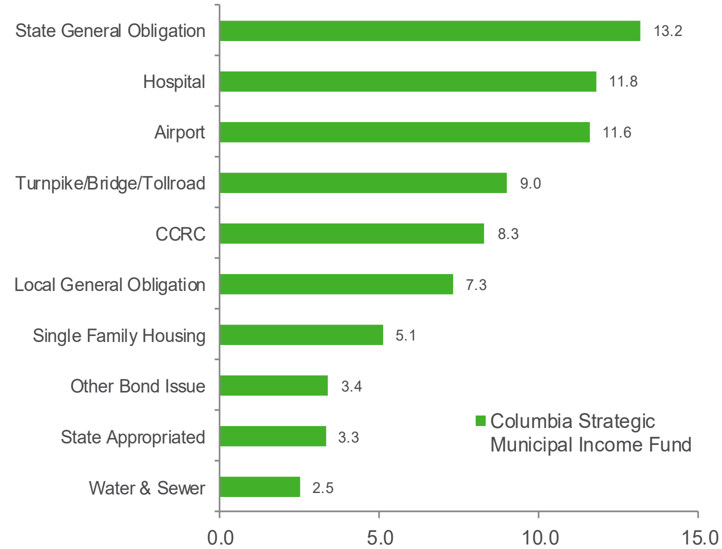
AAA	10.0
AA	26.0
A	30.9
BBB	18.6
BB	3.6
D	0.3
Not rated	9.3
Cash and equivalents	1.3

Third-party rating agencies provide bond ratings ranging from AAA (highest) to D (lowest). When three ratings are available from Moody's, S&P and Fitch, the middle rating is used. When two are available, the lower rating is used. If only one is available, that rating is used. If a security is Not Rated but has a rating by Kroll and/or DBRS, the same methodology is applied to those bonds that would otherwise be Not Rated. Bonds with no third-party rating are designated as Not Rated. Investments are primarily based on internal proprietary research and ratings assigned by our fixed income investment analysts. Therefore, securities designated as Not Rated do not necessarily indicate low credit quality, and for such securities the investment adviser evaluates the credit quality. Holdings of the portfolio other than bonds are categorized under Other. Credit ratings are subjective opinions of the credit rating agency and not statements of fact and may become stale or subject to change.

Due to rounding, percentages may not add up to 100.

grade index outperformed for the year, with AAA rated bonds in the index returning 5.51%, while BBB rated bonds and the high-yield index trailed at 4.55% and 4.89%, respectively. Conversely, lower quality segments outperformed for the quarter, with the high-yield muni index returning 4.51%, BBBs 3.53%, and AA and AAA returning 1.47% and 1.22%, respectively. The long end led performance for another quarter, as bonds in the investment-grade muni index maturing beyond 22 years were higher by 0.92%, while those on the five-year portion of the curve posted gains of 0.36%. Additionally, relative outperformance versus Treasuries pushed AAA muni/Treasury yield ratios below long-term averages, and, as the year closed, ratios beyond five years were nearing pre-COVID-19 lows. The five-year muni/Treasury yield ratio ended the year at 61%, with the 10-year and 30-year ratios closing at 77% and 84%, respectively. Though AAA ratios were approaching pre-pandemic levels, spreads for lower investment grade, high yield and some of the sectors hardest hit by COVID-19 had yet to fully recover, paving the way for potential spread-tightening opportunities as the post-pandemic recovery takes shape.

Top Sector weights (%)
as of December 31, 2020



Source: PERFORM

Quarterly portfolio recap

The fund's long duration position and overweight to maturities beyond 10 years was additive for the period, as municipal yields declined, and the curve flattened. Yields on the front end were lower between 1 to 5 basis points (bps), while yields for maturities longer than 10 years were lower between 15 and 24 bps. (A basis point is 1/100 of a percent.) Lower quality portions of the market continued to close the gap on higher quality, generating outperformance for the quarter, as investors regained comfort with credit risk. The portfolio's overweight to bonds rated single-A and BBB and below-investment-grade holdings were additive for the period, while timely additions to more liquid portions of the high-yield and BBB segments of the market also contributed positively. Sector performance was driven by overweights in airports, hospitals, continuing care retirement

Columbia Strategic Municipal Income Fund

Top holdings (% of net assets): as of December 31, 2020

Vaneck High-Yield Municipal	1.60
VA Transform 66 P3 Proj AMT 5.000 12/31/2052	0.86
Columbia Multi-Sector Municipal Income Fund	0.83
MD State Gov 5.000 03/15/2032	0.81
TX NTE Segment 3c Proj Toll Rd Amt 5.000 06/30/2058	0.80
TX San Antonio Elec & Gas Rev 5.000 02/01/2034	0.79
DC State Gov 5.000 10/15/2033	0.78
CO St HFA Commonspirit Health 4.000 08/01/2044	0.76
MN State GOV 5.000 08/01/2029	0.75
CA State GOV 5.000 03/01/2034	0.75

Top holdings exclude short-term holdings and cash, if applicable. Fund holdings are as of the date given, are subject to change at any time, and are not recommendations to buy or sell any security. Current and future bond holdings are subject to risk.

communities (CCRCs) and toll roads, all of which generated significant positive contributions. Slight negative contributions were derived from underweights to leasing and transportation bonds, though effects within both sectors were more than offset by positive security selection. Issue selection effects were also notably positive in CCRCs, airlines and state general obligation bonds (GOs).

Portfolio activity

Activity for the quarter took advantage of the continued rebound in risk assets. We actively rotated out of issues that had reached relatively full valuations, while repositioning into segments of the market with greater prospective spread-tightening potential. This included a modest addition to below investment grade, focused on the more liquid portions of the high-yield market, sales tax-backed structures and select charter school issues. Purchases were funded through a combination of fund inflows, reduction in exposure to housing and higher quality GOs, as well as the continued paring of select weaker credits. Although the fund's underlying maturity profile remained largely unchanged quarter over quarter, we tactically moderated its overall duration profile to mitigate the possibility of near-term rate volatility in the new year.

Outlook

Positive momentum carried through year end, as lawmakers were finally able to pass a long-awaited stimulus package. Although state and local governments did not receive direct federal assistance from the bill, support for sectors hardest hit by COVID-19 should indirectly help municipal budgets. In addition, the transition to a Democratic administration has increased the likelihood of further stimulus, and possible policy changes will be front and center for municipal investors in the coming year. The prospect of federal tax rates reverting to higher levels both at the individual and corporate level should drive demand for tax-exempt income. However, other possible policy shifts to closely watch include the return of tax-exempt advance refundings or the repeal of the SALT deduction cap. Neither issue has yet risen to the forefront of proposed legislative agendas, and it is unlikely that such changes would dramatically reduce demand in a higher tax environment.

Expectations for municipal supply in 2021 echo those of the prior year, when even though new issuance reached a record, much of it was diverted into the taxable market. Advantageous from fewer restrictions on their use of proceeds as well as fewer reporting requirements, taxable municipals have gained a more solid foothold in the municipal landscape. Should rates remain low, issuers will again be inclined to use taxable issuance to meet some of their capital needs. The possibility of a large-scale federal infrastructure spending plan could boost municipal issuance, but precisely how much and which variety of municipal issuance (tax-exempt or taxable) would depend on a number of competing factors. No bipartisan agreement for such a plan exists yet, though it does warrant mention, as it could have profound implications on the municipal supply outlook.

With AAA muni/Treasury yield ratios now below long-term averages, relative value in municipal bonds skews decidedly in favor of lower investment-grade segments of the market. Spreads in bonds rated single-A and BBB remain wide to AAA on a historical basis, while improving economic conditions of a post-COVID-19 recovery should provide a tightening bias. However, outperformance in the coming year is not likely to be driven solely by an overweight to credit risk. Credit variation within similar quality ratings and sectors remains quite high, as some issuers experienced less financial strain at the onset of the pandemic or demonstrated greater financial flexibility in dealing with its effects. As such, security selection should be a key driver of returns moving forward, emphasizing the need for diversification and skilled credit selection.

COLUMBIA THREADNEEDLE INVESTMENTS

Investment Risks

Fixed-income securities present **issuer** default risk. The fund invests substantially in **municipal securities** and will be affected by tax, legislative, regulatory, demographic or political changes, as well as changes impacting a state's financial, economic or other conditions. A relatively small number of tax-exempt issuers may necessitate the fund investing more heavily in a single issuer and, therefore, be more exposed to the risk of loss than a fund that invests more broadly. **Prepayment and extension** risk exists because the timing of payments on a loan, bond or other investment may accelerate when interest rates fall or decelerate when interest rates rise which may reduce investment opportunities and potential returns. A rise in **interest rates** may result in a price decline of fixed-income instruments held by the fund, negatively impacting its performance and NAV. Falling rates may result in the fund investing in lower yielding debt instruments, lowering the fund's income and yield. These risks may be heightened for longer maturity and duration securities. **Non-investment-grade** (high-yield or junk) securities present greater price volatility and more risk to principal and income than higher rated securities. **Market** risk may affect a single issuer, sector of the economy, industry or the market as a whole. Federal and state **tax** rules apply to capital gain distributions and any gains or losses on sales. Income may be subject to state, local or alternative minimum taxes. **Liquidity** risk is associated with the difficulty of selling underlying investments at a desirable time or price.

Investors should consider the investment objectives, risks, charges and expenses of a mutual fund carefully before investing. For a free prospectus or a summary prospectus, which contains this and other important information about the funds, visit columbiathreadneedle.com. Read the prospectus carefully before investing.

Columbia Threadneedle Investments (Columbia Threadneedle) is the global brand name of the Columbia and Threadneedle group of companies.

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Additional performance information: All results shown assume reinvestment of distributions and do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

[1]The returns shown for periods prior to the share class inception date (including returns since inception, which are since fund inception) include the returns of the fund's oldest share class. These returns are adjusted to reflect any higher class-related operating expenses of the newer share classes, as applicable. **For more information please visit: columbiathreadneedleus.com/investor/investment-products/mutual-funds/appended-performance**

[2]The fund's expense ratio is from the most recent prospectus.

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ used to rank the fund against other funds in the same category. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly excess performance, without any adjustments for loads (front-end, deferred, or redemption fees), placing more emphasis on downward variations and rewarding consistent performance. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages). The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics.

The **Bloomberg Barclays Municipal Bond Index** is an unmanaged index made up of a representative list of general obligation, revenue, insured and pre-refunded bonds. The index, which reflects reinvestment of all distributions and changes in market prices, is frequently used as a general measure of tax-exempt bond market performance.

The **Bloomberg Barclays Municipal High Yield Index** is comprised of bonds with maturities greater than one-year, having a par value of at least $3 million issued as part of a transaction size greater than $20 million, and rated no higher than "BB+" or equivalent by any of the three principal rating agencies.

Indices shown are unmanaged and do not reflect the impact of fees. It is not possible to invest directly in an index.